Fighting for attention:

The industry quest for quality views

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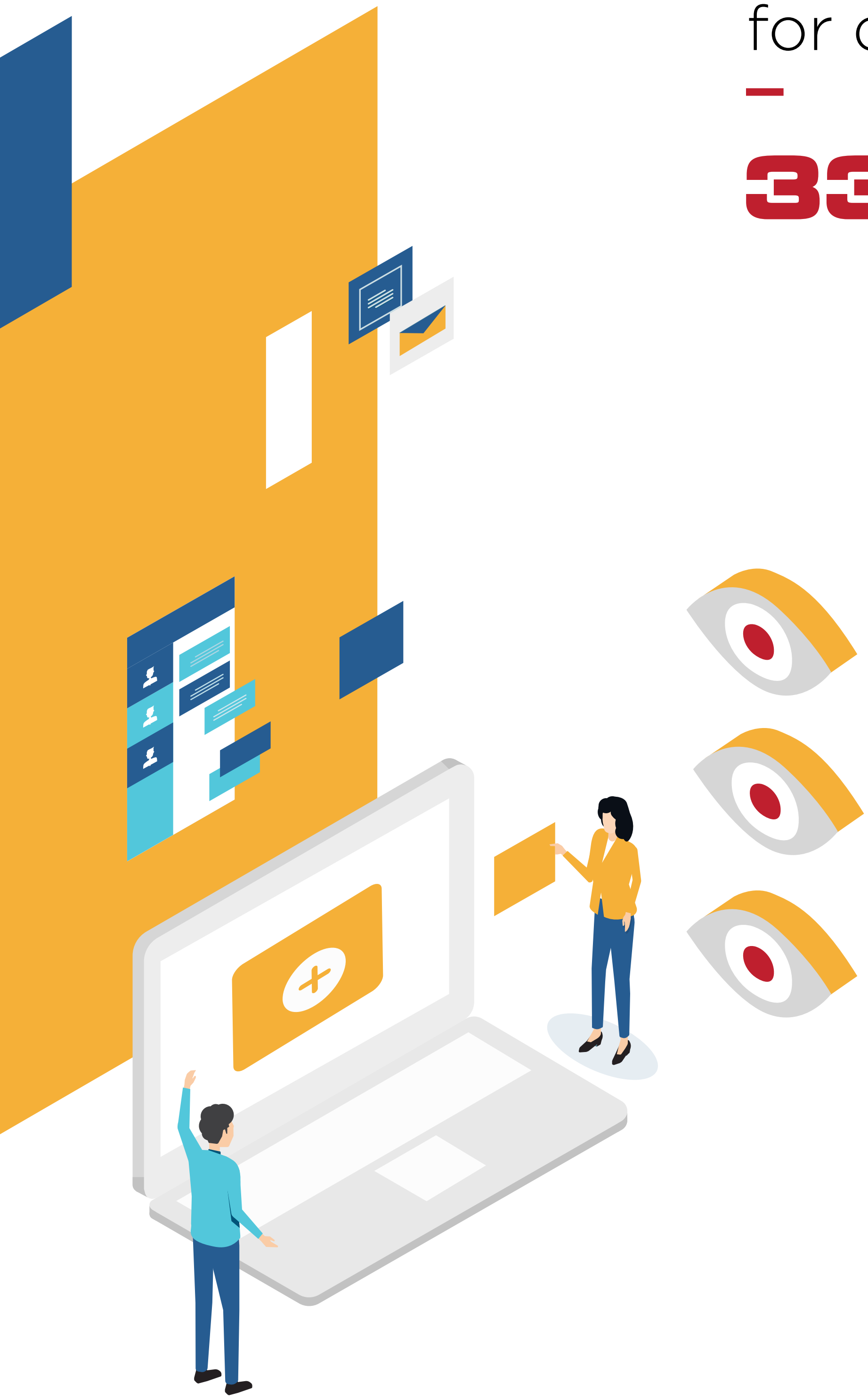

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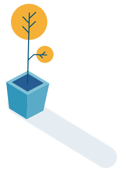


