

COUNCIL FOR RESEARCH EXCELLENCE REPORTS OUT RESULTS OF TWO NEW STUDIES AT 'WHAT IS IT TO WATCH TV?' EVENT

Consumer Neuroscience Research Examines Impact of Increased Distractions on Viewing, Fixation, Attention, Emotion

Ad Delivery Study Looks at Various Factors' Impact on Ad Engagement

New York, Sept. 8, 2016 – The Council for Research Excellence (CRE) today unveiled findings from a pair of research studies designed to build on the organization's previous work to help answer the question, "What is it to Watch TV?" in today's multi-screen world.

The two newest studies, one a neuroscience-based examination of whether the traditional definition of engagement needs to be expanded from "watching" and "listening," and the other focusing on non-linear platforms (VOD, computer, tablet and smartphone) to examine how different factors impact ad engagement, were reported out at an event in New York attended by senior media research professionals from networks, local stations, syndicators, advertisers and agencies.

"These studies not only provide important insights on how consumers are using multiple devices in our complex media environment, but they also help us focus our measurement of this usage to make sure we account for it properly," said Billy McDowell, Vice President, Research for Raycom Media and Chair of the CRE.

Consumer Neuroscience Study: "The Mind of the Viewer"

"The Mind of the Viewer" examined how TV viewers have more distractions than ever, while revealing that it's not an all or nothing proposition: ads still are viewed and continue to have opportunities to break through in cluttered environments. While overall visual attention to ads was significantly diminished with distractions, the vast majority of TV ads were still noticed by nearly all of the viewers tested.

The first phase of the research, which was conducted jointly at the Time Warner Media Lab in New York and Nielsen Consumer Neuroscience's lab in Boston, focused on four audience groups: Solo Viewers, Solo Viewers with 2nd Screen, Co-Viewers, and Co-Viewers with 2nd screens. Participants were seated in a simulated living room environment, and data were collected with biometric devices to measure emotional response, eye tracking devices to measure visual attention, facial coding cameras to capture expressed emotion, and video cameras to capture behavior at second-by-second levels.

The study showed that brands continue to have opportunities. Without a second screen distraction, whether solo viewing or co-viewing with a friend, more than 90% of the viewers noticed the ads (defined as a viewer having at least one fixation on an ad). With the introduction of a second screen, the percentage dropped, but still resulted in 75% of

the ads being noticed. The results also showed that more distractions led to less channel changing away from ads, so even though viewers were more distracted, they tuned into more ads than solo viewers.

However, tuning into advertising doesn't always translate into increased viewing. Viewing, defined as total time in fixation, a more stringent measure of visual attention with eye tracking, was different for the groups studied:

- Solo viewers spent 58% of time in fixation, which dropped to 43% when they were co-viewing.
- With access to second screens, solo viewers decreased even more to 34% in fixation time, and co-viewers with a second screen to 25%.

Additionally, the emotional engagement to advertising data was mixed, with co-viewing leading to a heightened emotional response but the introduction of a second screen resulting in a muted emotional response. Emotional response was measured using biometric devices.

The motivation behind this study was to answer an industry question: As more people include multi-platform devices as part of their regular viewing behavior, does the industry definition of viewer engagement need to expand to accommodate additional behaviors beyond the current "watching" and "listening?" The study sought to improve understanding of how multi-platform device use in a household may increase opportunities for exposure to content, and to help inform the development of new technologies and metrics used to capture viewing behavior.

The project was led by Howard Shimmel, Chief Research Officer, Turner Broadcasting System and Chair of the CRE's Neurometrics Committee, and Beth Rockwood, VP, Portfolio Research and Chief of Staff at Turner and Vice Chair of the CRE committee. Research was conducted by a Nielsen team led by Dr. Carl Marci, EVP and Chief Neuroscientist.

"We're incredibly pleased with the results so far," Shimmel said. "The study clearly shows how dramatically the way people watch TV has changed since the definition of what defines viewing, and the training process around that definition, was first established in the early '80s. We're anxious to finish the last phase, and to work with Nielsen to evaluate any changes the study points to."

