

**Minutes from Quarterly CRE Meeting
September 4, 2014
Convene Conference Centers
New York, NY**



Members in Attendance: Joe Abruzzo, Brad Adgate, Kathleen Bohan, Cheryl Brink, Artie Bulgrin, Michele Buslik, Laura Cowan, Janice Finkel-Greene, Ed Gaffney, Nancy Gallagher, Hadassa Gerber, Tanya Giles, Mark Kaline, Buzz Knight, Pat Liguori, Billy McDowell, John McMorrow, Tony Marinaro, Jed Meyer, Dan Murphy, Michael Nathanson, Dave Poltrack, Beth Rockwood, Stacey Schulman, Howard Shimmel, Ira Sussman, Emily Vanides and Tom Ziangas

Present by Phone: Jeffrey Graham, Andy Rainey, Bryon Schafer, Ceril Shagrin, Robin Thomas, Sharon Warden

Also Attending: Mark Braff, Tom Campo, Laura Carpentier, Lynda Clarizio, Shelley Drasal, Steve Hasker, Bob Liodice, Dave Morgan, Christine Pierce, Horst Stipp and Richard Zackon

Absent: Joanne Burns, Paul Donato, Janet Gallent, George Ivie, Keenan Pendergrass, Susie Thomas, Judy Vogel

Opening

Ceril Shagrin called the meeting to order at 1PM and apologized for not attending the meeting in person. She welcomed everyone, noting that this was the first Council meeting for new radio/audio members. Members were asked to introduce themselves and share if they were a committee chair since new members may be interested in their committees. Ceril also reminded everyone that members are required to attend three of four meetings whether in person or by phone.

Richard Zackon and Ceril acknowledged the work of the CRE Coordinator, Shelley Drasal.

Emily Vanides introduced Mark Braff who is working with the CRE on PR.

Steering Committee

Pat Liguori informed the council that the Steering Committee met on August 13th to address the reinstatement of Hadassa Gerber to the Council as well as Nielsen participation and billing. The Steering Committee recommended that Hadassa Gerber rejoin the Council as the representative for TVB. A motion to accept this recommendation was made and approved without opposition.

The Committee recommends in the future that new candidates for CRE membership first serve on a committee.

The second item for discussion was Nielsen participation. The requirement is that Council members attend three out of four meetings whether by phone or in person and this also applies to Nielsen. Pat mentioned that the attendance of Nielsen Representatives has declined on CRE committees over the past two years. The Steering Committee felt the presence of Nielsen is very helpful in tying together the work of the committees and so that efforts are not duplicated but work in a complementary manner.

Richard proposed a meeting with Lynda Clarizio to review the value of CRE to Nielsen and to address issues of Nielsen participation. The Committee also suggested a meeting with Nielsen employees who deal with clients.

Pat reminded everyone that the CRE bylaws require active participation of members at quarterly meetings and on at least one committee.

Ceril Shagrin acknowledged and thanked Lynda Clarizio for her participation in the CRE since she took over her responsibilities at Nielsen. Lynda Clarizio stated that Nielsen wanted to make sure that the right people attend at meetings. Christine Pierce, at the meeting today, will take Michael Link's place moving forward.

Pat noted that Richard was working with Christine Sheeler at Nielsen regarding timely payment of invoices.

Pat then reiterated the expectations of the Council as it relates to the bylaws. "Each member of the Council, in addition to the three quarterly meetings, must participate in at least one committee of the Council and participate in a majority of meetings of such committee."

Insights to Practice

Nancy Gallagher reported that an Insights to Practice meeting was held earlier in the day with the focus of improving processes between CRE and Nielsen. Three areas were discussed: focus, participation, and communication. One idea she mentioned was to add more junior Nielsen people to the committees because they have the curiosity and time.

Ira Sussman agreed that they had a really good conversation and that the transcript will provide a good road map moving forward.

CRE Finances

Richard Zackon informed the Council that spending to date is \$1,042,000. Including already approved expenditures, anticipated expenses total \$1,964,000.

Guest: Steve Hasker, Nielsen

Steve Hasker thanked the CRE for having him. He said that his conversation would be from a product perspective and not a research perspective.