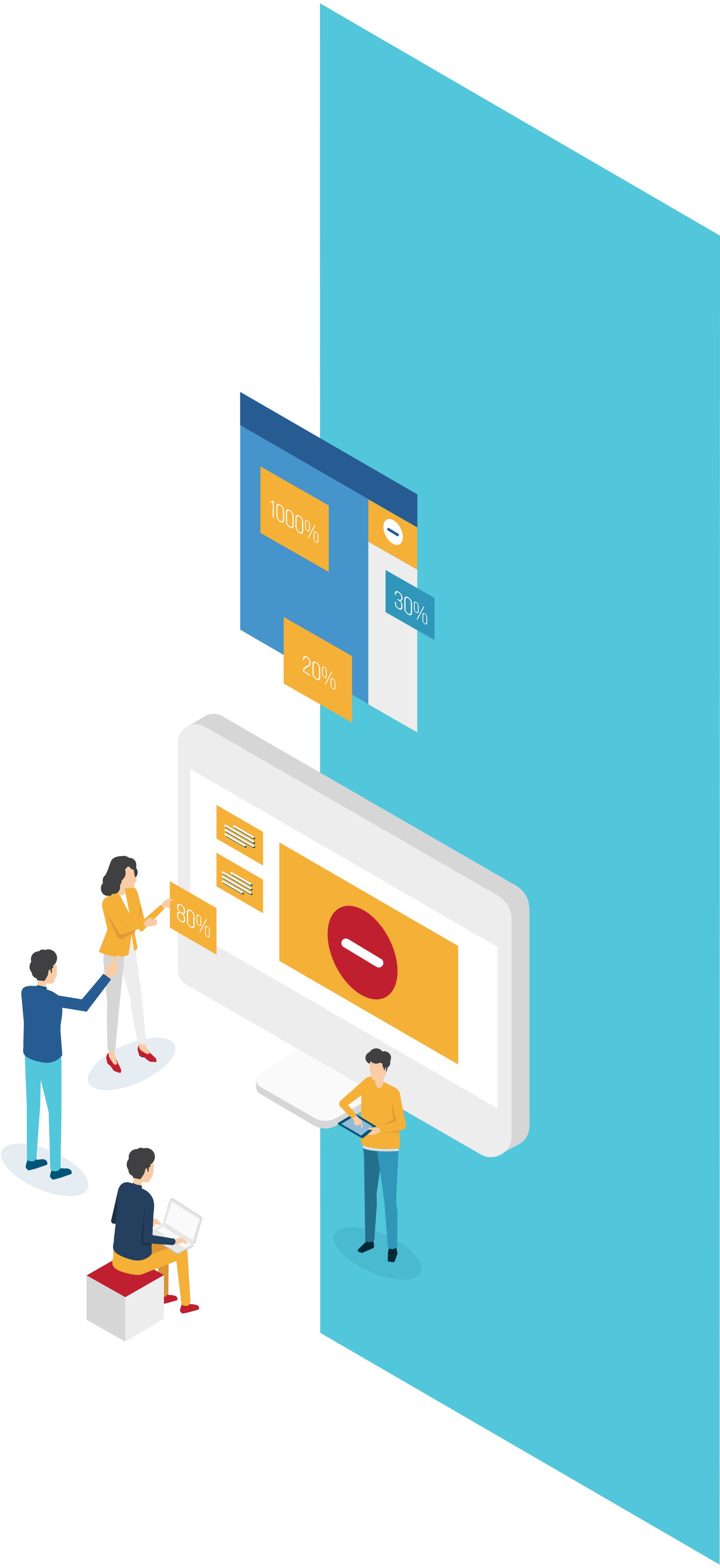
Introduction

Once upon a time, an impression was an impression, and that was enough for digital advertisers everywhere. Times have certainly changed.

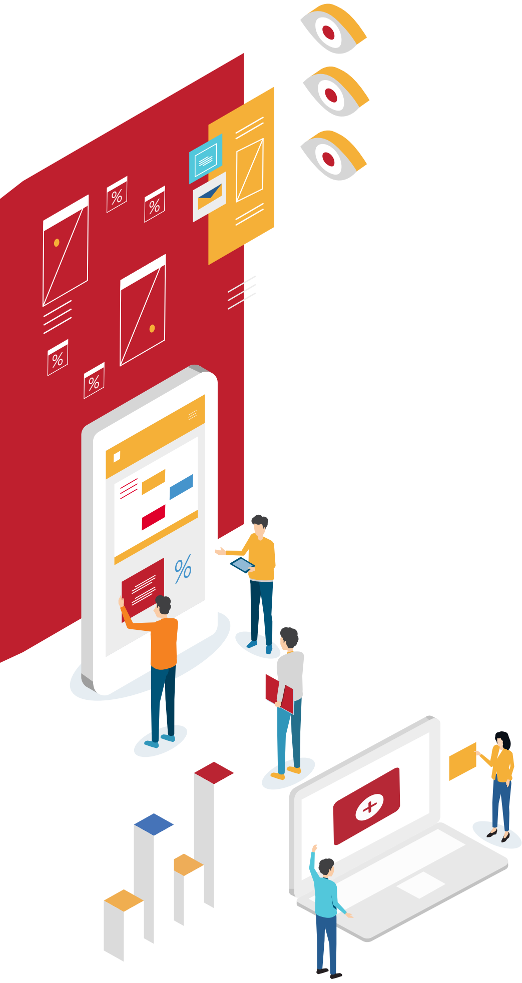
Programmatic buyers are rapidly moving away from a singular focus on chasing cookies toward a broader playbook of monitoring fraud, viewability, engagement, and return on advertising spend (ROAS). This shift in how performance is evaluated is leading marketers to question whether the current viewability standards adequately measure true audience attention.

Buyers are turning to more sophisticated metrics and data to drive more effective media targeting different levels of consumer attention and engagement. So are the key players on both buy and sell sides of the digital equation doing everything they can to drive and evaluate true quality attention – especially through historically transactional programmatic channels? Are they adapting to the more nuanced needs of video and other formats? And, more generally, what does “quality” attention even mean?

To find out, we surveyed 300 industry professionals from publishers, agencies and brands. Respondents shared their experiences of measuring success, their priorities and expressed desires to move beyond today’s standards. The results, combined with expert interviews and opinions, show a clear appetite for change, shining a light on the battles still to be decided.



Here's what we found



Brands are bullish on time in view

77 percent of marketers assess the quality of audience attention based on the number of seconds an ad is in-view, compared to 24 percent of agencies who still lean more heavily on viewability.

While adequate, the MRC standard could be better

89 percent of respondents say that the current Media Ratings Council (MRC) standard for measuring viewability is adequate, but 95 percent believe the industry should move its focus to other measures of quality and engagement.

Chicken and egg problem for attention-based buying

79 percent of marketers say 'it's too hard' to move beyond basic viewability, while 87 percent of publishers cited a lack of industry demand as a barrier to using alternative metrics.

The need for scale is driving a preference for CPM-based models

81 percent of buyers are planning to test CPM-based approaches for buying time-in-view but only 10 percent plan to test other currencies.

Marketers haven't come to terms with the cost of quality

89 percent of buyers say that marketers have not yet accepted the true cost of quality and just 11 percent say that most marketers are willing to pay more for quality impressions.

All attention is not equal

When you want to get to the heart of a word, there's a pretty typical place to start: The Oxford English Dictionary defines attention as **"the mental faculty of considering or taking notice of someone or something".**

In a growing digital advertising space, key players compete for and sell against attention. Brands want consumers to notice their advertising and consider buying their products and services, and publishers provide an attentive audience of consumers to advertisers as they search for revenue streams.

