A Guide for “Turning On” Addressable TV Advertising
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executive summary

TV remains a powerful advertising platform to reach audiences: its quality and engagement with viewers is unparalleled. Time and again, including during the recent COVID-19 related restrictions around the globe that kept people at home for long periods of time, the medium has demonstrated the key role that it plays in viewers’ lives.

At the same time, however, it is evident that data has changed the way marketers use media. And while television has begun to embrace data for targeting, measurement and attribution as fundamental capabilities, it must continue to evolve in these areas to ensure its continued growth and relevancy to marketers. Key to this is enabling addressability on all forms of television, including linear TV. Go Addressable is an initiative launched by the leading TV distributors and TV manufactures with the goal to drive scale and ease of executing addressable TV.

The Go Addressable Guide was created collectively by these participants to help the television industry “go” addressable. It is designed as a helpful resource for the industry, providing definitions, suggested best practices and shared learnings for enabling addressable advertising TV campaigns. The intent is that it will provide value to other distributors, programmers, advertisers and agencies, and useful insights to all those whose businesses touch addressable TV advertising in some way.

That said, while we believe this is one of the most comprehensive guides available on this topic, it is not all encompassing and for some audiences will serve as a launch point to dig in deeper. In addition, given the rapid pace of change in both consumer and advertising technologies, it is impossible to write a static guide to enabling or utilizing addressable TV advertising. For both of these reasons, it is meant to be a living document.

The guide will live on www.GoAddressable.com, a content hub for the industry offering information, commentary and thought leadership on the addressable TV space. The Go Addressable team will update and add content on a regular basis, and we invite others in the industry to share their insight and learnings as well.

"TV remains a powerful advertising platform to reach audiences."
guide summary

Addressable TV Defined. Section One proposes a broad definition of addressability, as well as insight into its supporting components, including targeting, data sources, matching, delivery and economic considerations. The section also summarizes the types of addressable TV inventory, including linear TV from traditional and virtual (vMVPD) distributors, Video on Demand (VOD), digital TV Everywhere and Smart TV ads. Companies supporting the Addressable TV ecosystem are also noted, including technology providers, standardization services, inventory owners and measurement providers.

Preparing for Addressability. Addressability cannot happen without considerable planning and building on the part of programmers and distributors. Section Two recommends a step-by-step guide to help each prepare to run addressable TV campaigns.

There are several technical factors for programmers and distributors to consider prior to embarking on a system integration and end-to-end testing environment. Both internal and external stakeholders and enablers need to be engaged in a detailed architecture discussion to finalize the implementation strategy and integration touch points. This section outlines the key components that should be included in these discussions.

A Buyer’s Guide to Addressable TV Advertising. The use of data in television advertising has “connected the funnel,” expanding the medium into a full-funnel marketing solution. Generally, addressability is best used as part of an overall marketing strategy that makes use of television’s exceptional reach capabilities, as well as its increasing ability to drive consideration, intent, and lower-funnel consumption behaviors. Section Three offers marketers a guide to when, how and why to use addressable TV, including a “media recipe” for adding addressability to the TV mix, and examples of strategies to drive specific marketing objectives.

A Seller’s Guide to Addressable TV Advertising. It is necessary to make the sale and use of addressable TV advertising as easy as possible for both buyers and sellers. Section Four shares learnings on specific “solutions” enabled by addressable TV advertising capabilities that can address common challenges faced by marketers, either across verticals or associated with specific verticals. This section also outlines a step-by-step process for sellers on how to execute an addressable TV campaign, highlighting the common elements for most scenarios, while also identifying known variants.

Enabling and executing addressable TV advertising is a formidable endeavor. We hope this guide offers a meaningful contribution toward a more scalable, sustainable addressable TV solution. Of course, we understand that everyone in the advertising ecosystem has a role in bringing it to fruition. To that end, we look forward to working together to help to go addressable in the television industry.
introduction

Working together toward a more addressable TV landscape

TV’s quality and engagement with viewers is unparalleled. Time and again the medium has demonstrated the key role that it plays in viewers’ lives. In spring 2020, TV viewing was up across the board.

TV is at a crossroads. Data for targeting, optimization and attribution has changed the way marketers use media. And historically, despite recent progress, television has lagged behind digital media in these areas. This should change. Despite its resiliency as an advertising medium, television should embrace data, targeting, measurement and attribution as fundamental capabilities to ensure its continued growth and relevancy to marketers. As an industry, addressability should be enabled on all forms of television, including linear TV.

The objective of this guide is to help the television industry adopt addressability at scale. It was written collectively by leading TV distributors and TV manufacturers with the needs of the overall TV ecosystem in mind. As such, its content will have value to other distributors, as well as advertisers, programmers and technology providers. That said, this is an evolving document, and the authors’ hope is that moving forward others across the industry will contribute their learnings and expertise to create a growing repository of addressable knowledge.

OBJECTIVE: To help the industry deliver an addressable solution for advertisers that is sound, scalable and sustainable, allowing television content providers and distributors to maximize the impact and value of television as a marketing platform.

In its current version, the guide proposes definitions to enable clear and productive conversations on the quest for addressability. It also outlines a high-level roadmap for distributors and programmers to enable addressability. The Buyers Guide offers advice to marketers on adding addressable TV inventory into the overall TV mix both now and in a fully activated addressable TV world. And finally, the Sellers Guide provides easy-to-use solutions and use cases to help addressable TV sellers bring value to marketers, as well as to prepare for and execute successful addressable TV campaigns.

Much of the guide discusses elements of addressability that apply to video content in general, such as data usage, audience segmentation and marketing use cases. A portion of the guide, however, focuses on enabling addressable advertising for programmers’ and distributors’ linear and video on demand (VOD) inventory, which still comprises the bulk of all viewing, yet lags digital video in terms of scalable, easy-to-buy, addressable solutions. In the current landscape, bringing addressability to more TV inventory is a crucial step toward the ultimate goal of delivering a unified advertising platform for the new TV landscape.

In the current landscape, bringing addressability to more TV inventory is a crucial step toward the ultimate goal of delivering a unified advertising platform for the new TV landscape.
the rise of addressability: how did we get here?

For decades, advertisers have been interested in using data to send relevant messages to audiences, and analyzing the results of that outreach. Direct mail was one of the earliest attempts to reach specific households with targeted advertising. With the rise of digital media some 20 years ago, led by search marketing, a new form of results-driven advertising emerged that used data to target audiences and help drive clicks, or website visits, or, ultimately, online purchases.

With the mass introduction of smartphones in 2007, the number of connected devices, and therefore the amount of data, escalated. Still, advertisers used this new data in the digital realm primarily for performance-driven campaigns with clear metrics. Brand advertising remained rooted in TV. And while marketers generally understood the impact of TV on consumer perception and business results, the increase of data-driven digital marketing channels began to raise questions about TV’s relative contribution as measured metrics were not comparable.

