



# CABLE NATION: The Under vs. Overcounted: Cable vs. Internet

# Audience Count & Currency Challenges: Cable vs. Internet

## Cable

### Legacy, Systematic Under-counting

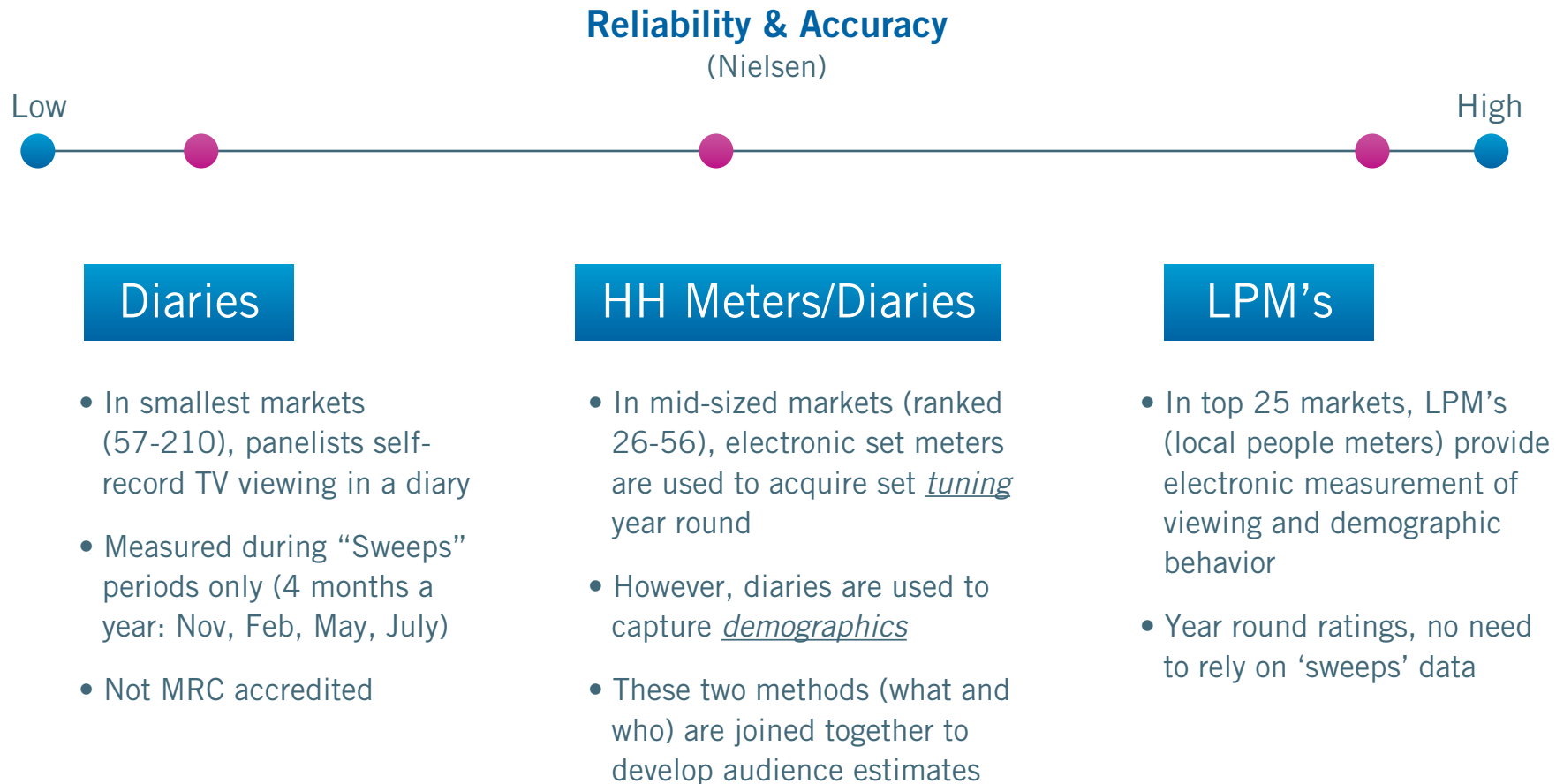
- Drastically under-reported Cable ratings in non-LPM (local people meter) markets
- Cable ratings jump 30-65% when market simply switches measurement
- 50% of TV HH's are not measured by LPMs