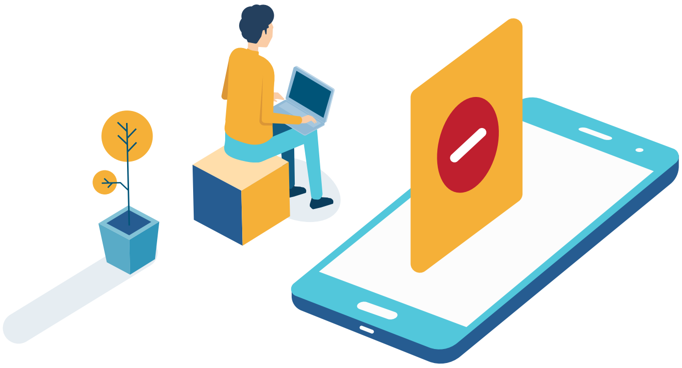
An increased focus on digital, and its vaunted claim to be able to reach a specific desired audience, is evident in the latest eMarketer figures, which show that US digital advertising will reach $107.3 billion in 2018, an 18.7 percent increase from 2017; other figures suggest that by 2019, 83.6 percent of US digital display ad dollars will transact programmatically.

This steady growth and increased potential has resulted in a wealth of programmatic ad formats and targeting strategies designed to capture attention and engage audiences – each achieving that goal to varying degrees of success with varying trade-offs.

In an effort to standardize that measure of success in programmatic, simple universal metrics came to the fore. Unfortunately, these often don't reflect the level of attention actually coveted by buyers.

The current Media Ratings Council (MRC) standard for an online ad to be considered viewed is half of that ad being seen for one second. Apply that to any other medium, a TV ad for example, and the flaws in this standard of measurement become immediately clear. If a consumer sees one second of a TV commercial (nevermind only half the screen), would they even be able to recognize the brand or product?

The challenge isn't just moving toward metrics that more truly reflect attention; it's also about grabbing that attention at scale, which becomes tougher as buyers' and sellers' priorities and campaign objectives grow less and less aligned.

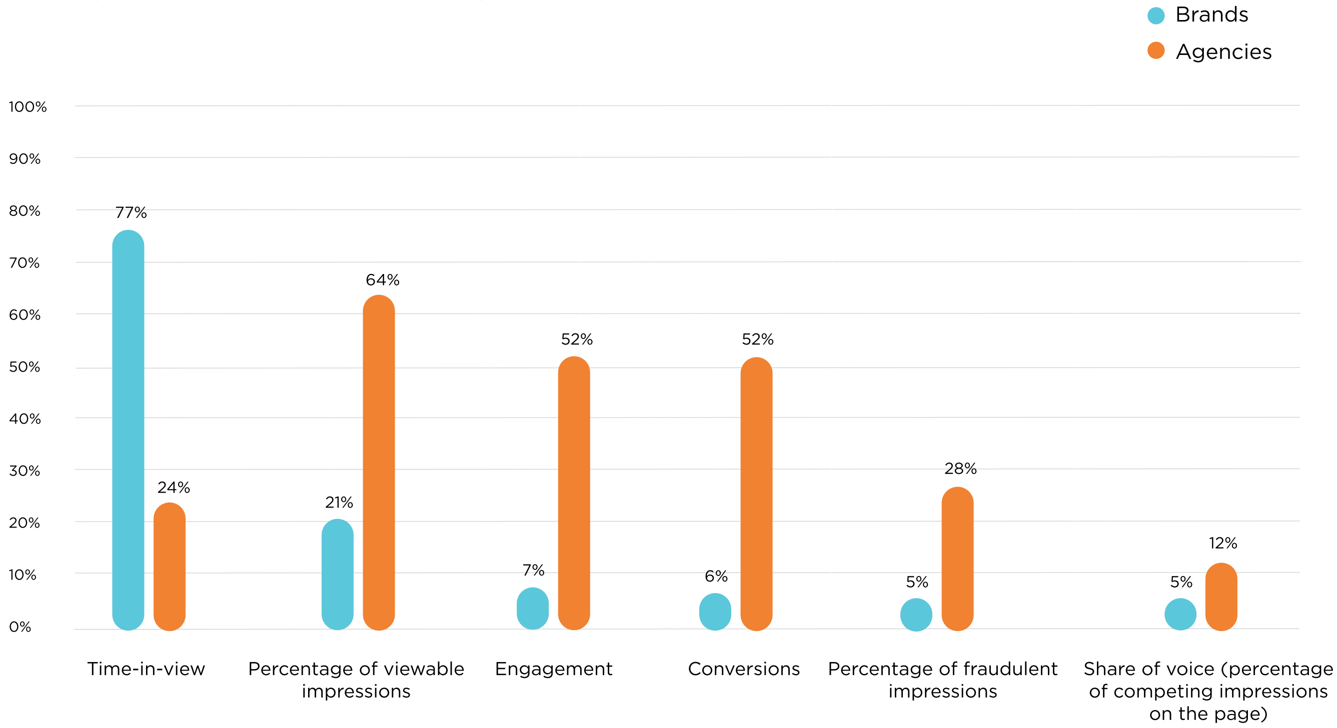


The status quo: Attention metrics en vogue

To understand where the industry wants to go, it's important to first look at what's being done now to assess quality attention. The research shows a current reliance on fraud, viewability, time-based metrics and performance, and also highlights some differences between brands and agencies with regard to their interest in moving past the current viewability standard.

Marketers are driving a focus on time-in-view

77% of brands look to time-in-view as a quality measure... agencies are still prioritizing viewability.



- Metrics that brands and agencies report using to assess the quality of audience attention

Brands are leaning more heavily into assessing audience attention based on the number of seconds an ad is in-view; 77 percent of brands said this compared to just 24 percent of agencies. In addition, just five percent of brands assess the quality of an audience based on the proportion of fraudulent impressions, compared to 24 percent of agencies. Based on our interviews this is likely due to metrics such as fraud and viewability becoming 'table stakes' for brands.