With the rise of digital video, the dynamics of data-informed advertising began to shift. Video, particularly premium video, offered similar engagement and brand-building capabilities as TV, with more of the targeting and measurement capabilities of digital media. More recently, coinciding with the connected TV services and TV Everywhere, data-driven advertising strategies encompassing targeting, measurement and attribution are becoming foundational elements of the new TV advertising ecosystem.

the current start of addressable tv: where are we now?

Viewers now seamlessly watch programming across screens, devices, and platforms. Video content has converged and the lines between video and television have become less relevant—or clear—to viewers. And while advertising has seen great strides in mirroring viewers’ holistic viewing experiences through the improved use of data, there are still data siloes and inconsistencies which hinder advertisers’ ability to plan, deliver and measure targeted, scalable, data-driven campaigns, with ease, across all video viewing platforms, particularly in linear TV.

Work is underway to bring greater data-driven intelligence and scale to TV advertising. This includes the ability to utilize more targeted audience segments for planning TV ad exposures across networks and dayparts, as well as work to unify audiences across linear and digital properties to simplify campaign execution and improve effectiveness.

There is still a lot of work to do. Bringing broad, data-enabled addressability to linear TV would make it more effective at each stage of the consumer purchasing-funnel, from upper-level brand awareness and consideration, to bottom of the funnel engagement and sales activation.

Accelerating the scale and adoption of household-level addressability for linear TV advertising is essential to support a full-funnel TV solution for marketers.

According to a survey commissioned by Comcast Advertising from Advertiser Perceptions (2019), 74% of advertisers agree that bringing greater addressability to TV would be valuable, or very valuable, to their advertising strategies.

But that’s not all. While marketers want the ability to execute more sophisticated campaigns, at scale, using consumer audience-based buys with clear attribution, they also require something else: simplicity. It must be easier to buy all forms of addressable TV advertising.

The need for addressability, scale—and simplicity—is a real and pressing problem that the industry must solve.
moving forward: working together to support the most effective marketing platform in the world

The television advertising industry must address the evolved needs of brand marketers. This means marrying the best of traditional television—including scaled reach, quality content and strong engagement—with the best of digital media—including robust data, precise targeting, clear attribution and ease of buying.

The technology is ready. The data is here. Yet inconsistent approaches to addressability are resulting in fragmented, overcomplicated and inefficient buying and execution of addressable TV campaigns. This guide proposes suggested best practices and solutions that, can move the industry closer toward the goal of addressability at scale.

The media world is moving much too quickly for the television industry to rely on its track record for building brands, no matter how impressive. It is important to act now. In doing so, it will be simpler for a brand marketer to transact on addressable linear television at scale—and ultimately on all forms of TV—to achieve the results that only TV can drive.
section one
addressable tv defined

Level setting for addressability: the whats, wheres and whos.

As a first step in achieving widespread addressability, operators, programmers and technology partners should have a set of common definitions and standards for addressable TV advertising. This section sets out to define addressability and its supporting components.

Traditional Advertising
Households watching the same show see the same ads.

Addressable Advertising
Households watching the same show see more relevant/targeted ads across devices.

understanding the basics

What is Addressability?

This playbook, and the broader Go Addressable initiative, uses the following overarching definition of addressability:

Addressability encompasses video advertising experiences where a single message from an advertiser is matched to an advertiser-defined audience segment that shares one or more common characteristics. Addressability uses data and technology to enable targeting relevant messages to the qualified audience segment in adherence to business and consumer privacy compliance requirements.

It should also be noted that the term “Advanced TV advertising” is often used to encompass two different forms of advertising: one of these is Data-driven Linear, and one is Addressable. A comparison of the differences between the two is outlined below.

Data-driven Linear

The ability to deliver commercials to high concentrations of an advertiser’s target audience through behavioral targeting and/or predictive modeling on a national basis.

Benefits

- Nationally serve media during certain networks and dayparts that most highly index against an advertiser’s desired audience
- Media distributed to full footprint maintaining national reach
- Understand both household reach and in target delivery

Addressable

The ability for different commercials to be targeted to different households on the same network at the same time.

Benefits

- Precisely serve media within brand-safe content while eliminating waste
- Optimize media to drive efficiency and effectiveness
- Understand effectiveness of media against brand KPIs via full funnel attribution
- Within the Addressable Category, there are two methods of delivery: Creative Versioning & Audience Addressable

Typically sold as two different products, with opportunities to combine for reach extension
Basics of Addressable advertising also include:

**Targeting Audiences:**
Addressability uses audience segments with desired characteristics, ranging from attributes such as demographics (e.g. household income or education), purchase propensity (e.g. past purchases or predicted future purchases), lifestyle (a sophisticated combination of geography and demographics, e.g. affluent suburbanites), media behaviors (e.g. sports fans), geography, or expressed interests (e.g. music or cooking).

**Activating Data:**
These audience descriptors can originate in multiple sources:

Advertiser Data involves an advertiser’s own first-party customer insights data.

Examples include:
- What products or services are associated with which households
- The amount, frequency and/or timing of prior purchases
- Customer or prospect interactions with the advertiser’s marketing or sales distribution channels
- Online or offline site visitation data

Distributor Data includes deterministic consumer data derived from content distribution and consumption.

Examples include:
- Time-spent and/or types of programming viewed
- Amount and timing of exposure to a campaign
- Type(s) of TV/video consumption

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<table>
<thead>
<tr>
<th>Product Nomenclature</th>
<th>One Advertiser</th>
<th>Multiple Advertisers</th>
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| Creative Versioning  | SASO
  Single Advertiser Spot Optimization | MASO
  Multiple Advertiser Spot Optimization |

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<tr>
<th>Technology Enablement</th>
<th>Full Avail</th>
<th>Static Audience Addressable</th>
<th>Dynamic Audience Addressable</th>
<th>Dynamic Audience Acquisition</th>
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</table>
| Ad Insertion          | Ad Insertion
  Scheduled units
  Inventory
  Independent Endpoints
  Single | Ad Insertion
  Dynamic units
  Inventory
  Independent Endpoints
  Single | Ad Insertion
  Dynamic units
  Inventory
  Pooled Endpoints
  Multiple |

Delivery of **multiple versions of ads** to different sections of the **national viewing audience** for...
Licensed Data that comes from companies whose business is to collect, clean, anonymize, and license data relevant to marketing uses. This data could be modeled or deterministically matched depending on the use case.

Examples include:

- Demographic data obtained from public sources, or opt-in consumer surveys, or products and services registration data
- Consumption data obtained from retail transactional systems, financial services providers, or opt-in loyalty programs
- Interests-related data obtained from online and offline content subscriptions, and/or opt-in with registration for access to content
- Opt-in location data

**Audience and Identity Data Matching:**
The audience descriptors are linked to households via a blind matching, appending and anonymization process (see Defining Audience Segments for more detail).

