ORACLE

Essential Strategies for Digital Media Measurement





AN EIGHT-MINUTE READ

Effective measurement is the critical success factor in digital advertising

As the world spends more and more time engaging online at all hours of the day—shopping, talking to friends and colleagues, watching videos, playing games, and generally expressing their ideas and recording their lives—digital advertising is one of the most important tools in the marketer's toolbox.

Digital advertising spending worldwide was estimated to have been \$378 billion in 2020. And it's only going to increase. Forecasts estimate that by 2024, this figure will increase to \$646 billion.¹

Yet, digital advertisers lose billions of dollars annually to ad fraud² and the consumer data that advertisers rely on is increasingly regulated. In the US alone, at least 30 states and Puerto Rico considered consumer data privacy bills in 2020.³

With these factors at play, having an effective digital media measurement strategy in place is more important than ever as buyers and sellers of advertising seek to understand which elements of their campaigns are having the biggest impact. This guide covers the steps to implement a strategy that can help your organization navigate a dynamic industry, reach intended audiences, and deliver the return on investment your business demands.



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Digital media measurement, defined

Digital media measurement assesses the effectiveness of your ads along several dimensions.



Ad verification. Baseline measurement that covers invalid traffic (IVT), viewability, and brand safety metrics that most advertisers work toward optimizing, especially for programmatic and direct media buys. Verification is what first gives an ad, or a digital campaign, the chance to succeed. It determines if the ad was served to a real person, if that ad was viewable, and if that ad was served in a brand-safe environment.



Ad effectiveness. Did the campaign have the intended impact on the target audience in terms of reach, engagement, or conversion?

Ad *effectiveness* is different from ad *verification* in that it measures how well the ad performed, not if it was served to a real human with a chance to be seen in a brand-safe environment.

There are several flavors of ad effectiveness measurement. The most appropriate type for a campaign depends on campaign goal.

- Attention: When the goal is awareness and engagement, measuring attention is a useful key performance indicator (KPI). This metric judges a campaign's ability to attract the attention of the target audience. Useful measures of attention include whether a video ad was viewed to completion with sound on or off, or whether the audience scrolled or hovered next to the ad creative.
- **Conversion:** When the goal is converting audiences in terms of purchases or store visits, it is more helpful to measure conversions or outcomes. This type of measurement looks further downstream to assess the business impact at both the ad unit and campaign level. Outcome measurements assess whether the advertising increased performance metrics like sales lift or website or store visits.

At its core, digital media measurement helps determine return on investment of advertising. And an effective digital media measurement strategy helps those who buy, sell, and implement digital advertising realize greater value with every impression. For advertisers and marketers, it

- Ensures efficiency of spend by helping you understand which elements of your campaign, such as media types, formats, and segmentation tactics, drove the best results.
- Minimizes risk by identifying traffic that may be invalid or fraudulent, and inventory that may not align with your brand.
- Provides a consistent baseline for comparing the effectiveness of future digital media strategies.
- Acts as a data-driven guide for optimizing every element of your media campaigns.

For publishers, digital media measurement generates customer confidence because it validates the publisher inventory as viewable and brand safe. Publishers also leverage measurement to prove the value of their inventory in terms of its relevance to key advertisers.

Without digital media measurement, advertisers and marketers would blindly purchase media with no insight into its effectiveness. Publishers would be unable to reassure advertisers that media they purchase is well aligned to their brand and target audiences.

A word about ad fraud

Ad fraud is an unfortunate and costly reality of digital advertising.

Ad fraud is when bad actors fraudulently represent online advertisement impressions, clicks, conversions, or data events in order to siphon off of ad revenue.

Over the past several years, numerous sophisticated and far-reaching ad fraud schemes have spoofed websites and used bot traffic to cash in. With names like DrainerBot, Hyphbot, and 3ve, these operations cost advertisers and publishers real money. According to Roberto Cavazos, director of risk management and cybersecurity programs in the Merrick School of Business at the University of Baltimore, ad fraud is costing "on the order of \$30 billion annually."⁴

But ad fraud is often conflated with invalid traffic (IVT).