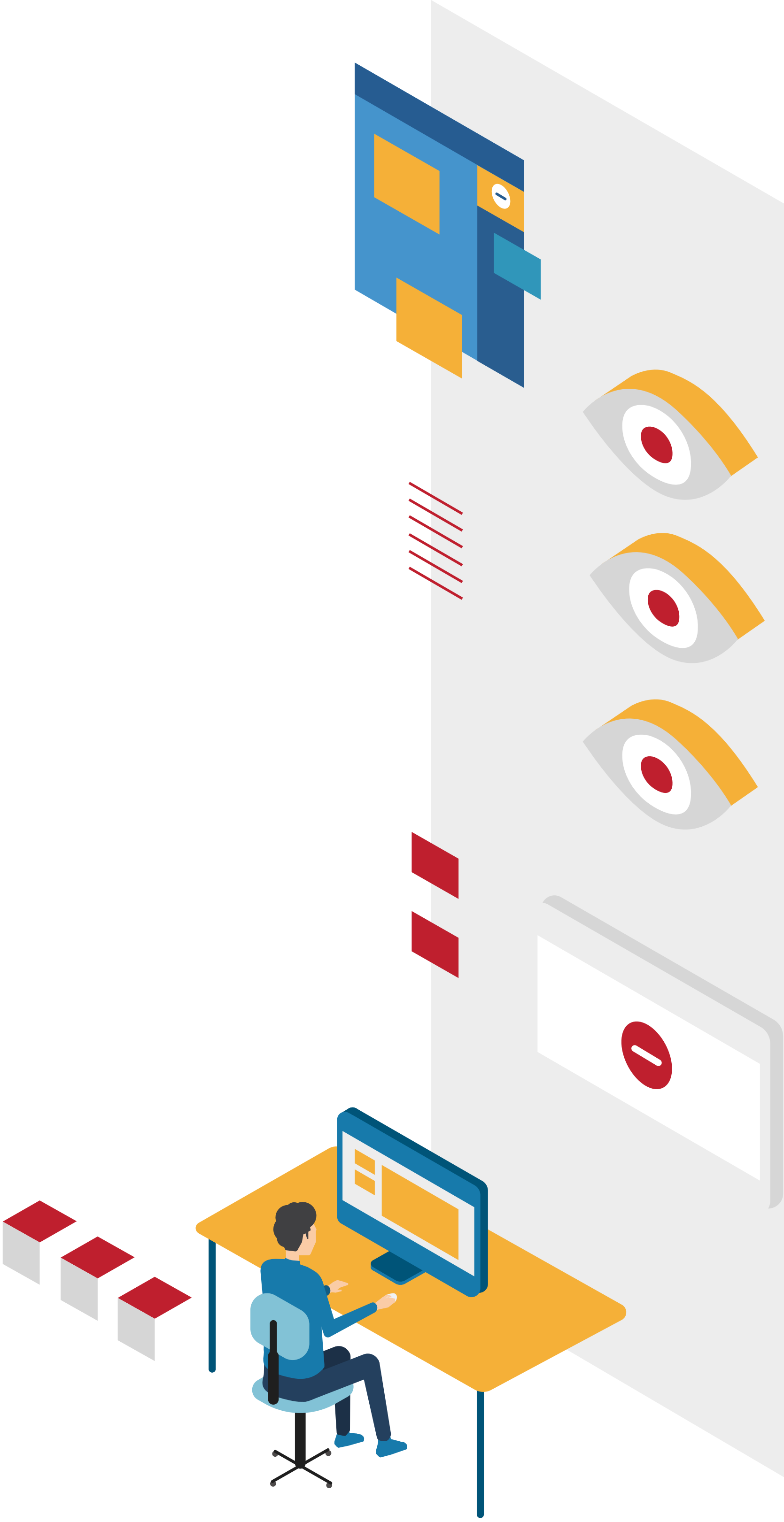
The push beyond viewability is coming clearly into view. The Financial Times, for example, considers the MRC standard to be inadequate as a measure of success. In fact, the publisher launched a "cost per hour" metric in 2015 that allows them to report on how long an impression has been viewed.

> ***“A user’s attention is something that’s a lot harder to earn now.”***
>
> *Oliver Williams, head of commercial engineering at News UK*

“What people shouldn’t be doing is simply stopping the clock at one second,” says The Financial Times’ head of advertising yield management, Alistair Smith. “People should be measuring and evaluating campaigns by how long their ads are in view. That should give them an idea of where they should be planning campaigns going forward, being able to say, ‘Well, we didn’t get 200 clicks on this campaign, we actually got 14 hours’ worth of attention.’ That’s a really powerful message.”