A match can be performed in two ways:

1. **Identity Linking:** using a trusted blind match partner, a company that specializes in making these matches while not sharing personal identifiers among the two matching parties (e.g. LiveRamp, Experian, Neustar, Oracle, and others);

2. **Cross-walk:** using a blind match partner to generate a synthetic ID so that personal identifiers are never shared between the two matching parties. The match partner’s role is to prevent any one party from accessing the other party’s personal identifiers. Emerging methods such as blockchain may achieve these same ends through the use of technology.

**Forecasting Inventory:**
When planning addressable campaigns, it is important to understand historical viewing behaviors of audience segments in order to predict future viewing and determine when to insert addressable messages to deliver maximum value for advertisers, programmers and distributors. Inventory owners/sellers can work with syndicated or licensed viewing data to build projections but the preferred approach is to use the household viewing data associated with the addressable footprint (e.g. a given distributor’s viewing data when delivering addressable ads within one of that distributor’s households). These projections will inform which inventory units to trigger an addressable insertion on, and aid in optimizing the messages to be associated with the unit.

**Targeted Delivery:**
Addressable ads are delivered via a mechanism that dynamically associates the defined target audience segments to the audiences that are viewing at a given moment, in real time, with the most appropriate ad.

Business logic is used to determine (or assign a weighted probability) to whether the target audience segment is tuned to the device at that moment; whether there are competing ads with higher priority that might better merit the ad exposure opportunity; and whether the ad opportunity complies with other business rules such as content adjacencies, competitive ad separation, requested inclusion or exclusion lists, time/day parameters set by the advertiser for each campaign, or others.

Addressability brings additional capabilities to programmers and distributors that help overcome some of the challenges advertisers face with linear delivery. Notable capabilities are 1) reach management, allowing advertisers to focus addressable campaigns on lower viewing households complementing linear campaigns, 2) frequency smoothing, giving programmers the ability to limit ad exposure in high-viewing households and 3) creative versioning, enabling the delivery of varied creative messages to households with differing tastes or interests, or for message sequencing.

**Reporting:**
Addressable TV delivery enables media reporting across networks and dayparts at the spot level. In addition, deterministic data can be used for measurement of ad exposure, allowing the opportunity for attribution studies on metrics such as sales impact and other advertiser KPIs. (See Measurement & Attribution later in this section for more detail.)
Defining the Economics of Addressability

Advertisers employing addressable ads are generally focused on the targeting value proposition, and expect that all impressions delivered are “in-target,” meaning that these ads reach the intended audience segment and increase media efficiency.

As such, the model is focused on in-target impressions (see Measurement for more detail). The resulting CPMs—or fees based on the cost of a thousand in-target impressions—could substantially differ from broad-based traditional age/gender target demographics, or related effective CPM (or eCPM) that takes into account what portion of demographic audience reached was in the advertiser’s desired consumer audience segment.

With addressable advertising, audience targets favored by advertisers using addressable tactics tend to be more specific, and smaller in size than age/gender targets (e.g., BMW Owners with an expiring lease vs. Women 25-54). The supply of these targeted impressions is therefore smaller, and therefore these audiences are more valuable (i.e., the impression could be in demand based on its accompanying content, the audience’s age/gender characteristics, as well as the audience’s purchase or other characteristics). In addition, many advertisers require addressable delivery and attribution reporting which could entail additional work and investment (See Attribution later in this section for more detail).
Defining Addressable TV Inventory by Distribution Platform

To eliminate possible confusion, it is important to identify what inventory is considered addressable by platform given the current capabilities are somewhat different. A key goal of Go Addressable is to unify those capabilities to provide a more desirable cross-platform addressable universe.

Addressable TV ads can be served on multiple video distribution platforms:

Cable/Satellite Distributors’ Linear TV:
In a linear TV feed via a content distributor, the ad inventory allocated to the distributor on each network may be used for addressable ads. In addition, programmer avails may also be made addressable leveraging the distributor’s technology. The majority of this guide focuses on the enablement of linear addressable advertising served via a distributor infrastructure (although the general concepts and value proposition outlined also apply to other methods to deliver addressable TV ad exposures).

Practically speaking, inventory owners may allocate certain commercial “avails” for addressable advertising throughout each day, and across multiple networks. When an addressable commercial is served it is, in effect, using a “whole” commercial ad avail within the network where it plays out. This gives rise to a nuance in the business model that links to technology:
– A commercial spot that is used by a single advertiser, but with different creatives targeted to different audience segments across the addressable TV footprint, is called “creative versioning.”
– A commercial spot that is used by multiple advertisers, with different audience segments seeing different commercials, is known as “audience addressable.”
– Note that in either instance addressable TV campaigns require a back-up, or default ad, to run in the live linear TV feed as not all of the distributor’s subscribers may have set top boxes that support addressability.

“At the Glass,” Smart TV Technologies:
Distributors and programmers can work with Smart TV addressable advertising technology and Smart TV manufacturers to enable addressable ads in households that have addressable-enabled Smart TVs. These households receive a signal from the distributor or programmer that informs addressable-enabled Smart TVs when to load and launch an addressable ad that runs as video overlay “on-top” of the underlying linear TV signal. Coordination will be required between distributors and Smart TV companies to ensure no disruption or duplication of impressions.

Another emerging “at the glass” solution includes addressable in Broadcast TV. A set of standards by the Advanced Television Systems Committee, called ATSC 3.0, are being implemented to allow for addressable advertising in broadcast station linear inventory.

Video on Demand (VOD):
VOD content refers to the interactive content available in distributor systems for catch-up playback of current seasons and library content. Advertising within this format is served dynamically within the selected content. Addressable ads are played based on the audience characteristics of the household as they relate to the advertiser’s desired consumer segment.

Streamed TV Programming:
TV programming can be delivered via a website or app of a TV network, publisher, distributor (TV Everywhere), or virtual distributor. This content is dynamically served to a single user loaded to a player in a browser or in an app. Addressable ads are played based on the audience characteristics associated with the device, user or household.
Defining Key Addressable Ecosystem Players

Achieving addressability truly takes an ecosystem. Companies participating in the enablement of addressable advertising include, but are not limited to, the following:

- **Technology Enablers:**
  Addressable TV and video advertising technology is available from various technology companies, and is made available through content distributors who enable addressability on network inventory and/or their own inventory. This includes MVPDs, Smart TV manufacturers, and content owners who deploy their own addressable video capabilities.

- **Ad Decisioning Technologies:**
  Decisioning on which ad to serve to which device to achieve a specific set of KPIs for both the buyer and seller is an important part of the addressable advertising framework. These decisioning systems must optimize across both linear TV and addressable TV avails, basing ad serving decisions on a holistic view of advertising demand for inventory. Technology providers in this category include companies such as FreeWheel and Google.

- **Measurement:**
  Third-party measurement is important in terms of gaining broad market adoption and will be important for measuring addressable impressions and the remaining linear “default” ad rating measurement of non-addressable impressions served within addressable-enabled inventory (See Measurement for more detail).

- **Standardization Services:**
  A subset of technology providers are companies focused on unification and standardization in the addressable advertising universe.
  