Invalid traffic is the technical term for advertising impressions generated by bots or any form of non-

human traffic. Not all invalid traffic is malicious, however detecting all forms of IVT is essential to protecting ad spend and ensuring impressions are valid and viewable.

To help advertisers guard against IVT, the Media Rating Council (MRC) launched an accreditation program for measurement services providers for desktop, mobile, web, video, and in-app mobile traffic. The MRC defined two mutually exclusive categories of IVT.⁵ See the table below.

An effective digital media measurement strategy empowers advertisers and publishers to easily identify both types of IVT, course-correct if necessary, and more effectively spend their advertising dollars.

Let's take a closer look at some of the common obstacles you might encounter when building a digital media measurement strategy as well as specific tactics to overcome those obstacles.

General Invalid Traffic (GIVT)	Sophisticated Invalid Traffic (SIVT)
Identified through routine means of filtration executed through application of lists, or with other standardized parameter checks.	Difficult-to-detect situations that require advanced analytics, multipoint corroboration / coordination, or significant human intervention to analyze and identify.
Known data center traffic	Bots and crawlers pretending to be legitimate users
Bots, spiders, and other crawlers	Hijacked devices and user sessions
Activity-based filtration	Invalid proxy traffic
 Nonbrowser user-agent headers or unknown browsers 	Adware and malware
Prefetch or browser-prerendered traffic (unless never counted as a gross impression)	Incentivized manipulation of measurements
	Falsely represented sites and ads
	Cookie stuffing
	Manipulation or falsification of location data

Build your measurement strategy

An effective digital media measurement strategy benefits advertisers, marketers, and publishers alike. But to implement the strategy, you must understand some common challenges.

1. Lack of control in programmatic advertising

Buyers have less direct control over where ads appear in open programmatic transactions because media buys are automated. Advertisers risk placing ads on unsafe websites, bidding on inventory and ads that are never viewed, falling victim to fraud, and potentially wasting money. Always-on measurement is the best way to monitor and control for such outcomes. By measuring across the entirety of a campaign, advertisers can understand which elements of their campaign are not meeting their standards of viewability, validity, and brand safety.

2. Lack of industry measurement standards

Not all advertisers and publishers adopt the standards for brand safety, viewability, and invalid traffic set by independent trade associations such as the Interactive Advertising Bureau (IAB) or Media Ratings Council (MRC). Social media platforms act as walled gardens by using their own measurement standards. If the rules and the standards continue to change, it makes it difficult to transparently transact on media. Independent measurement is critical because it provides an objective, trustworthy, and independent measure of success.

3. Global privacy legislation

Privacy issues affect advertisers and publishers alike. Europe's General Data Protection Regulation (GDPR) has prompted fundamental changes in the ways buyers and sellers of advertising understand their audiences and plan media. Google announced it will eliminate third-party cookies in late 2023. Apple has implemented changes that require iOS users to opt in to Identifier for Advertisers (IDFA) consent. These publishers have

typically relied on the ability to segment their audiences using data-driven solutions, giving customers confidence they're reaching the right people. If and when third-party cookies do go away, publishers will be left to find new ways to prove to their clients and prospects that their inventory is highly relevant to their brand and worth investing in. These publishers have typically relied on the ability to segment their audiences using data-driven solutions, giving customers confidence they're reaching the right people.



Five steps to get started with digital media measurement

Measure the right KPIs

Align KPIs with objectives and tailor them to your ad platforms and digital channels. Group KPIs by what they're measuring, including:

- **Verification:** viewability, brand safety, and human (valid) traffic
- **Attention:** did my ad capture my audience's attention?
- Control: manage reach and frequency
- **Outcomes:** understand sales lift, return-on-ad-spend (ROAS)

Once you've determined the right KPIs, set targets and monitor them.