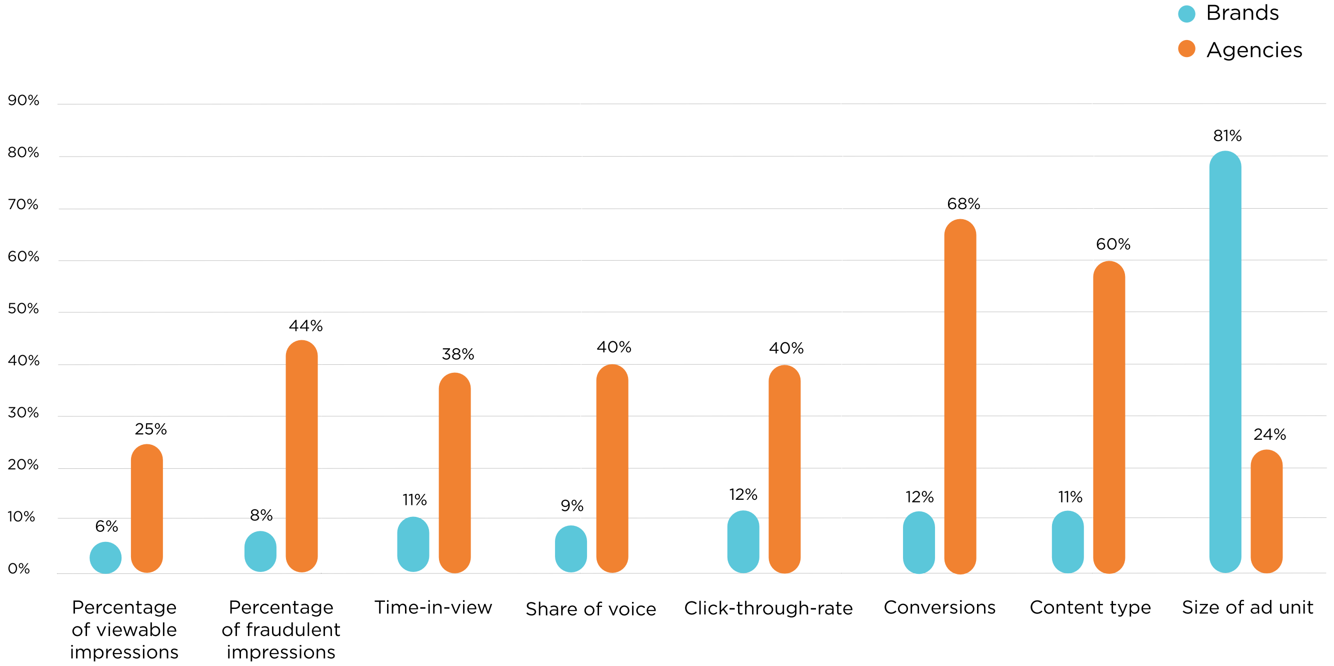
“A user’s attention is something that’s a lot harder to earn now,” says Oliver Williams, head of commercial engineering at News UK. “The fact is consumers are overloaded with content and they’re overloaded with brand messaging and advertising. You have to earn that attention.”

But in the rush to measure something so complex, just because a metric has achieved widespread use doesn’t mean it has a reputation for effectiveness. The reverse can also be true. Our respondents were asked what constitutes an effective attention metric, and again there were mixed responses from buyers and publishers that juxtaposed best versus current practice.



Overall, brands are skeptical about truly "effective" attention indicators

81% of brands named creative size....agencies focused on quality content and conversions.



Buyers listing as either "effective" or "very effective" indicator of quality attention.

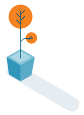
Sixty-eight percent of agencies said that conversions were an effective or very effective representation of audience attention, clearly reflecting an ultimate emphasis on connecting impressions to results. Among a broader spectrum of options, agencies and brands also focused on the quality of the placement itself with 60 percent of agencies rating the type of content highly and 81 percent of brands focusing on the size of the ad placement. Fraud metrics appeared to be table stakes, receiving relatively less attention.

The question of effectiveness may boil down to the word "viewable" and its relationship to attention. Jo Lyall, managing director of media agency Mindshare UK, part of GroupM, says, "Viewability, in our eyes, is the possibility for someone to have actually been able to see the ad, so the ad is appearing in a place that is visible to the human eye. But attention is quite different.

"It's about engagement and whether somebody watches the video, or engages with the content, or interacts with the ad."

Lyall is pointing to an important distinction for advertisers, as attention is where the value lies and what brand marketers pay for, whereas performance marketers focus on different metrics around conversion.

"It becomes a case of efficiency," she adds. "If you spend a lot of money putting ads in places where people can't actually see them, it just makes the whole thing less profitable and it means that media owners aren't able to properly get more of the value out of their ad placements, because consumers aren't even seeing them. So no one is going to want to pay for them. It doesn't matter if you're running a performance ad, because you're only going to be paying for these CPA metrics anyway."



Prioritizing quality audience attention

89% of respondents said the MRC viewability standard was adequate...
...but 95% believe the industry should progress to other measures of quality and engagement.

"Attention is a fundamental concept in communication," says Kevin Joyner, director of planning and insight at digital agency Croud. "It doesn't really work if we don't have the other person's attention. In digital, we continue to focus on impressions and clicks and the mechanism of our channel, but because of that, we probably have lost the true meaning of that word 'attention'."

The majority of respondents agree, saying that even while the current MRC standard for measuring viewability is adequate (according to 89 percent), 95 percent believe the industry should progress to other measures of quality and engagement.

"I think [the MRC standard] is a start point. It is a measure of the opportunity for an ad to be displayed, and without the opportunity for an ad to be seen, obviously you cannot have attention," says Kai Hsing, SVP of marketing and operations at Bustle. "But what I think is important is the idea of an ad being in focus, and then, what is your sentiment around that? Those are the driving metrics when determining if my media spend makes sense."
Conversations with industry leaders also support the notion of the elimination of fraudulent impressions as fundamental.

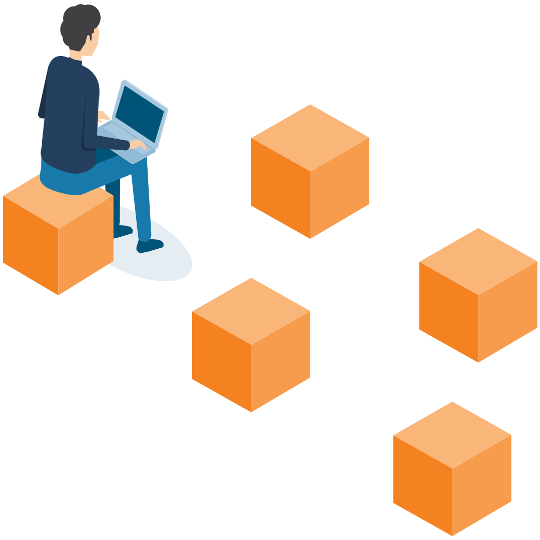
"It's depressing that because of the level of fraud within the industry, [fraudulent impressions] are a factor that measures attention, because attention should be based on the assumption that as much of your audience is true," says Pete Edwards, CEO at Engine Media.

"We should naturally always discount fraudulent impressions. We should be looking at the range within those people that are real and consuming content. There will naturally be those that are highly attentive, versus those that are less attentive. That's the segmentation we should be aspiring to."