  For example, Canoe already uses industry standards to enable Dynamic Ad Insertion (DAI) on a national scale for programmer’s VOD ad inventory, ensuring delivery across a diverse and evolving set of MVPD and programmer technology. This involved integration of multiple systems to normalize processes, monitor quality assurance and provide trusted reporting and verification.

  In addition, the use of Smart TVs for addressable TV advertising is being explored by a number of large US programmers that aim to establish an open, addressable-ready standard (OAR) that can be deployed across Smart TV manufacturers and used by both programmers and MVPDs.

- **Inventory Owners:**
  Programmers and distributors own inventory that can be enabled for addressability; these inventory owners can sell direct to advertisers and agencies.
understanding audience segments

Evolution of “Matching”

If addressability is focused on enabling targeting of advertiser defined consumer segments that meet some common criteria, its foundations lie in the ability to capture and use data that helps a marketer understand and reach the right audience. Understanding audience characteristics is at the center of this, but equally important respecting privacy, for example by honoring opt outs and minimizing use or sharing of personal information.

Defining Audience Segments

The first step in an advertiser’s addressable journey is to define an audience segment based on an analysis of how audience demographics, behaviors, and characteristics align with its strategy and campaign objectives.

This audience segmentation can be done by:

1. Explicitly specifying a set of target customers or prospects from its first, second, or third party data (also known as “Bring Your Own Data” or “BYOD”); or
2. Using a specific audience demographic, behavior, or set of characteristics from the media partners (such as 3rd party data based target segment definition, often referred to as syndicated data); or
3. Some combination of the above (such as use of “Lookalike Targeting” models)

Introducing “Data Matching”

Once the target audience segment has been identified by the advertiser, this target segment needs to be provided to all involved media partners:

- First, with the publisher/inventory owner who must manage inventory delivery and yield
- Second, with the distributor/audience owner who can ultimately find the given audience on their platforms
- In digital video, the inventory owner and distributor are often the same party.
- In the traditional TV and connected TV supply chain, distributors include MVPDs and device manufacturers, while inventory owners include national programmers, broadcasters and MVPDs.

This data matching should account for three issues:

Privacy: Each party in the transaction will want to ensure the appropriate privacy safeguards and terms are in place before sharing information.

Audience Resolution: In today’s increasingly fragmented media landscape, each party may use a different identifier or data format.

Business Considerations: Each party wants to ensure any valuable insights that it has invested in are shared only as needed.
The Path Forward

Various solutions exist, and are being developed, to help facilitate the three issues mentioned above.

Today’s Data Matching Approaches

A marketer, programmer, and/or distributor can agree to use a trusted third-party data match provider to act as the safe haven. These third party services can use a number of approaches to facilitate the match:

- Approach 1 – Identity Linking: In this approach, each party sends their respective data to the third party matching vendor, who maintains a proprietary audience mapping approach (sometimes referred to as “black box” approach), database, and universal audience ID that it maintains as a trusted intermediary. In this approach, which is often used for offline to online resolution, each party can use the third party’s IDs to build and share the audience segment. While this approach may result in better match rates, it lacks transparency into how the third party mapping is performed, and creates a single point of control within the audience resolution space.

- Approach 2 – Crosswalk: In this approach, each party (marketer, inventory owner and distributor) sends their respective data to an agreed upon matching vendor, who reconciles, aligns, and maps data for each record, and then subsequently creates a “synthetic ID” for all matched IDs between the participating parties. The “synthetic ID” is then the only ID shared back to the participating parties. In this scenario, matches result where there is a direct ID match between the marketer, inventory owner and distributor. The benefit of this approach is that the scope of matching is limited to the involved parties, and the matching service is solely responsible for providing mapping services in a way that avoids sharing customer data among the participating parties. However, given the limited number of parties involved, and the data normalization and audience identifier discrepancies, this type of approach can often lead to low match rates thus shrinking the available audience that can be reached.

Both approaches provide viable options. However, each requires all involved parties to agree to a common approach and third-party matching vendor, pay the associated third-party fees, and understand the limitations of each approach.

Emerging Data Matching Solutions

- Emerging solutions for matching data include clean rooms, cloud-based platforms, and technologies based in part on blockchain protocols, such as Blockgraph, an industry-wide initiative with participation by companies in TV, digital video, and advertising across the US and Europe. These solutions serve as a decentralized “identity layer”, providing a technology-driven capability by which media companies and publishers can offer marketers data activation capabilities necessary for addressability without disclosing identifiable user data to other parties—adding substantial protections for media companies and publishers’ first-party data.
There are two main challenges in addressable campaign measurement:

01 understanding audience/impression delivery as part of the addressable campaign, and

02 understanding audience/impression delivery against the underlying TV campaign. The following proposal offers a high-level overview for how each could be solved:

– A national programmer can consider taking pools of inventory, or entire networks, out of sale, and therefore exclude them from traditional commercial ratings. This approach needs to be carefully considered as there could be dramatic commercial impacts, but for certain networks or network groups it could be a viable approach in the near term while a comprehensive addressable measurement solution is developed.

– Addressable Campaign Impressions: Here, campaigns are delivered through ad servers and validated via a measurement 3rd party (e.g. Comscore, Nielsen, or others). The technology companies that do the addressable ad serving (e.g. FreeWheel, Inscape, Invidi, etc.) and the measurement 3rd parties use standardized formats to receive the addressable campaign impression exposure data, matched to household IDs, as well as related campaign and audience segment metadata. The measurement 3rd parties can then apply their market-validated methodology to report segment level impressions for each targeted segment, which would be provided on a timely basis to both buyers and sellers of addressable advertising.

– Under Addressable (Traditionally Delivered) Linear TV Impressions: Because it will take some time for addressable TV advertising technology to reach all TV households, and addressable campaigns essentially carve out impressions from traditional linear campaigns, the commercial ratings of a linear TV campaign that is impacted by delivery of addressable TV campaign impressions will need to account for these addressable impressions. For instance, when networks continue to use a traditional currency (e.g. Comscore and/or Nielsen) to monetize the underlying linear TV campaign, measurement providers will need to account for addressable campaign delivery in their panel/census measurement. As in the case of addressable campaign impressions, the technology companies that do the addressable ad serving (FreeWheel, Inscape, Invidi, etc.) and the measurement 3rd parties (Comscore, Nielsen, or others) use standardized formats to receive the addressable campaign impression exposure data, matched to household IDs, as well as related campaign and audience segment metadata. The measurement providers could then use this data to subtract out any addressable impressions from the commercial

Measurement Challenges Surrounding Addressable TV

measurement/rating of underlying linear TV ad inventory that were impacted by the delivery of addressable impressions. It will be up to the measurement/currency 3rd parties to develop/adjust their commercial ratings measurement methodology, and seek input from stakeholders in addressable advertising to work towards broad adoption.
Attribution Challenges Surrounding Addressable TV

Over the past few years, there have been substantial developments in the state and use of attribution to measure the impact of traditional and addressable TV advertising campaigns.