## Internet

### Dramatic Over-counting

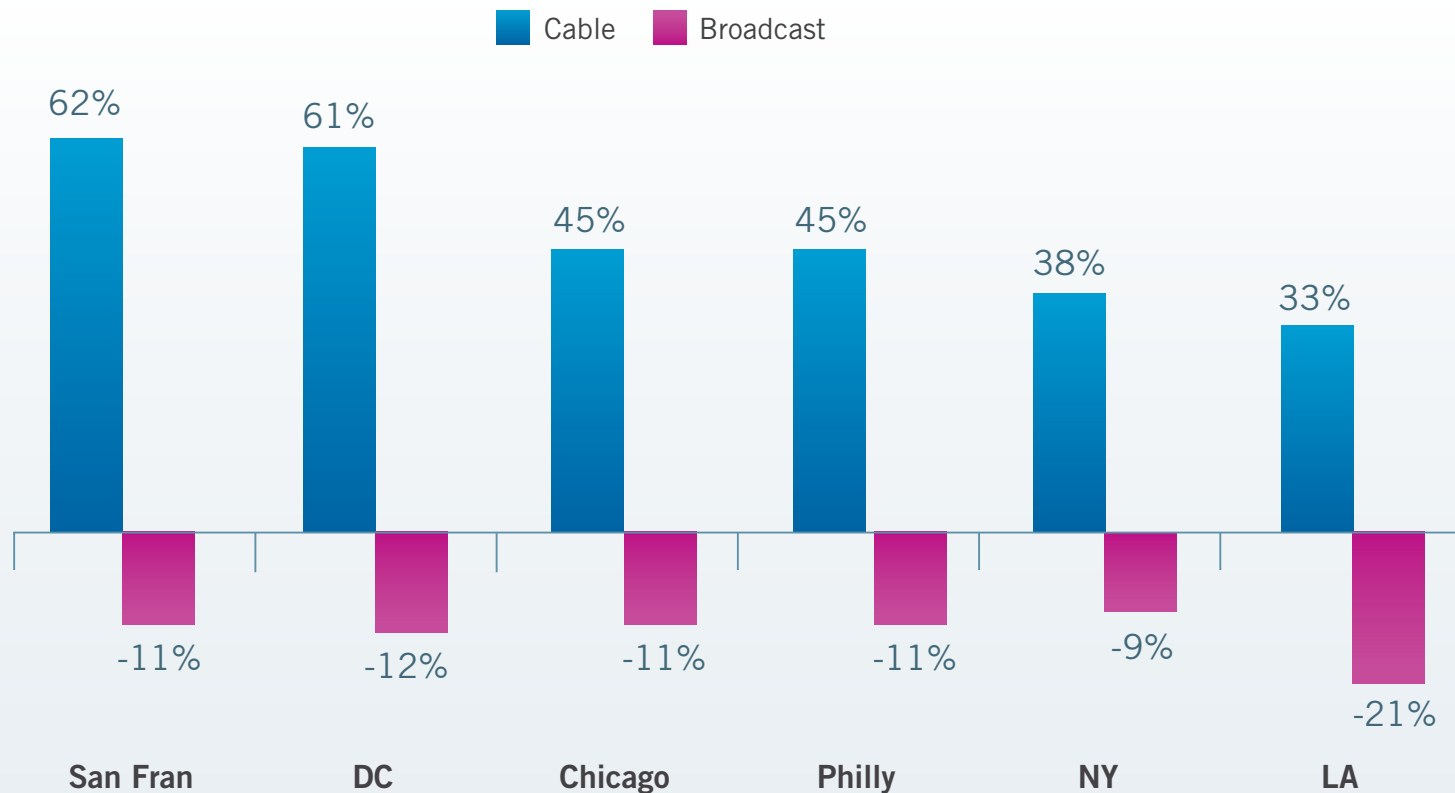
- Click Fraud: 36% of web traffic is fake
- Piracy: Automated 'bots' posing as human users are counted as impressions on pirated websites
- Viewability: 50% of ads viewed less than one second but counted as an impression