> ***“What people need to decide is if they want 100 ads to be seen for one second or 50 ads to be seen for 15 seconds. You’re far more likely to have an impact with smaller amounts of impressions for long periods of time than you will do with just snippets of messages that come through.”***

Alistair Smith, head of advertising yield management at The Financial Times.

It’s about the “bigger picture” according to Anna Jorysz, head of performance display at digital advertising agency NMPi. “We need to move toward looking at what interactions mean,” she says. “Using it as part of a sequential strategy. Once you can see the impact of display ads on the whole funnel, the more you can put it into that broader context [and] the more viewability becomes an indicative metric quality to directly optimize to.”



In-view, not in-your-face

77 percent of buyers say that publishers want to balance user experience and revenue. 92 percent of publishers believe in buyers' commitment to balance.

Of course, there is a balance to be struck between user experience and getting results. Publishers want to secure ad revenue without alienating their readers while advertisers want environments and formats that reach the right audience – and grab their attention.

Unsurprisingly, respondents from both sides ranked the size of the ad as the second most powerful driver of ad effectiveness. Only publisher content quality was ranked higher. Interestingly, the ad content or creative itself was given middling importance, ranked fourth of the attributes listed. Could this be a missed opportunity for marketers looking for quality attention without providing quality messages?

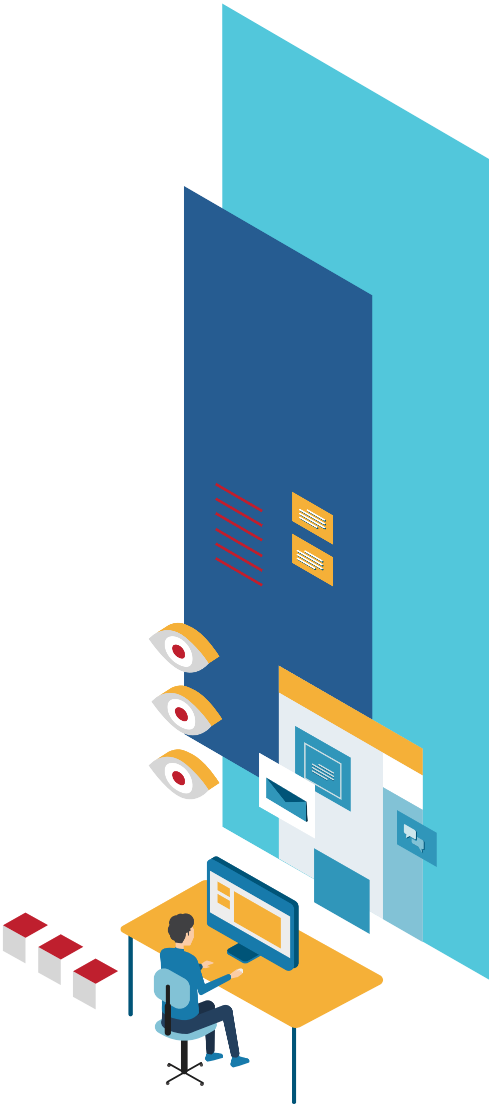
"Often publishers take the flak for underperforming campaigns, whether that be due to low viewability or low interaction or engagement rates," says News UK's Williams. He instead points to the overall quality of the creative execution, "especially on the open marketplace – it's generally quite poor."

On the bright side, buyers and publishers mostly believe in each other's ability to strike this balance. Eighty-one percent of buyers believe publishers balance user experience with the need to drive results; 86 percent of publishers believe the same about brands.

A similar picture emerges when it comes to the bottom line: 77 percent of buyers say that publishers want to balance user experience and revenue, though 19 percent say publishers care more about making money. Ninety-two percent of publishers believe in buyers' commitment to balance.

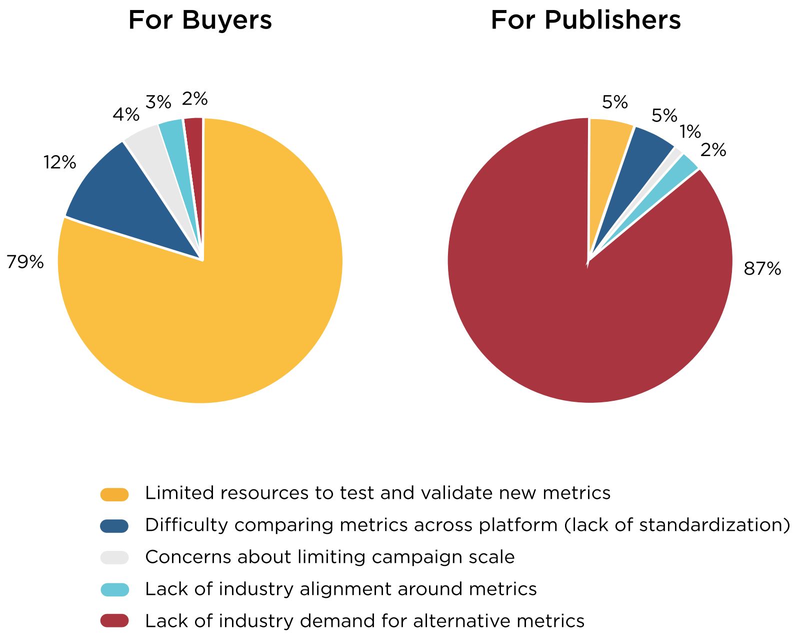
Engine Media's Edwards believes that if the share of voice and presence on page is properly managed, "you're going to get people immersed in content and exposed to advertising for longer periods of time."

"The issue," he continues, "and this is the perennial challenge for any publisher, is that the pressure is on them to generate enough income to pay for the content that they're creating. Sometimes it's seductive to put more advertising formats in one environment because they feel as though they're going to make more money. There's a law of diminishing returns, because sooner or later consumers get frustrated with that overexposure."



Inertia has made it difficult for buyers and sellers to move beyond standard viewability

79% of buyers cite resource limitations, but most publishers (87%) blame lack of buyer demand…12% of buyers also cited a lack of standardization across platforms.