Two important challenges need to be solved to deliver scalable attribution for addressable TV campaigns: 1) matching of both traditional and addressable TV ad exposures to advertiser performance/sales data, and 2) proper control group(s) that account for exposure to both traditional and addressable TV ad exposures. The following presents a high-level proposal on how each could work:

**Matching of Traditional/Addressable TV Ad Exposures to Performance/Sales Data:** A prerequisite to proper attribution is matching campaign-specific, ad exposure data from both traditional and addressable TV ad exposure to the related campaign performance data which could be provided by the advertiser (e.g. sales, website visits, etc.) or a third-party category performance/sales data company (e.g. IHS/Polk for Automotive, Catalina or IRI for CPG). The traditional TV ad exposure campaign data can be sourced from MVPDs and Smart TV ACR data providers (Inscape, Samba, or others). Campaign-specific addressable TV ad exposures can be provided by the technology companies that enable the addressable ad serving (FreeWheel, Google Ad Manager, Inscape, Invidi, etc.). Both need to work with 3rd parties (Experian, LiveRamp, others, or new approaches such as Blockgraph) to develop and update crosswalk hashed IDs between the ad exposure data providers and a broad set of 3rd party attribution companies, so that the companies that generate the campaign-specific, household-level TV ad exposures can directly deliver the exposures to the qualified 3rd party attribution companies on a timely basis.

**Identifying Proper Control Groups:** Because attribution looks to measure the incremental impact of advertising on sales or other key business or marketing performance metrics, it is important to differentiate between a baseline of performance relative to the amount and type of TV ad exposure. Although it remains relatively common to measure the difference in performance between a group of households that are exposed or unexposed to any given campaign, measuring attribution in the context of both traditional and addressable TV campaign exposure requires understanding of the incremental impact of ad exposure to each campaign, as compared to a control group of sufficient households with common characteristics in terms of time spent viewing TV, demographics, and/or brand/category purchase behavior. To help 3rd party attribution companies develop sound control groups, each campaign-specific, household-level TV ad exposure should include a characteristic associated with the relative amount of time spent viewing TV for each related household. This could be reported as the decile or quintile that each household relates to in terms of total time spent viewing across all reporting TV viewing households.

* Measurement in this context refers to media reporting, and Attribution refers to behavioral impact (outcomes).
A step-by-step guide to enabling addressable TV advertising.

In preparation for programmers and distributors to launch addressability within their environments there are several technical factors to consider prior to getting into a system integration and end-to-end testing environment. Detailed architecture discussions to finalize the implementation strategy and integration touchpoints for the themes outlined below should be considered.
A Step-by-step Guide to Enabling Addressable TV Advertising

01 Implement Ad Break Messaging Standards

- Each addressable enabled device (STB, Smart TV, Web or Mobile) that will be part of an addressable TV solution must be able to detect an upcoming ad spot/break via a standard “ad break” message. The standard message utilized to detect these Ad Breaks are inserted by the content provider in their video streams, and are defined either by the SCTE 35 protocol or OAR Watermark. These messages, when properly inserted, identify the specific video frame that begins an ad break (or an ad position), and thereby enables the receiving device to call an Advertising Decision System (“ADS”) for instructions. In turn, the ADS will provide instructions to the device for that ad break/position, which may include retrieving/inserting appropriate ad(s), and reporting status of playout back to the ADS.

- Historically, the industry has adopted a “defacto” standard implementation of using Splice Insert messages (“Type 5”) to identify the start of a distributor break. Recent versions of the SCTE35 standard have provided for a broader and more informed message set. The SCTE35 messaging standard now provides mechanisms for identifying and distinguishing both Provider (e.g. “Programmer”) and distributor (or “local”) ad opportunities. These newer messages are sometimes referred to as “Type 6” or “Time Signal” messages.

- Many programmers are starting to implement Type 6 messaging to identify their ad/break positions, while still identifying distributor breaks with Type 5/Splice Insert messages. This is because all existing legacy ad insertion gear is based on the Splice Insert messages. It is important to note that while SCTE35 provides a messaging standard, the implementation of this standard can vary significantly across programmers. This presents a challenge at the receiving device, which can be mitigated by “normalization” by the distributor.

02 Condition Signals

- To use the new messaging and to efficiently design receiving devices capable of Dynamic Ad Insertion on BOTH distributor and programmer inventory, one approach is to standardize the signals at the distributor’s content ingest point. This is done with a Signal Processing System interfaced to the transcoders that are processing the content. This is also referred to as “conditioning” the signals.

- The signal processing system acts on both distributor and programmer SCTE35 signals, and alternatively with watermarks for smart TVs, to provide a consistent messaging across all networks and all inventory. For Distributor ad breaks, the Splice Insert/Type 5 message are converted to Time Signal/Type 6 messages. For Programmer ads/breaks, the messages are made consistent with the distributors implementation of SCTE35. This might involve changing the “sub-type” of the message, the payload, or other characteristics of the message.

- So, when a receiving device receives these conditioned signals, it is able to determine that an ad/break is approaching, whether it is programmer or distributor ad/break, and call the appropriate ADS (Programmer or Distributor) for an Ad Decision, applying any rules (if desired) based on the message contents.

- In order for the devices to receive the appropriate ad content in the case where the ADS instructs the player to insert a different ad than is on the incoming programming, the Content Management System will need to have already ingested/transcoded the ad(s) into the various formats supported by the receiving devices in order to receive the ads. The Content Management System job is to push the ad to the Content Distribution Network (CDN), manage and maintain the content metadata, including the location/URL’s and provide status to the Ad Decision Engine (ADS) that the ad copy is available on the CDN for delivery to devices.
03 Create Audience Segmentation Files

- Distributors and programmers will need tools that will identify the audience targets and create segmentation files. These files can be a combination of third-party data and/or subscriber information which may include geographic campaign reach information, as well as demographics and other target segment audience attributes. This information will be utilized to create Audience files which can then be provided to the ADS in order to make targeted placements (an addressable decision).

- Distributors and programmers can directly integrate into agency and advertiser CRM systems to drive efficiency and speed in the audience segmentation creation process. (See Matching in Section One for further clarification.)

04 Prepare Inventory for Addressable Insertion

- Deploying this addressable advertising capability in the existing environment of Linear/schedule based ad insertion (distributor/local inventory) requires a mechanism for identifying specific spots to be addressable within the existing linear ad insertions schedules. That can be done by using the traffic and billing systems to dynamically place a certain identifier in the Spot ID (for instance, a pre-determined prefix) or by adding metadata (e.g. order ID) to the schedule files provided to the ADS.

- For the programmer use case, some mechanism must be devised between the programmer and the distributor to match a certain signal to a specific ad or campaign. This might be done with information in the SCTE35 (e.g. “POID”, or Ad ID), and might be supplemented with some “Out of Band” information exchange (e.g. match a certain POID or set of POIDs to a campaign), or may leverage the watermark in the creative being replaced by an addressable advertisement. This will require some new capabilities and alignment on the best approach to implement.