# Audience Measurement For Television Currency



## The Undercounted: Every Time a Market Switches to LPM Measurement, Cable Ratings Increase Significantly

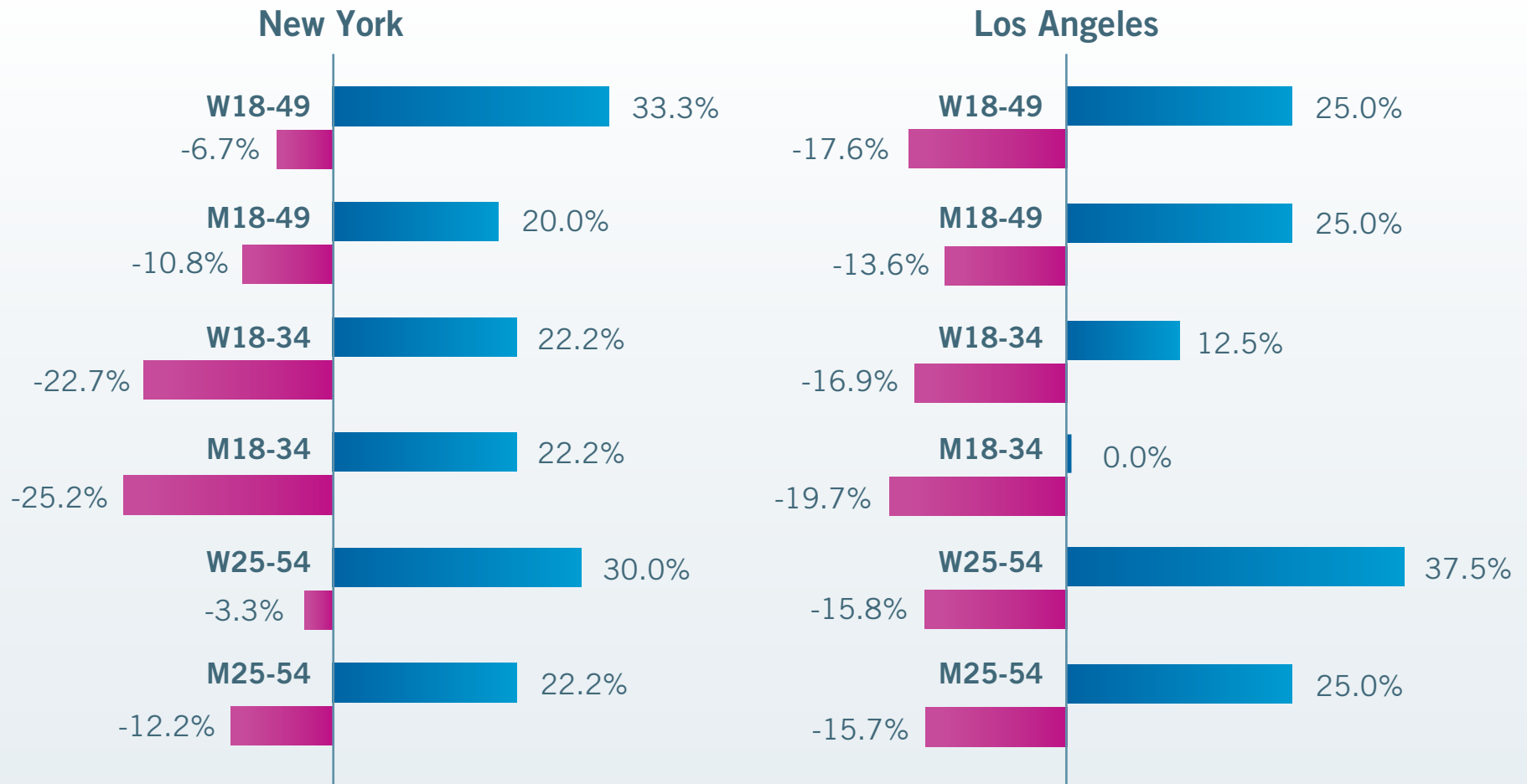
% Difference in A25-54 Ratings Between Diary & LPM