He reiterated Nielsen's "3 R" framework: Reach (how many people did the program or ad reach), Resonance (a change in cognitive process) and Reaction (consumer purchase).

He suggested the CRE help illuminate what the consumer is doing in response to television commercials. Steve expressed concern with timeliness of research from the CRE particularly as it informs products, investments, and decisions. He also stressed the importance of taking global outlook of media measurement. Dave Poltrack noted that the people in the room do not differentiate between research and analytics. Analytics are more sophisticated tools but do not replace research.

Lynda Clarizio offered that the CRE consider a study relating content and advertising. Artie Bulgrin noted that the marriage of advertising and content is where the magic happens.

Artie also brought up concern for collaboration with the MVPD's. Hasker stated that collaboration with the MVPD's has been more difficult than expected. Howard Shimmel raised the issue of Nielsen data partnerships. Steve notes that Nielsen has been learning just as everyone else has about aggregated and automated data.

Horst Stipp asked what television viewing means and if the CRE may play a role in this? Steve

said perhaps there is a role that the CRE can play in what TV viewing is today, what it is likely to be tomorrow and how to think about edge cases. Lynda Clarizio noted that there is a client committee looking at this and CRE might coordinate with that committee. Michael Nathanson expressed concern about C3 ratings for Wall Street. Steve noted that timeliness of the data is a big issue at Nielsen. Dave Poltrack noted that the least sophisticated Nielsen clients can delay reporting to the more advanced clients. He also suggested that Nielsen provide tools that would permit Wall Street and the press to project ratings. Hasker concluded by stressing the importance of learning from consumer behavior.

Social Media

Beth Rockwood noted that the Talking Social TV 2 presentation and video were on the CRE website. Work is continuing on the academics analysis of data from the study. Reactions have been positive.

She also shared that the committee was holding a few meetings in September to obtain additional information. The first one will be with Social Guide and will lay out their road map in terms of plans for development of their service. The second one will be with Facebook and Daniel Slotwiner will be sharing some learnings regarding the relationship between mobile and social. The committee is also looking to have a guest speaker on social graphs and how influence works. Beth plans to reach out to Duncan Watts from Microsoft.

The Social Media Committee is also looking at radio as part of its analysis.

ROI

Dave Poltrack informed the Council that the committee met in July and mapped out the plans for their dual goal of long term effects of advertising initiative and the provision of model-ready television data and radio data to modelers.

The first stage is a literature search is pretty much complete. The second stage, interviews with Modelers, is underway but going slowly.

Dave stated that he would hopefully be able to give some preliminary indications of the learning at the next meeting.

Local Measurement

Billy McDowell reported that an RFP had gone out to universities to help with local measurement methodology. Richard Zackon brought to the CRE a new project using Supervised Machine Learning to take people meter data from across all markets to predict ratings in local diary markets. He has assembled a team including Vasant Dhar from NYU and Tim Dolson, formally of Nielsen. The proposal is to test ratings within the set of LPM markets. If the methodology proves accurate, it should also prove useful in diary markets. Lynda Clarizio suggested partnering with Nielsen on related work that Christine Pierce and her group are doing. Christine suggested a continuing collaboration. Pat Liguori expressed concern of program difference by market. Billy McDowell noted that the Local Measurement Committee had a healthy amount of skepticism about the project but believed there are still some things that could be learned. Ceril stressed the importance of capturing local programming. The cost of the project is \$160,000. The motion passed with three votes opposed.

Digital

Bryon provided a summary of the longitudinal ethnography conducted by GfK, which continues at one hundred households through October 2015. The committee is looking at research questions for year two.

Bryon referred to the successful event on August 6, 2014 in NY, which had approximately 100 in attendance. He also spoke to an upcoming research event in Boca Raton in October and San Diego in February.

Bryon proposed an extension of the acceleration study to be completed in 2014 totaling \$125,000. Lynda Clarizio and Christine Pierce questioned the need for more qualitative research rather than quantitative research. Ceril Shagrin, Jed Meyer, Cheryl Brink and Brad Adgate all saw value in additional qualitative work. Horst Stipp said he saw the value of quantitative work but also saw the value in continuing to observe the participants in the acceleration study over time. A vote was taken and the Council voted to approve the final stage of the acceleration study.