05 Deploy a Service Assurance Network

- Distributors/programmers will need to agree on service assurance models that will be used to ensure that the addressable TV solution is adequately performing within an environment. These models, an agreement on how distributors/programmers will utilize and collect telemetry and operational data will need to be reviewed and agreed upon so that distributors/programmers can determine how they feed this data into automated monitoring and reporting tools to provide insight to management on how the addressable TV solution is performing.

06 Implement Business Intelligence Reporting

- Programmers and Distributions will need to provide some form of reporting dashboards to advertisers. These reporting metrics can inform clients on forecasting, how campaigns are performing and pacing, billing and verification data.

- Moving forward, there needs to be standard “Cap & Edit” rules for consistent verification of campaign delivery.
section three

a buyer’s guide
to addressable advertising

Strategies for using addressable TV to drive results.

For decades, marketers have used TV advertising’s mass reach to build brand awareness and preference. As its advertising capabilities have developed and continue to evolve, the role and value of TV advertising has expanded. It continues to support mass reach in a fragmented viewing environment. In addition, however, its data-driven and technological capabilities also serve more tactical lower-funnel marketing objectives including promotion and sales activation, as well as measurement and performance attribution. The evolution of TV planning from the use of age/gender proxies to the use of desired audience segments (e.g. Men 18-49 proxy versus households in the market to buy a truck) opens up the opportunity for advertisers to take advantage of new data-driven TV planning capabilities, known as advertiser-specific, audience-based planning tools. The ability to match anonymized aggregate household-level TV viewing data to a broad range of third-party data sets, or even the advertisers’ own data sets, makes it possible to develop TV advertising plans that are more likely to reach the intended audience.

– In addition, the use of more automated, audience-based TV planning, and more timely reporting, enables ongoing campaign optimization whereby campaigns can be updated based on how much of the advertiser’s target segment population is being reached with a desired effective frequency. In doing so, the ongoing TV campaign plan can be adjusted to deliver ads to the portion of the target audience segment that has yet to be reached with sufficient frequency. Given that TV viewing behaviors and the density of the advertiser’s target audience segment may have significant differences across various local geographies, many advertisers are benefiting from doing audience-based TV planning at a market, or even more local geographic level, either as a complement to a national TV ad campaign, or as a stand-alone locally-focused TV advertising campaign.

– Last, and perhaps the most important addressable TV advertising capability, is the ability to measure down to the household level, for more precise campaign measurement and performance attribution. Measurement also makes it possible to derive more relevant insights relative to campaign effectiveness and its impact on business performance, within and across both traditional and addressable TV advertising. Such insights can then be used to better allocate, adjust, and align the various components of an evolving media mix to the marketer’s desired objectives.

As a result of these advancements, addressable TV plays a new and evolving role within the overall TV advertising mix, and can assist in driving marketer’s objectives throughout the entire purchase funnel.

addressability’s role in the overall television mix

While addressable TV advertising is sometimes highlighted as the panacea of TV advertising, the reality is that it is one component among a set of complementary TV advertising capabilities, all supported by advances in the use of data and technology. From an advertiser’s perspective the ability to quickly reach a vast audience continues to deliver substantial efficiencies in terms of cost per incremental reach of the advertiser’s target audience. However, addressable capabilities can also offer significant advantages in driving overall campaign results.

It is therefore recommended to build a marketing strategy that uses TV as the powerful broad reach vehicle it is, coupled with addressable TV capabilities to reach strategic audience segments most likely to drive business impact. This includes a three-pronged approach:

1. Utilize TV for what it does best: reaches a lot of people in short window of time.
2. Utilize addressable TV for what it now offers in data driven tactics: target strategic audience segment for mid-funnel consideration (utilizing 3rd party data, reaching your “non-customer”)
3. Utilize addressable TV for select targeted messaging: use advertisers’ 1st party data sets to target and optimize messaging for lower funnel action
Go Addressable’s New TV Planning Recipe

The recipe suggests how to best utilize TV’s new data-driven capabilities for TV planning and buying.

Recommended target allocation of media mix:

The Media Mix

- **Minimum 40% reach of Network Objective:**
  Reach broad customer base for lift in key brand metrics (upper funnel awareness, recall, association and likability)

- **Up to 40% strategic audience Objective:**
  Use strategic audience tactics for consideration (mid-funnel)

- **20% mix of addressable and high value inventory, such as sports and tent pole events (e.g. Olympics):**
  - 3rd party audience segments + viewership data driven plans
  - Implement Geo, Addressable + Strategic Audience for lower funnel action
  - BYOD (bring your own data) + enhanced optimized audience guarantees
Additional Considerations:

1. National Linear vs. Addressable: Consider Size of the Target Segment
   a. Generally, the efficiencies of traditional National advertising are such that if a product or service category includes at least 30% of the total national population, it remains highly cost efficient to lead with traditional linear TV advertising and use addressable TV advertising as a complement;
   b. Addressability is particularly helpful to marketers who compete in product or service categories that are used by a substantially lower portion than the national population.
   c. Also, from a programmer’s perspective, a network would need approximately 50 million aggregated households to sell a national addressable product.

2. Optimized Linear vs. Addressable: Determine the Right Budget Mix
   a. For campaigns that meet the desired percent of total national population criteria, a good starting point for the percentage of budget allocation is to aim to reach 40-50% of the defined advertiser segment using audience optimized linear TV advertising;
   b. Then, additional budget can be allocated to addressable TV/video where even despite higher CPMs, addressability can deliver lower effective and incremental reach costs.

3. Data/Matching/Ad Tech vs. Media: Understand How the Budget Is Allocated
   a. Data, matching services and ad technology are key ingredients to enable addressability. However, it is important for related costs to deliver a strong return and leave ample budget to use related media to reach consumers.
using addressable tv to achieve specific marketing goals

While we have seen that Addressable TV serves an important role in the overall media mix, it can also be used to achieve an array of specific marketing objectives. It can play a valuable role in both the upper-funnel and lower-funnel strategies of many brands.

TV advertising has traditionally been used as an “upper funnel” tactic to drive brand awareness. This is an important use case. Most brands need to achieve broad reach to drive awareness and continually “feed the funnel.” There are various examples of this: if a dog food brand only targets dog owners, that campaign will miss the universe of people who want to or plan to get a dog; if a luxury auto brand only targets in-market luxury car buyers, that brand will miss the opportunity to make an aspirational advertising imprint on future car buyers.

Addressability, however, enables TV advertising to go beyond broad reach to unlock a range of opportunities across the consumer purchase funnel.

Addressability can play a valuable role in both the upper-funnel strategies of many brands.

Awareness. While linear TV ad campaigns efficiently deliver broad levels of consumer awareness, addressability can offer a number of upper funnel use cases. For example, it enables advertisers to target more narrowcast consumer segments (or even Business to Business segments) that historically may have been deemed as too small to be efficiently reached via TV because of the large proportion of resulting out-of-target impressions.

