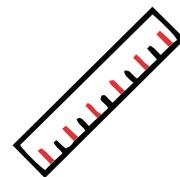
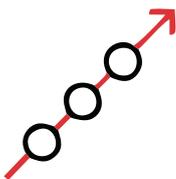


NIELSEN FEATURED INSIGHTS

MAKING DIGITAL ADVERTISING ADD UP RIGHT TARGETING AND ROBUST MEASUREMENT DRIVES EFFECTIVE DIGITAL STRATEGY

- Only 63% of advertising campaigns in India that are targeted to men 18 years or older get served by digital publishers to the intended audience. For women between 25-44 years, the figure is just 65%.
- Self-reported metrics by publishers are insufficient to precisely measure the success of campaigns and ensure accuracy of reach.
- Impartial, third-party reach measurement goes a long way in driving accuracy for campaigns of all sizes.

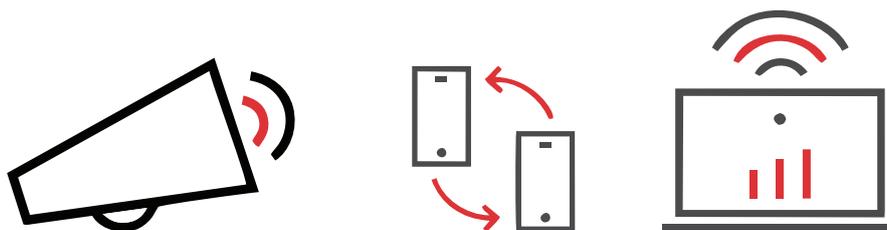


Businesses around the world have transitioned from testing the digital advertising waters to planning and budgeting their digital spend well in advance. But many still have questions about the efficiency of their digital ads.

Some advertisers continue to increase their digital spend to broaden their reach and then measure success through using traditional key performance indicators (KPIs) like impressions, clicks and click-through rates (CTRs). This is problematic because advertisers base their campaign spend on metrics that publishers deliver, which presents somewhat of a conflict of interest. In the absence of awareness about alternative assessors, many advertisers believe that these publishers are able to accurately identify the profile of every user and therefore deliver a high level of precision in reaching the desired audience of their advertising campaigns.

ADVERTISERS ARE NOT CONVINCED ABOUT THE NEED FOR IMPARTIAL THIRD-PARTY MEASUREMENT

Despite the general dependence on publishers for performance metrics, some advertisers appreciate the improved accuracy and impartiality of third-party reach measurement. But they don't pursue the possibility because they are uncertain about which corrective measures to take based on the reported metrics. Moreover, advertisers also believe that third-party reach measurement would only be worth the effort if they spend substantially more than their counterparts on digital advertising.





SOME ADVERTISERS APPRECIATE THE ACCURACY AND IMPARTIALITY OF THIRD-PARTY MEASUREMENT OF REACH, BUT THEY DON'T PURSUE THE POSSIBILITY BECAUSE THEY ARE UNSURE WHICH CORRECTIVE MEASURES TO TAKE BASED ON THE REPORTED METRICS.

IT'S A MYTH THAT PUBLISHERS TARGET CAMPAIGNS WITH A HIGH LEVEL OF PRECISION

Publishers have the distinct advantage of being able to capture huge amounts of data about customers on their platforms. Consequently, advertisers believe publishers are in the best position to most accurately target their campaigns. The belief that digital advertising offers the most precise targeting stems from the self-reported metrics that advertisers receive from publishers.

Going forward, as advertisers increase their digital ad spend, they will need empirical evidence that the targeting in digital campaigns is accurate. Third-party reach measurement solutions like Nielsen's Digital Ad Ratings (DAR) address this imminent need.

Nielsen DAR's meta analysis of over 6,000 campaigns reveals the headroom for making ad targeting more efficient. For campaigns that were targeted toward men between 25 and 44 years old, only 68% of impressions reached the intended audience. Comparatively, a mere 65% of impressions were accurately served to women between 25 and 44. These figures show that advertisers that spend on buying and reaching audiences on digital media need to start using independently reported on-target reach, frequency and gross rating points to measure the effectiveness of their campaigns.

ON-TARGET AVERAGES BY TARGET GROUP AND ADVERTISER CATEGORY FOR INDIA

TOTAL DIGITAL

	AGE	P	M	F
	18+	75%	63%	76%
	18-34	57%	-	69%
	18-44	63%	87%	64%
	21+	63%	-	81%
	25-44	82%	68%	65%
	25-54	70%	-	77%

ADVERTISER CATEGORY	TOTAL DIGITAL
AUTOMOTIVE	63%
CPG INC FOOD AND BEVERAGE	70%
ENTERTAINMENT	71%
FINANCIAL SERVICES	69%
HEALTH CARE AND PHARMA	75%
RETAIL	72%
TECHNOLOGY AND ELECTRONICS	78%
TELECOMMUNICATIONS	74%

Source: Snapshot of DAR India On-Target Averages

Advertisers often believe that third-party reach measurement solutions need to be considered only by businesses that spend large amounts of money on digital advertising, but that's far from the truth. Precise reach measurement solutions are relevant for brands irrespective of the size of their digital investments.

For instance, a recent mid-sized campaign Kellogg's effectively used DAR readings to optimize the performance of its mid-size campaign as well as measure the key metrics of audience reached, number of unique users and how frequently these users came across the campaign.

- 1. Who the campaign reached.
- 2. How many unique users were reached.
- 3. How many times these users came across the campaign.

The insights revealed through these three critical metrics helped Kellogg's achieve a cumulative on-target rate of 70% after 29 days of the campaign, a substantial leap from the 28% of the first day. This translated into an improved media efficiency of 42%.

The important thing for advertisers to be cognisant about in the future is the increased need for accuracy of digital advertising measurement. Third-party reach measurement ensures that campaigns can be planned and delivered to the audience that it is meant for.

ABOUT THE AUTHORS



VISHAL KAMATH
HEAD, DIGITAL REACH,
SOUTH ASIA



SANDEEP PARAKH
ASSOCIATE DIRECTOR - CLIENT SERVICING,
DIGITAL REACH, INDIA



NIKHIL SHAH
MANAGER - DIGITAL REACH,
WEST REGION, INDIA

ABOUT NIELSEN

Nielsen Holdings plc (NYSE: NLSN) is a global measurement and data analytics company that provides the most complete and trusted view available of consumers and markets worldwide. Nielsen is divided into two business units. Nielsen Global Media provides media and advertising industries with unbiased and reliable metrics that create a shared understanding of the industry required for markets to function. Nielsen Global Connect provides consumer packaged goods manufacturers and retailers with accurate, actionable information and insights and a complete picture of the complex and changing marketplace that companies need to innovate and grow.

Our approach marries proprietary Nielsen data with other data sources to help clients around the world understand what's happening now, what's happening next, and how to best act on this knowledge.

An S&P 500 company, Nielsen has operations in over 90 countries, covering more than 90% of the world's population. For more information, visit www.nielsen.com.