Maximize your agency's media plan

Understand the decisions being made regarding media, creative, data, and technology. Use historical campaign performance and competitive industry benchmarks to challenge media plans if needed. Be open to exploring new and emerging media channels, such as connected TV, by testing prior to a heavy investment. Ask for the rationale for budget allocation, especially for immeasurable inventory or untested channels.

Supply chain transparency

Programmatic advertising can be fragmented and opaque. Automated bids combined with a less-than-ideal view of the supply chain can leave ad budgets open to fraud, low traffic, low-quality placements, and overpriced data and technology vendors. Transparency into costs is essential. That includes working media, talent, data, technology, and other costs. Measurement can be used to track channel investments, benchmarking media investments using historical campaign data, and accessing platform reports to identify gaps.



Five steps to get started with digital media measurement

Target quality, brand-safe impressions

Take the necessary steps to ensure that campaigns are only executed against valid, viewable impressions. You can do this by:

- **Determining your brand's risk tolerance:**be explicit about the types of content and websites you're comfortable with and those you are not.
- Ensuring brand safety guidelines are in place along with minimum thresholds for quality impressions.
- Reviewing the media supply against blocklists, quality, and verification standards to reduce non-brand-safe or brand-appropriate impressions.

Actively optimize campaigns for better performance

Understand the available tools, technology, and data available for optimization. Analyze performance across all sites, channels, and formats to identify underperforming campaigns and move spend to more successful programs. Ensure post-campaign analysis includes recommendations for improving future campaigns. Make optimization a standard part of your measurement practice.



Reap the full benefit of digital media measurement

Every ad impression is another chance to connect with a potential or existing customer. You want to get it right. When it's time to implement a digital media measurement strategy into your business, remember these key takeaways.



Work with trusted measurement providers ones that offer full transparency along with

ones that offer full transparency along with trusted, proven results.



2. Work with your partners

talk to your agency or adtech vendors to understand strategic decisions and steps they'll take to launch and manage your campaigns. Don't hesitate to ask questions about your media spend and placements. Building a strong working relationship with them will help maximize your investment.



3. Choose the right KPIs

doing so will help you set the right business objectives.



Elevate your digital media measurement with Oracle

Measure advertising effectiveness, including verification and attention, reach, and frequency as well as sales lift measurement.

Want to know more? <u>Oracle Moat</u> is a measurement and marketing analytics suite designed to help advertisers, publishers, and platforms measure media performance across their omnichannel digital and TV advertising campaigns.

Visit us



To the experience-maker who's always moving forward

As modern customers and prospects seem to shape-shift from one moment to the next, it's critical to maintain pace with their expectations. To help, we created the Ignite series to fuel your continuous pursuit of customer experiences that always hit the mark.

Guides like this one on digital media measurement aim to advance your expertise and help you craft foundational strategies in less time, so you can get back out there to captivate customers and drive revenue.

What will you discover next?

- Infographic: 5 Best Practices for Results-Driven
 Ad Measurement
- Case Study: Transforming Etisalat's Digital Performance
- Infographic: Everything Advertisers Need to Know About Connected TV and Ad Fraud





About Oracle Advertising and CX

Make every customer interaction matter by connecting all your business data across advertising, marketing, sales, commerce, and service. Oracle Advertising and Customer Experience (CX) is a connected suite of applications that goes beyond traditional CRM to help you create and nurture lasting customer relationships. Build a complete view of every interaction and every customer, no matter how and when they engage. Empower your entire business to deliver exceptional customer experiences—from acquisition to retention—and everything in between.

Sources

- 1. "Digital advertising spending worldwide from 2019 to 2024," Statista, accessed September 17, 2021
- 2. "Digital Ad Fraud 2020," emarketer, February 11, 2020
- 3. "2020 Consumer Data Privacy Legislatures," National Council of State Legislations, January 17, 2021
- 4. "How Companies Can Deal With Rampant Digital Ad Fraud," Forbes, April 23, 2021
- 5. "Invalid Traffic Detection and Filtration Standards Addendum," Media Rating Council, Inc., June, 2020