In addition, it can be used to reach large numbers of aggregated, audiences with specific—yet large—target segments. For instance, a national advertiser could use addressable TV to reach all viewers who are not currently customers (based on 1st party data). Or, addressable TV can be used to manage frequency by sending more messages to low viewing households.

In another upper funnel use case, advertisers can use addressable TV to drive efficient incremental reach. As Graph 1 shows, the percentage of reach begins to spike upwards as reach percentages cross the 40 -50% threshold.

Graph 1 - TV-only cost of incremental reach grows as reach builds

In these cases, addressable TV can be used to more efficiently deliver incremental reach of consumers that are less likely or yet to be exposed, or have not been exposed with enough frequency to an advertiser’s linear TV campaign. (Graph 2)

Graph 2 - Ad tech & data can be used to lower incremental reach cost

Mid Funnel: Driving Consideration and Intent with Addressable Messaging

Consideration. The ability to target specific consumer segments or sub-segments using addressability makes it possible to take into account different levels of consumer consideration.

At the highest level, addressability makes it possible for a marketer to deliver different messages to customer versus prospect segments. This includes the ability to send targeted promotions to prospects without exposing current customers, or to target customer audience segments whose contractual relationship may be soon expiring to encourage renewals. Even within fast-moving consumer goods, marketers can use addressability to target audiences that are heavy category buyers, reach a greater share of switchers, or generate trial.

In addition, different sub-segments within a audience segment are likely to have different advertising response curves, meaning that some are more responsive to advertising than others. For audience segments or sub-segments that are more responsive to advertising, marketers could use addressability to “heavy-up” on frequency of exposures above and beyond the levels of exposure from the overall linear TV ad campaign. (Graph 3)

Graph 3 - Per-HH Sales Lift vs. Monthly Frequency

Exposure to a competitor’s ads also could affect consumer consideration for an advertised brand. Therefore, another potential application of addressability could be for a marketer to target audiences that are underexposed to competitors' ads, or increase exposures to match or surpass household-level share of voice within their competitive set. (Graph 4)

Sales. Addressable TV advertising can even be used to communicate to consumer segments that have completed a sale. Examples include the opportunity to inform customers of new features or service-related offerings and reinforce a purchase decision. Addressable TV advertising can also be used to stimulate usage of a product by delivering ads to specific types of consumers or consumption behaviors.

Intent. As the consumer journey moves down the funnel, addressability can also be used to drive intent by enabling the targeting segments of in-market prospects or customer renewals with messaging that is differentiated from the broader consumer segments.

In addition, in the fast-moving consumer goods categories, addressable TV advertising can target frequent switchers to help capture more share of market.
section four

a seller’s guide to addressable advertising

Shared Learnings on Executing Addressable Campaigns for Marketers
addressability for advertisers: easy-to-use solutions

It is necessary to make the sale and use of addressable TV advertising as easy as possible for sellers and buyers. The packaging of specific “solutions” enabled by addressable TV advertising capabilities can address common challenges faced by marketers, either across verticals or associated with specific verticals. An example of the former would be targeting light TV viewers, whereas an example of the latter would be targeting households interested in a specific type of car. While more general solutions can serve to drive trial and usage of addressable TV advertising across a broad set of verticals, compelling vertical-specific solutions can shorten the sales and repeat cycle as they become standard objectives within the marketing plans of those categories.

General Business Impact Solutions

Here are some examples of general business impact solutions that use addressable TV advertising capabilities:

Drive Incremental Reach - Boost your TV reach using addressable advertising, finding those harder to reach audiences.

Reach Light TV Viewers - Addressable TV advertising can be used to target light TV viewers and/or audiences that have yet to be reached by a traditional linear TV advertising campaign with sufficient effective frequency.

Reach New Customers/Prospects - Target your existing customers with tailored messages or develop look-alike models to prospect for new customers.

Reach Category Buyers - Leverage third party data to give insights into audience purchasing patterns to target buyers of specific products or services.

Segment by Viewership - Target fans of particular TV content, such as movies or sports, finding them whenever they are watching or online.

Drive Frequency against Target Consumers - While a linear TV campaign efficiently reaches a broad consumer segment, addressable TV advertising can drive frequency among an advertiser’s most likely or heavy consumers.

Re-Target Audiences - Reinforce your message by targeting an audience who has seen your advertising previously on TV or online.

Utilize Sequential Messaging - Develop an engaging storyline or progress prospects through the sales journey with sequential playout of copy within a single campaign.

Conduct Test & Learn Campaigns - Find the optimal copy, frequency, or audience to increase campaign effectiveness, by applying customer response data through A/B copy testing capability.

Reinforce Loyalty - Always-on targeted TV campaigns keep brands in front of existing customers during key renewal windows for products like insurance policies and phone contracts.

Employ Local Targeting - Apply ZIP code level targeting capabilities of addressable advertising to the locations and outlets where the competition is most intense.

Drive Frequency by Seasonality - Addressable TV advertising can link targeting to seasonal patterns associated with purchase cycles or weather-related factors, delivering timely on-target reach and sufficient frequency when the target consumer segments are most likely to consider the related purchase. For example, while weather conditions certainly vary across the country, different regional audience segments may be more or less well-suited for a weather-related solution, like snow shovels vs. snow blowers; skiers vs. non-skiers.
Vertical Specific Business Solutions

Below are some examples of vertical business impact solutions that use addressable TV advertising capabilities:

**Automotive:**

**Tier 1 Auto Client**

Situation: Major Original Equipment Manufacturer (OEM) importer supporting a new vehicle launch.

Action: Supplemented national media campaign with an addressable TV campaign to target an audience segment of purchasers of competitive models based on data supplied by a third-party provider.

Results: Determined that the addressable TV campaign increased reach of the target consumer segment by double-digit growth as compared to the target reach achieved by national media.

**Travel:**

**National Travel Services**

Situation: National travel brand promoting loyalty card signups.

Action: Identified audience segments based on past purchase history, defining high / medium / low usage segments, using client sales data.

Results: Measured via a post-campaign report using client data on card signups. Compared rate in the test vs. control group and measured lift.

**Media & Entertainment:**

**TV Network Client**

Situation: National TV network launching a new hour drama on Thursday.

Action: Identify an audience segment based on viewers who a) watch the top 10 dramas on linear TV; b) watch in prime time on Thursday. In addition to a broad linear TV campaign, the client added linear addressable and VOD addressable to boost conversion rates and increase frequency to the defined target audience. This would run leading up to the airing of the program, and the 7 days post the program launch (within the C-7 window).

Results: Used measurement to determine the lift in tune-in. Conversion rates for the addressable target segment were substantially higher than both targeted and non-targeted audiences reached only via the traditional linear campaign.
executing an addressable campaign

There are multiple ways that an addressable ad can be inserted into a viewing stream depending on the technology being used to insert and deliver that ad. This section outlines the step-by-step process from the perspective of Go Addressable participants, based on their experiences as content distributors. The main objective is to highlight the elements of executing addressable campaigns. The main objective is to highlight the elements of executing addressable campaigns, while also calling out known variants.

