

Minutes from Quarterly CRE Meeting September 22, 2011

Sentry Center
New York, NY



Members In Attendance: Brad Adgate, JoAnne Burns, Michele Buslik, Paul Donato, Nancy Gallagher, Janet Gallent, Hadassa Gerber, George Ivie, Pat Liguori, Billy McDowell, Dan Murphy, Michael Nathanson, Michael Orgera, David Poltrack, Beth Rockwood, Ceril Shagrin, Kate Sirkin, Ira Sussman, Emily Vanides, Sharon Warden

Present by Phone: Ed Gaffney, Bob Ivins, Keenan Pendergrass, Lisa Quan, Greg Ross, Matt Ross, Beth Uyenco, Robin Thomas, Karen Stump (on behalf of Mike Pardee)

Absent: Alex Corteselli, Mark Kaline, Michael Link, Liz Nash, Jessica Pantanini, Noreen Simmons, Jack Wakshlag

Also attending: Mitch Barns, Tom Campo, Horst Stipp, Richard Zackon

Opening

In the absence of a Council Chair, Richard Zackon, CRE Facilitator, called the meeting to order at 9:07 AM ET. Richard noted that the Council was created six years ago with one set of industry concerns and requested each member briefly state what currently matters most in audience research. These comments are captured in Addendum 1.

Steering Committee

Greg Ross, Chair of the Steering Committee, began by announcing a membership representation change on the part of Nielsen. Ira Sussman, previously CRE Vice-Chair when he was at CAB, applied for membership and was recommended by the Steering Committee to replace Michael Link. The Council voted unanimously to accept him. Michael Link was acknowledged for his many contributions on the CRE.

Ceril Shagrin suggested that Nielsen always have at least one member of its Measurement Science Group at each of the quarterly meetings. Paul Donato committed to that when he could not attend.

Greg also noted that there were nine vacancies to fill on the CRE. Greg also noted that there was still a vacancy for the CRE Chair and people could consider the position during the meeting and reach out to Richard at the end of the meeting.

Measurement Science Report

The specifics of Nielsen's quarterly Measurement Science reports will no longer be included in the minutes to insure confidentiality. Paul Donato did express his interest in exploring how CRE might be used for sharing innovation and testing efforts at Nielsen in a confidential way.

George Ivie inquired how Nielsen prioritizes the various local measurement methods. Paul reflected on integrating the the methods in the long term (an eight year horizon). Mitch Barns emphasized that it is a team decision based on operational capability, measurement science, and commercial impact.

Beth Uyenco asked about improving online measurement. Paul emphasized the commitment to hybrid measurement. Beth Rockwood asked about priorities in the US over the next 12 months. Paul placed online representation and local measurement as the two major priorities. He also noted the "watch" and "buy" sides were coming together. Ceril Shagrin asked about the relative importance of large versus representative samples. Paul cited the statistic of mean square error in the trade-off of variance and bias. George Ivie stressed the importance of having Measurement science involved in allocating resources. Paul stated that we can expect to see much more change in the next five years than in the last five (which was more than in the last twenty years).

"What's Next for CRE" (Part 1):

Richard Zackon put forth a number of possible areas of concern for CRE: Innovation, Global representation, Non-video media, Buy-side issues, Education.

Nancy Gallagher emphasized the importance of a global perspective, Beth Uyenco questioned whether we have the resources. Kate Sirkin noted we should include all digital media and work to avoid duplication with other industry groups. Beth and Kate both spoke to innovation.

Michelle Buslik stressed focus on the basics of making sure TV and cross-media measurement is correct given the expertise of CRE. Brad Adgate spoke to the convergence of research as there is a convergence online and the conflicts this creates. Ceril Shagrin didn't see the need for any fences as the CRE has to-date focused on the key issues. Michael Nathanson commented new members in new areas will naturally focus us on these areas. Mike Orgera expressed the need to bring in people from different disciplines, especially if we are interested in innovation.

Dave Poltrack stressed the CRE should take advantage of its funding to do things other entities cannot. Emily Vanides suggested encouraging CRE membership for digital and social media. Joanne Burns echoed the concern of bringing in digital. Hadassa Gerber spoke to the need for advertisers to ground the CRE work.

Ira Sussman supported Paul Donato's comments about innovation and suggested more frequent touchpoints. Joanne Burns had no problem with NDA's if required.

Treasurer's Report

Nielsen committed to another year of funding consistent with the previous year at \$2.5 million. This means \$5.4 million is available for research funding. Michael Nathanson looked to

coordinate finances with Nielsen prior to the December meeting.

ARF Proposal

Horst Stipp of ARF invited collaboration from the CRE concerning misinformation about audience measurement in the press.

ROI

Dave Poltrack reported on initiative concerning media and marketing mix models. He is considering reaching out to Ed Dittus who has done work in this area and has some ideas about how to approach it. Kate Sirkin mentioned a recent study by Forrester. Emily Vanides saw this initiative as a good way to gain participation of advertisers. Pat Liguori saw implications for local

George Ivie shared that the MRC was approached on this issue. Interested CRE members were asked to contact Dave or Richard.

Local Measurement

Billy McDowell updated the Council on a project looking at the variability of local ratings and how the relative error has changed over time. George Ivie addressed the issue of zero-rated quarter hours. Billy requested up to \$20,000 from the Council to pay for a statistical analysis of the rating data collected by Nielsen. The Council approved.

The Local Measurement committee will also look at the sampling error in actual advertising schedules. The committee is also in discussion with Catherine Herkovic on the issue of diary improvement.