To expose a key part of the battle preventing both sides of the industry from better assessing attention, it's important to zero in on the barriers. Here it's not a simple case of buyers and publishers having opposing views; rather, it's two sides of the same coin. Overall, buyers seem to lack opportunities to explore new ways to measure success and quality. The result is that where buyers point to a lack of resources, publishers say there is no demand for change.

Eighty-seven percent of publishers said lack of an industry demand for alternative metrics is the biggest barrier to moving beyond standard viewability. Just two buy-side respondents agreed.

Instead, 79 percent of buyers pointed to limited resources to test and validate new metrics as the biggest barrier; just five percent of publishers agreed.

"Some companies are thinking very far ahead, but they are not in sync with people like myself at publishing houses or media buying agencies that literally operate year-to-year. I think that's why there isn't a heavy tactical demand for it," says Hsing at Bustle.

The research also shows 12 percent of buyers said difficulty comparing metrics across platforms is a barrier; just five percent of publishers said this.

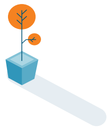
"There's no common measuring methodology and there's no common standard," Hsing continues. "We went from nobody knowing what direction they were going to the MRC standard giving us an inkling. That's getting us through this year, but next year, everyone is going to start asking, 'Just because an ad is viewable, did it help me achieve my marketing goal?' And that starts the next cycle of, "hey we need a new metric."

Indeed, the Financial Times' cost-per-hour metric received some pushback from agencies initially because "their spreadsheets didn't have a column that said how many impressions," according to Smith.

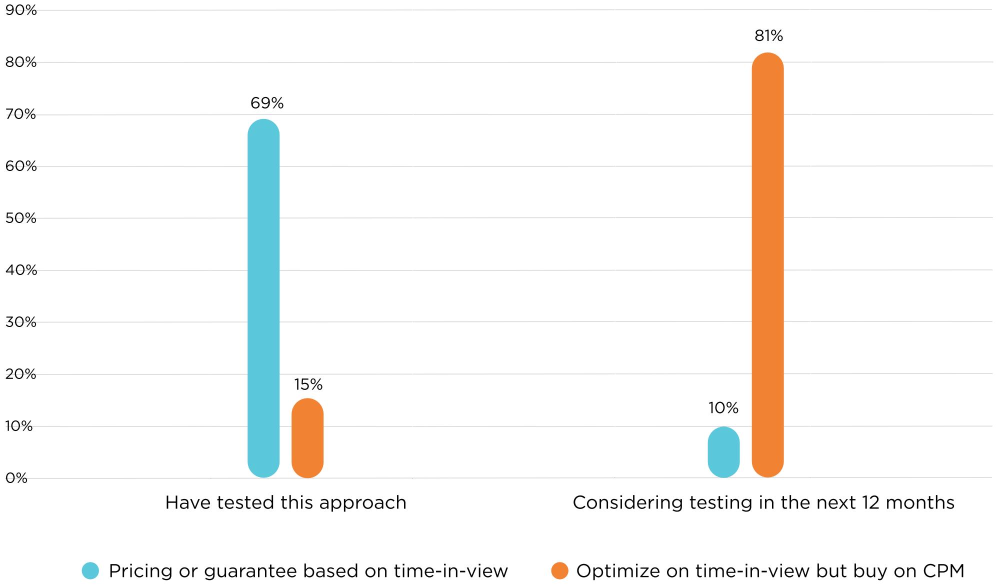
"It is seen as a kind of special case, but demonstrating to people by case studies and chatting to them about the logic of simply the longer someone sees something, the greater the likelihood that they are to react. There are ways around that. Yes, we are asking people to try and take a leap of faith – with lots of justification and research behind it."

For any real shift to occur, buyers have to consider whether they're prepared to pay more for quality, and publishers have to consider their inventory and what it's worth – giving particular consideration to the balance between ad revenue and user experience.

The need for scale is driving the focus towards CPM-based buying rather than new currencies



81% of buyers plan to take a CPM-based approach to time-in-view based buying, while only 10% will use time-based pricing.



Respondents have already begun to test attention-based metrics beyond the MRC standard, but increasingly these are CPM-based buys, suggesting the need to drive scale in an increasingly programmatic world.

Maybe this isn't an issue after all. Conversations around attention metrics tend to imply a seismic change to buying models. But consider this: a buyer could be provided with data that an impression is likely to be in-view for 10 seconds; they could then have the choice of paying a higher CPM – the same model they're used to – for that impression based on its quality. In the end, factoring in attention-based metrics but continuing to buy on CPM could be an attractive path.

In fact, 69 percent of buyers have tested time-based currencies in the past but only 10 percent said they intend to do so in the next 12 months. Meanwhile, 81 percent say they plan to try optimizing on time-in-view but buying on a CPM. You might be starting to notice a pattern here.

> ***"We went from nobody knowing what direction they were going, to the MRC standard giving us an inkling. Next year, everyone is going to start asking, 'just because an ad is viewable, did it help me achieve my marketing goal?'"***
>
> *Kai Hsing, SVP of marketing and operations at Bustle*

Again, scale is a driving factor. "It always needs to be remembered that the solution for [the viewability] problem must scale," says Joyner at Croud. "We have to have a measure that can be applied."