Guest: Dave Morgan Simulmedia

Dave Morgan, founder of Simulmedia, was invited to share his perspective on developments in the TV marketplace. He spoke about the coming shift from intermediate metrics to outcome-based ultimate metrics. He noted this is already happening in the online world. Disintermediation is probably going to happen: the people that own audience and the people who desire audience and want to create customers are going to take stronger roles in the media marketplace. The capacity to connect the dots between a commercial communication exposure and a behavior is going to become massively, readily, widely available from multiple sources.

Dave continued that this means less reliance on regression models and marketing mix models, which will be replaced by large single source panels and an experimental design environment. We are going to know the sales effect of all media at the impression level. He believes TV is the most underexploited, under optimized, and poorly utilized media relative to its power of any media that we have today. He anticipates a significant amount of re-pricing of TV inventory and ultimately, repackaging of TV inventory because the data will inform value.

Dave also cautioned about a coming babble of competing claims of big data and the relationship between correlation and causation and the importance of having a trusted voice.

Richard Zackon asked what empirical research the CRE might consider to deal with coming changes. Dave suggested research, which demonstrates the power of TV in causing effects, connecting “watch” and “buy.” Additional questions were raised about targeting, Wal-Mart Exchange and screen attributes.

Dave concluded by assessing The CRE Big Data primer as great work

Big Data

Stacey Schulman informed everyone that they should have received a preview of the Big Data Primer and that commentary was welcome.

Stacey told the Council that the event scheduled to happen in September had been moved to October 23rd due to having difficulties in scheduling speakers. She then stated that the committee would like to host a Big Data Wiki where industry professionals could contribute to the primer. Stacey made a request for \$15,000 for the wiki. A motion was made and approved for the \$15,000 with no objections.

Media Consumption & Engagement

Joe Abruzzo, the new chair of MCE, shared a matrix comparison of audience measurement methods and invited Council members to comment. He also referenced the paper issues and challenges with cross platform media measurement. He announced the Committee is in the process of interviewing 50 industry executives across various sectors (e.g. advertisers, agencies, broadcasters, etc.) We expect the final interviews by the week of October 6th. He looks to share the results at the ARF cross platform conference in San Francisco on November 13th.

Sample Quality, Ceril Shagrin

Ceril Shagrin reported at the last quarterly meeting the Committee agreed to look at improving representation by millennials in Nielsen samples. The committee is currently awaiting data from Nielsen and will pursue once received.

What Nielsen Measures

Ira Sussman provided an update on the Nielsen measurement strategy subcommittees. There are four committees which include media universe definition, definition of HUT, local business strategy, and panel and census.

In the next week, Nielsen will do an in-house full-day event reviewing the investigations and then report back to each committee as well as to clients at the Client meeting in November.

Communications Committee

Emily Vanides provided updates on the CRE newsletter subscribers (700+) and Linked In participants (600+). She also informed the Council that the CRE would begin distributing Tom Campo's weekly clip findings to Nielsen clients that opt in. Initial distribution will be made to newsletter subscribers.

Tom Campo shared press coverage of CRE. He cited references to columns written by Ceril Shagrin, Laura Cowan, and Jed Meyer. Mark Braff spoke to the value of having a single spokesperson for the Council and said that Richard Zackon agreed to be more available and visual for that role.

Emily noted that at the last Council meeting, the Council voted on \$50,000 to redesign the website. The Committee now realizes that more funds will be needed but there is no proposal in hand. Richard suggested that when a proposal comes in, the Council vote by email for additional spending on the website. The Council approved an email vote.

Education Committee

Jed Meyer spoke of a Multicultural Advertising Intern Program (MAIP) seminar on June 16th with over 100 interns. It was a great event with a lot of dialogue. Jed reached out to the agency representatives in the room to expand industry intern opportunities in the year 2015.

Howard Shimmel spoke to the Time Warner/BEA third annual college professor thought leadership seminar. Howard said in 2015 that Time Warner should give CRE an opportunity to present.

New Business

Ceril Shagrin reported a successful Insights to Practice meeting earlier in the day, which included how CRE and Nielsen could work more effectively together.

Adjourn

The meeting adjourned at 4:29 PM.