Social Media

Beth Rockwood described the various issues her committee has considered. These include a study of heavy/medium/light social media users and a possible longitudinal analysis. Kate Sirkin noted that mobile is not included in the panel. Beth mentioned the possibility of a project with Keller Fay which would place social media within the context of word of mouth. Radha Subramanyam of Nielsen is available to speak with the committee.

Most valuable to the committee is to develop a more complete understanding of the relationship between social media and viewing of television programs and commercial messages. Deb Roy of Bluefin is scheduled for October.

The CRE expressed appreciation for the update. Horst Stipp stressed the importance of the right metrics. Dan Murphy challenged the validity of many metrics.

“What's Next for CRE” (Part 2):

Richard Zackon raised questions of CRE relationships with other groups and research companies. Ceril Shagrin raised the question of soliciting supplemental funding from companies other than Nielsen. Address-based sampling could be a topic of study. Paul Donato indicated Nielsen would be delighted to work with other companies on address-based sampling. Michele Buslik mentioned the value of joint research around fusion.

Greg Ross said it was helpful to stay connected with other industry groups. Kate Sirkin suggested this be done regularly and informally. Nancy Gallagher expressed appreciation to Nielsen, especially Christine Pierce, for the support on the Media-related Universe Estimates study. Ceril applauded Nielsen for its support of the CRE and sought more from the Insights to Practice Committee. George Ivie also would like to see more from Insights to Practice. He asked how Nielsen changed due to CRE research.

Pat Liguori nominated Nancy Gallagher to chair the Insights to Practice Committee. The Council approved unanimously.

Ira Sussman noted in response to the discussion that the Nielsen-client relationship appeared to be going well. Paul Donato did not think any major shift was required. He holds to a reasonable definition of competition. He would like to use the Council as a resource for innovative work.

Sample Quality

Ceril Shagrin proposed new research to improve the quality of diary samples in Nielsen local markets. The committee is looking at non-response in address-based samples. The proposed research will also focus on media-related universe estimates, possible improvements due to set-top boxes and the non-TV household. Three markets will be selected: local people meter, meter-diary and diary only. February measurement is planned but they may prove a challenge to execute. The study is estimated at \$1.5 million, hard costs to follow. The committee is open to other companies, in addition to Nielsen, which want to contribute.

The future of the diary was questioned but Ceril reminded the Council that there were questions when the original non-response study was planned. Mike Orgera invited the committee to identify the specific potential biases with which they are concerned. Kate Sirkin suggested a practical approach such that specific actions are provided depending on the outcome.

The relevance of this study to other CRE committees was discussed (UEs, Set top box and Local Measurement) as well is how the study leverages Nielsen production processes. George Ivie discussed the importance of being able to quantify bias. Nancy Gallagher stressed the leaning from non-cooperators. Hadassa Gerber questioned whether one market of each Nielsen measurement type was sufficient.

Nancy Gallagher moved for CRE funding for \$1.5 million. The motion passed with 17 affirmative and no negative votes.

Universe Estimates

Nancy Gallagher offered that that the second phase of the Universe Estimate research would be conducted as part of the Sample Quality study.

Digital Committee

Dan Murphy described Nielsen's Online Campaign Ratings. He also discussed efforts to avoid controversy regarding privacy in the current research with Ernst & Young. He distinguished declared data, inferred data and third party data.

Media Consumption & Engagement

Mike Orgera reiterated the need for quality data and the rapid base of industry change. He reviewed some of the learnings from the User Experience research review. He presented five possible topics the committee is considering and asked the thinking of the full Council: Cross-platform Video Usage, Cross-platform Viewer Engagement & Multitasking, User Interfaces and Navigators, Taxonomy and Commercial Viewing during DVR Playback. Cross-platform Video Usage was the most preferred topic in the discussion which followed.

Set Top Box

Pat Liguori reviewed the work with Nielsen's hybrid test methodology. Marty Frankel, the CRE consultant, was provided with insufficient data and no progress has been made. Paul Donato offered to try to have this resolves as soon as possible.

Pat also mentioned conversations with Barbara McFarland

“What's Next for CRE” (Part 3):

Richard Zackon asked whether CRE should be a formal entity itself? Currently CRE has no right to contract: Nielsen contracts. He also proposed a recruitment team for new members. Ira Sussman volunteered to participate in finding people. George Ivie also indicated the MRC has a broad membership.

Richard also asked whether it works better for CRE if he were a director rather than a facilitator, especially as there is currently no CRE Chairperson. The former has some decision-making authority. George Ivie suggested looking at the specifics and seeing where authority might be granted without making major changes. Richard and Greg Ross agreed to consider specific requirements of the CRE chair and responsibilities of the Facilitator..

Emily Vanides stepped up to lead a recruiting team for new CRE members.

Communications Committee

Tom Campo reported the first CRE newsletter went out over the Summer to some 6000 recipients from Nielsen client list. Future newsletters will be opt-in. Initial acceptance rate just over 4%. Hadassa Gerber stressed the value of frequency in building up the response. Pat Liguori suggested using webinar as opportunities to promote.

Tom also spoke to the pieces being placed in the *Manager's Business Report*. Tom works with CRE member authors, sometimes writing, sometimes just editing. Jack Wakshlag, Pat Liguori, Nancy Gallagher, Dan Murphy and Michael Orgera have published pieces.

New Business

Emily Vanides offered to fill the Communicatio Chair/Council Secretary role formally held by Jessica Pantanini. Before she had time to reconsider she was voted into office by the Council.

Ceril Shagrin then offered to step up as Chair of the CRE and was endorsed unanimously.

Dan Murphy is stepping down as Chair of the Digital committee but will continue participating on the committee.

Everyone on the Council was invited to submit a name of a possible new CRE member.

The next meeting is scheduled for December 8.

Final remarks

See Addendum 2.

The meeting was adjourned at 4:32 PM.