The first piece of the exercise featured a natural viewing experience in which participants could choose content, and change channels at will for the first 45 minutes. Participants then were exposed to a 30-minute sitcom featuring standard ad breaks. All research was conducted between 6-11 p.m.

A second phase of the study, which will demonstrate in-home results, will be fielded in late 2016, with results expected in the first quarter of 2017.

Ad Delivery Research: The Impact of Ad Delivery and Execution on Engagement and Recall

This study was designed to further explore how different factors impact ad engagement. It posed three questions: What drives engagement with advertising? How do different ad

delivery techniques influence engagement? What's the most effective strategy going forward?

The study focused on non-linear platforms: VOD, computer, tablet and smartphone, and tested platform impact under a wide variety of ad delivery scenarios. The research was conducted by Hub Entertainment Research in conjunction with the CRE's Media Consumption & Engagement (MCE) Committee. MCE member Tom Ziangas, Senior Vice President, Research, AMC Networks, led the project.

Key findings:

- Ad load and platform combine to have a strong influence on ad attention and engagement.
 - TV screens can support full ad loads with reasonable recall.
 - Tablets and phones have a recall advantage when load is moderate or light.
 - Computer recall is low across the board.
- Other ad delivery features also affect ad attention and engagement.
 - Ad countdown clocks lead to greater brand recall overall.
 - Pre-roll ads are more likely to be tuned out than ads running during shows.
 - Ad repetition helps with recall but leads to a more negative viewing experience.
 - Fast-forwarding is detrimental to brand recall but is used infrequently.
- One of the main culprits in ad disengagement is multitasking.
 - Digital and work-related multitasking significantly reduces attention and recall.
 - Both types (digital and work-related multitasking) are common when viewing on a computer or VOD, and when ad load is full.
 - Tablet and phone users watching with light/moderate ad loads are much less likely to multitask, making tablet/phone + moderate/light load a sweet spot for attention and recall.
- Confirmed from first study: Bigger screen leads to more positive viewing experience overall.

“As a follow up to our first study we have learned that the ad experience across the different platforms has many variables that engage and impact ad attention, recall and multitasking,” Ziangas said. “I commend Hub Research and the committee for providing a landmark study and valuable insights to the industry.”

Hub Entertainment Research conducted an online survey among 2,459 TV viewers. TV viewers ages 16-54 were recruited and each was assigned one of five viewing platforms (live TV, VOD, computer, tablet or smartphone). Respondents each were assigned to watch a particular show, with varying levels of ad load, ad repetition, pre-roll ads and user interface across shows. Within one day of watching the show, respondents completed a 20-minute online survey that measured engagement and recall of the show and ads.

In addition to reporting out findings from the two studies, the CRE event featured speakers David Poltrack, Chief Research Officer, CBS Corporation and a CRE member, and James G. Webster, a professor of communication studies at Northwestern University. Webster shared insights from his extensive studies on how people consume media across digital platforms, as interpreted within a theoretical framework.

About the Council for Research Excellence

The Council for Research Excellence (CRE) is an independent research group created in 2005 and funded by Nielsen. The CRE is dedicated to advancing the knowledge and practice of audience measurement methodology and comprises senior-level industry researchers representing advertisers, agencies, broadcast networks, cable, syndicators, local stations and industry associations. CRE members represent advertising agencies, media buying firms, media companies, advertisers, digital publishers, social media companies and industry organizations including ABC Owned Television Stations, AMC Networks, CBS, clypd, Comcast Spotlight, Cox Media Group, CoxReps, ESPN, Greater Media, ITN Networks, Katz Media Group, Magna Global, Media General, Media Rating Council, NBC Universal, Nielsen, Omnicom Media Group, Radio Advertising Bureau, Raycom Media, Scripps Networks Interactive, Tribune Co., Turner Broadcasting System, TVB, Twentieth Television, Twitter, Univision Communications, Viacom Entertainment Group and Weigel Broadcasting.

For more information about the Council for Research Excellence, please visit: <http://www.researchexcellence.com/>

###

CONTACT

Mark Braff

Braff Communications LLC

201-612-0707

mbraff@braffcommunications.com