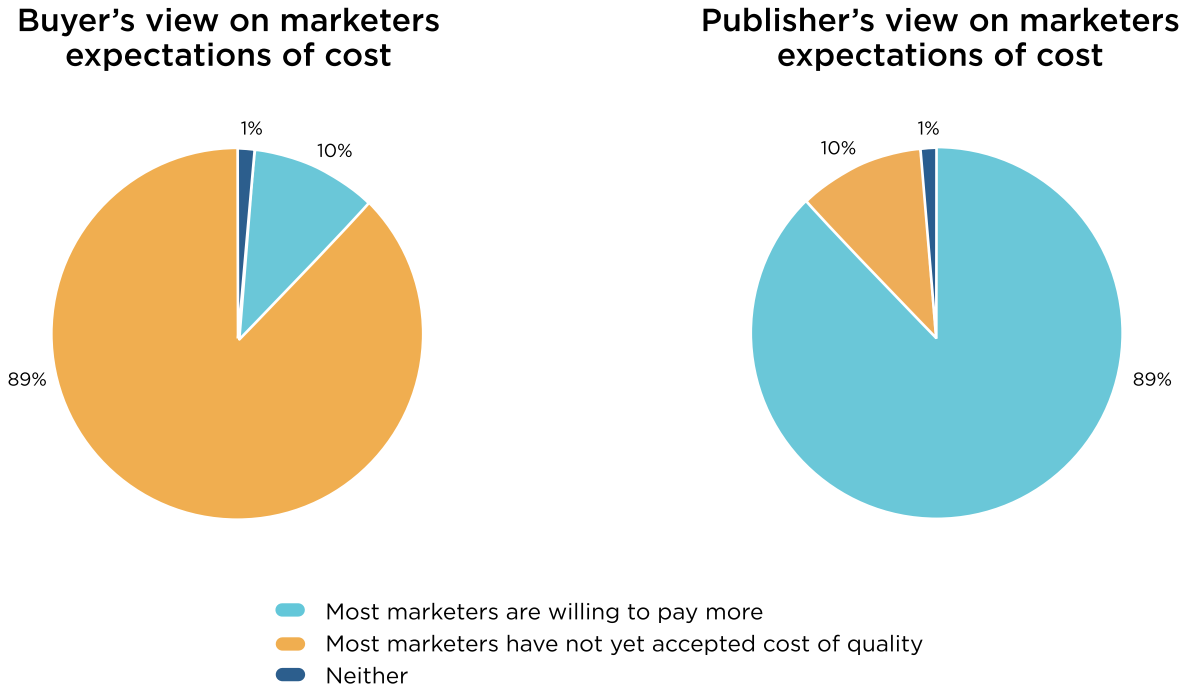
"It takes a mindset of experimentation and the willingness and ability to invest in it, which often involves media dollars as well for holdout inventory," adds Anant Mathur, EVP of global analytics at Essence Global, part of GroupM. "You also need good data scientists and engineers who know how to structure the tests and the data pipes that power them, in the context of an increasingly complex digital ecosystem. And it often takes immense organizational will because there is no telling which media will actually perform against more accurate custom metrics," Mathur continues.

So while the research shows an appetite to move towards alternative metrics, it's clear that other factors must also be considered. Joyner points to variations in screen dimensions and resolution, ad placement, the format of the creative and the ability of the user themselves to navigate various screens, for example, the digital savvy versus digital novice.

> ***"It takes a mindset of experimentation and the willingness to and ability to invest in it."***
>
> *Anant Mathur, EVP Analytics, Essence Global*

Buyers skeptical of their peers' willingness to pay more for quality

89% of buyers said that marketers have not yet accepted the true cost of quality.



While both buyers and publishers want to achieve the balance between user experience and results, buyers seem to have a more cynical view of their own expectations of paying for that quality.

Eighty-nine percent of buyers said that marketers have not yet accepted the true cost of quality; only 11 percent said that most marketers are ultimately willing to pay more. One buyer in the survey pointed to limited resources preventing progress on evaluating new measures of quality as a key barrier. However, publishers are complimentary of buyers' view towards their premium inventory; 89 percent said they are willing to pay more for quality impressions, and just 10 percent said that marketers have not yet accepted their true cost.

"You cannot get quantity and quality for the same price," says Smith at The Financial Times. "What people need to decide is if they want 100 ads to be seen for one second or 50 ads to be seen for 15 seconds. You're far more likely to have an impact with smaller amounts of impressions for long periods of time than you will do with just snippets of messages that come through. [It's] very much that quantity obsession that people have had of buying really cheap and wanting multi-millions of impressions, but not really bothering about what those impressions actually generate."

"We have, through thousands of structured experiments, found that there is a strong positive correlation between user experience and results," says Essence's Mathur. "Paying a premium for receptive audiences and better inventory is worth the additional cost that it might involve."

Lyall at Mindshare says the answer to whether brands are willing to spend more for quality inventory is mixed, and again points to the type of marketer interested in that publisher inventory.

"If you're a brand advertiser, to a degree yes, because they're not as interested in the CPM you're buying at, they're more interested in where the placement's going to be," she says. "Obviously if we have their metrics in place from a commercial point of view, for buying, that can sometimes be a challenge. So if they want the best possible pricing, they have to take quality into account, and that's not always done as effectively as it could be in the digital space as it is in TV, for example."

> ***"We have, through thousands of structured experiments found that there is a strong positive correlation between user experience and results."***
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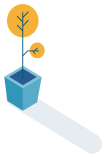
> *Anant Mathur, EVP Analytics, Essence Global*

A viewable road ahead



> *Basic viewability, knowing that your ad has been seen, is a hygiene factor, and we shouldn't even have to keep questioning that.*

Jo Lyall, managing director of media agency Mindshare UK
- part of GroupM

"We just need to have a bit of realism on how we have been operating over the last few years in terms of the quantity of impressions that are out there that can be bought," says The Financial Times' Smith. "Trillions of ads can be bought any single day around the world, but only a small amount of those are of a quality standard that advertisers would want."

"Basic viewability, knowing that your ad has been seen, is a hygiene factor, and we shouldn't even have to keep questioning that," says Mindshare's Lyall. "Ads shouldn't be in places where nobody can physically see them. You wouldn't buy a billboard that was hidden down a dark alley. If you can't see it, don't even sell it. That's a waste of everybody's time, and it creates a lot of distrust in the industry."

"We need actors and agents to come together," says Edwards at Engine Media, though he hints at an obstacle: "Until clients and agencies, within an agnostic environment, can get together for the good of the industry, not just for the good of our own individual needs, that environment is the thing that will make change."

News UK's Williams says he would "love to start exploring, in detail, how you can take a measure of attention for content and start applying it to advertising. You'll probably find it's a high correlation between the two."

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