# Regardless of Age & Gender, LPM Switch Results in Cable Ratings Gains and Broadcast Losses

Avg RTG Gains/Losses: 5/05 (LPM) v. 5/04 (Diary) Mon – Sun 7A-1A

Ad-Supported Cable Broadcast



Source: Nielsen, Broadcast= 6 nets.

# The Undercounting Exists in the Majority of Markets: 185 Markets, 50% of TV HH's are Not Measured by LPM's

## LPM Markets

### 25 Markets

New York  
Los Angeles  
Chicago  
Philadelphia  
Dallas-Ft.Worth  
San Francisco-Oakland-  
San Jose  
Boston  
Washington, D.C.  
Atlanta  
Houston  
Detroit  
Phoenix  
Seattle-Tacoma  
Tampa-St. Petersburg  
Minneapolis-St. Paul  
Miami-Ft. Lauderdale  
Denver  
Orlando-Daytona Beach-  
Melbourne  
Cleveland-Akron  
Sacramento-Stockton-  
Modesto  
St. Louis  
Portland, OR  
Pittsburgh  
Charlotte  
Baltimore

## Non-LPM Markets (Meter or Diary Measurement)

### 185 Markets

Raleigh-Durham	Dayton	Myrtle Beach-Florence	Medford-Klamath Falls	Harrisonburg
Indianapolis	Charleston-Huntington	Johnstown-Altoona-St Col.	Beaumont-Port Arthur	Alexandria, LA
San Diego	Roanoke-Lynchburg	Evansville	Salisbury	Marquette
Nashville	Wichita-Hutchinson Plus	Lincoln & Hastings-Krny	Lubbock	Jonesboro
Hartford & New Haven	Flint-Saginaw-Bay City	Tallahassee-Thomasville	Wichita Falls & Lawton	Bowling Green
Kansas City	Honolulu	Reno	Minot-Bsmrck-Dckns	Charlottesville
Columbus, OH	Green Bay-Appleton	Tyler-Longview	Anchorage	Laredo
Salt Lake City	Tucson	Ft. Wayne	Sioux City	Grand Junction – Montrose
Milwaukee	Des Moines-Ames	Boise	Palm Springs	Meridian
Cincinnati	Spokane	Sioux Falls	Erie	Lima
San Antonio	Omaha	Augusta-Aiken	Odessa-Midland	Butte-Bozeman
Greenville-Spart-Ashevl-	Springfield, MO	Youngstown	Albany, GA	Lafayette, IN
Palm Beach-Ft. Pierce	Toledo	Springfield-Holyoke	Joplin-Pittsburg	Greenwood-Green.
Grand Rapids-Kalmzoo	Columbia, SC	Lansing	Rochestr-Mason City-Austin	Great Falls
Austin	Rochester, NY	Fargo Valley City	Panama City	Twin Falls
Oklahoma City	Huntsville-Decatur	Peoria-Bloomington	Terre Haute	Bend, OR
Las Vegas	Portland-Auburn	Macon	Bangor	Parkersburg
Harrisburg-Lncstr-Leb-York	Paducah-Cape Girard-Harsbg	Traverse City-Cadillac	Wheeling-Steubenville	Eureka
Birmingham	Shreveport	Montgomery-Selma	Bluefield-Beckley	Cheyenne-Scottsbluff
Norfolk-Portsmth-Npt News	Madison	Eugene	Binghamton	Casper-Riverton
Greensboro-H.Point-W.Sal.	Champaign&Sprngfld-Decatur	Lafayette, LA	Biloxi-Gulfport	San Angelo
Albuquerque-Santa Fe	Syracuse	SantaBarbra-SanMar-SanLuOb	Sherman-Ada	Mankato
Jacksonville	Harlingen-Wslco-Brnsvl-McA	Yakima-Pasco-RchInd-Knnwck	Idaho Fals-Pocatlo	St. Joseph
Louisville	Chattanooga	Monterrey-Salinas	Gainesville	Ottumwa-Kirksville
Memphis	Waco-Temple-Bryan	Columbus, GA	Missoula	Fairbanks
New Orleans	Colorado Springs-Pueblo	Bakersfield	Abilene-Sweetwater	Victoria
Buffalo	Colorado Springs-Pueblo	La Crosse-Eau Claire	Yuma-El Centro	Zanesville
Providence-New Bedford	Cedar Rapids-Wtrlo	Corpus Christi	Hattiesburg-Laurel	Helena
Wilkes Barre-Scranton	El Paso	Amarillo	Billings	Presque Isle
Fresno-Visalia	Savannah	Wilmington	Clarksburg-Weston	Juneau
Little Rock-Pine Bluff	Baton Rouge	Chico-Redding	Quincy-Hannibal	North Platte
Richmond-Petersburg	Jackson, MS	Columbus-Tupelo-W Pnt-	Utica	Alpena
Albany-Schenectady-Troy	Charleston, SC	Topeka	Dothan	Glendive
Mobile-Pensacola	South Bend-Elkhart	Wausau-Rhineland	Rapid City	
Tulsa	Tri-Cities, TN-VA	Rockford	Elmira	
Knoxville	Burlington-Plattsburg	Monroe-El Dorado	Lake Charles	
Ft. Myers-Naples	Greenville-N.Bern	Columbia-Jefferson City	Watertown	
Lexington	Davenport-R.Island-Moline	Duluth-Superior	Jackson, TN	
	Ft. Smith-Fay-Sprngdl-Rgrs			

# The Overcounted: Biggest Story in American Media – Internet Ad Fraud

Sampling of Press Coverage From the Last 9 Months

**THE WALL STREET JOURNAL. | BUSINESS**

TOP STORIES IN TECH

- 1 of 12 Sony at E3: More Games, but Content and...
- 2 of 12 Nintendo at E3: Watch Its 'Digital Even...
- 3 of 12 Uber War: Taxi App's Legal Roadblocks L...
- H-P to IBM in Superc

TECHNOLOGY

**Bots and 'Drone Pools': The Deep B...**  
Advertisers Can Be Tricked Into Paying for Spots on Bogus!

**ADWEEK**

**Fraud Alert: Millions of Video Views Faked in Sophisticated New Bot Scam**

TubeMogul outs dozens of suspect sites By [Name]

**The New York Times**

BUSINESS DAY

**The Great Unwatched**

**THE WALL STREET JOURNAL.**

**Rampant Fraud Raises Questions About Video Ad Exchanges**

**DIGIDAY** Brands Agencies Publishers

**Confessions of a Fake Web Traffic Buyer**

**THE WALL STREET JOURNAL. | BUSINESS**

**More Ad Dollars Flow to Pirated Video**

Illicit Websites Use Automated Ad-Buying Systems to Their Advantage

**ADWEEK**

**Online Ad Fraudsters Are Stealing \$6 Billion From Brands** Security firm White Ops claims 1 in 6 PCs Shields

**DIGIDAY** Brands Agencies Publishers Platform

**VidBlog** FOCUS ON THE BIGGER PICTURE

Home > VidBlog > Friday, May 30, 2014

**Everybody's Talking About Viewability And That Ain't Good**

**THE WALL STREET JOURNAL. | BUSINESS**

**A 'Crisis' in Online Ads: One-Third of Traffic Is Bogus**

As Digital Advertising Climbs Toward \$50 Billion This Year, Marketers Battle Fraudulent Visitors

**ADWEEK**

**Bot Problem Keeps Getting Worse** More than half of U.S. traffic, per Solve Media By Mike Shields

# 36% of All Web Traffic is Fake; At Least \$15 Billion in Advertising Dollars Squandered

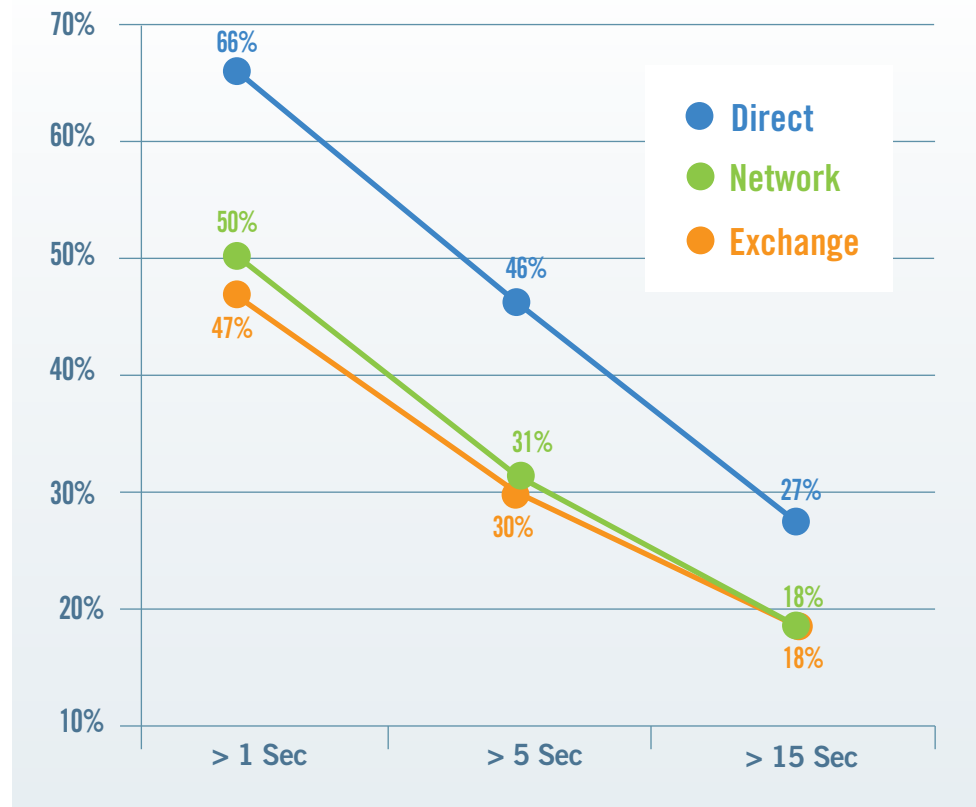
- **\$15 Billion** spent by Advertisers on non-existent consumers; or more than the total Cable upfront marketplace
- Worse offenders: Exchanges & Ad Networks
  - Half graded “D” or “F” in suspicious activity / viewability
  - However exchanges / ad networks continue to grow
  - 3x more ad networks created in last 4 yrs

# Viewability of Internet Ads (Display & Video) A Real Problem: Little Consumer Commitment Outside of Direct Publishers

## Viewability

- **Half** of Network / Exchange ads not viewed in 2nd half 2013
- 70% of Network / Exchange ads viewed for less than 5 seconds
- Direct from publisher ads viewed more frequently and longer

Viewability by Timeframe (All Ads)  
(2nd Half 2013)



Timeframe Ad is in View

# Fraud & Viewability: A First Step Towards Accountability

- MRC instituted guidelines in Q2 '14 to attempt to ensure ads counted as impressions are actually viewable. The guidelines are as follows:
  - Display ads: 50% of pixels in view for 1 second
  - Video ads: 50% of pixels in view for 2 seconds
- However,
  - No audio requirements
  - Need for independent verification to ensure guidelines are up held



# CableNation

CABLETELEVISION ADVERTISING BUREAU

If you would like additional video advertising information, insights or analysis please visit our website at [www.thecab.tv](http://www.thecab.tv) or feel free to contact us directly:

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