Enabling addressable advertising for content distributors’ TV programming, which still comprises the bulk of all viewing, is a crucial step toward delivering an integrated and comprehensive advertising platform.

The seven steps to execute an addressable TV campaign include:

1. **Pre-Sales Requirements**
2. **Responding to an RFP**
3. **Creating Audience Segments**
4. **Campaign Setup**
5. **Activation**
6. **Monitoring/Optimization**
7. **Reporting and Measurement**
A Step-by-step Guide to Executing an Addressable TV Campaign

Step 1: Pre-Sales Requirements

1a: Sales Strategy

- A client’s experience with executing addressable campaigns will influence the amount of education and consultation required of your sales teams to align on expectations and outcomes.
- First, review best practices with the client for recommended audience size definitions, campaign length minimums, average reach and frequency, attribution guidelines and requirements, and any exclusions, by content, platform or category.
- Second, consult with the client to uncover key performance indicators (KPIs), establish a test and learn strategy, provide learnings from delivery metrics, and define the deliverable for a campaign and cadence for delivering measurement reporting and learnings.
- Once the campaign details and expectations are confirmed with the client, we recommend documenting the information in a Request for Proposal (RFP) form. This form should be completed by your sales team after confirming all inputs with the client. The following page outlines the minimum set of requirements we advise including in the RFP.

RFP Requirements

Account Info
- Advertiser
- Agency

Campaign Info
- HH Counts
- Deduped HH Counts
- Control
- Randomized Holdout
- Lookalike Model
- Flight Dates
- Platforms
- Demo

Audience Info
- Data Source
- Custom Segment

Agency Fee
Dark Weeks
Markets (if applicable)
Gross Budget(s)
Daypart Mix (if applicable)
Daypart Exclusions (if applicable)
Network(s)
Network Exclusions
Audience Definitions (by segment)
Measurement Partner
1b: Inventory/Yield

For addressable campaigns, consider the guidelines below:

- Establish process for referring/pulling all supported audience segments into impression forecasting tool. In the forecasting tool, your team should know how to pull in the assigned audience and what inventory pools to pull in for each forecast. You must also understand key client requirements of separate goals by audiences, or shared goals across all established audiences. This same concept applies for platforms. If the campaign is going to be booked by multiple platforms with shared goals, prepare a detailed internal document on how you plan to get to the desired audience targeted impressions. Finally, establish key tracking mechanisms on planning versus actuals to continuously refine expectations and guardrails.

- Create a process for understanding audience overlap for incoming campaigns compared to current campaigns. When a new segment comes in, determine how much of the segment is unique to this marketer versus overlap with other booked campaigns. Continuously educate sales partners on overlapping audiences to make conversations with a client “real.” As an example, does 27% of their desired audience overlap with other campaign targets? Arm sales with talking points to educate clients on rate, flight dates, exclusions, etc. This will drive conversation around the importance of determining which audiences are truly important to the client and the cost of reaching those audiences. Be aware of ad delivery logic to understand when ‘newly booked’ campaigns can bump previously booked campaigns due to shorter flights, higher rates, and other factors inherent in real-time decisioning. Set expectations with advertisers (both new and booked). Determine how inventory is treated in your ecosystem and who has purview and responsibility for the whole. Business cases should be analyzed and ad delivery logic should be re-confirmed periodically to ensure delivery expectations are continually met.

- Establish best practices for how to manage campaign forecasting. Forecasting is critical to planning and delivering addressable campaigns. If forecasts come back below the desired objective, client discussion may be needed to determine a better path forward, as you may need to modify audience segments or campaign constraints.

- Understand supply and demand of an advertiser’s desired audiences and outcomes. It is critical to understand flexibility by audiences (if there are multiple segments), as well as your technical ability to optimize the campaigns by platform, to ensure the pricing is reflected appropriately. Also, awareness of overlapping audiences with already booked campaigns will drive the conversation on how “desirable” the current audiences are, and the necessary rates to clear.
Step 2: Responding to an RFP

When responding to an advertiser’s request for an addressable campaign, the seller should determine how many impressions they can satisfy during the duration of the campaign and provide visibility into the various elements that make up the campaign components.

Forecast impressions for the addressable campaign.

Once the audience segment has been defined and matched to the households, you need to estimate the capacity available and determine the number of impressions that can be guaranteed.

The following steps can be helpful when forecasting audience impressions:

Determine the inventory to be utilized for the campaign and what platforms are to be employed.

For the linear addressable portion of the campaign, determine the units to be included in the schedule.

Evaluate historical audience delivery within the digital platforms and to the linear units. Typically a forecast will require 6 to 12 months of historical viewing data in order to determine how many impressions will be available within the planned linear unit allocation. Digital environments often can rely on as few as 2 weeks of historical delivery to generate a forecast.

Once a forecast for the audience has been generated you can evaluate how much inventory is available for sale considering overlapping campaigns and audiences.

Share your proposal with the client.

Ensure your proposal delivers the client’s desired outcomes, meets all of their objectives, and specifies any deliverables post-campaign on all available inventory.

Elements of a Proposal (RFP Response)

– Overview of campaign goal and KPI
– Start Date
– End Date
– # Flight Weeks
– Platform(s)
– Segment Name
– Total HH Target
– Target HH
– Control HH (10%)
– Estimated Total Reach
– Estimated Frequency
– Unit Length
– Impressions
– Gross CPM
– Net CPM
– Gross Dollars/Net Dollars
– Exclusions
– Measurement and/or Attribution Deliverables
Step 3: Creating Audience Segments

A seller will need to determine how to create the client’s desired audience:

1. If a client is providing first-party data to inform the audience segment:
   a. There are several industry standard match partners who can ingest addressable household identifier information, then join those household identifiers with the advertiser’s audience data to create a targetable audience segment.
   b. Consider selecting one or more match partners and license their capabilities. Consult with match partners to ensure their audience activation platform can receive an advertiser’s target segment for activation.
   c. Ensure that the addressable ad technology delivery system you use can receive data on household targets from the match partner’s audience activation platform.
   d. Review with the advertiser if they would like to join their audience segment with programmer’s or distributor’s own first-party or third-party data to enrich the segment (e.g., leveraging first-party viewership data for reaching light viewing audiences).

2. If a seller is leveraging first-party data for pre-defined audience segment targeting:
   a. Sellers may leverage first-party data to be used to create an audience segment for addressable targeting (e.g., defining a audience based on households with light TV viewing habits).
   b. Ensure that your audience activation platform is able to receive the viewing data and define segments based on the first-party data, then share the household targets with your ad technology delivery system.

3. If a seller is leveraging third-party data from syndicated vendors:
   a. For third-party data/combinations, consider an audience activation platform to combine select audiences using BOOLEAN logic to define the segment and generate anonymized household IDs that comprise the advertiser defined audience segment.
   b. Ensure that the addressable ad technology delivery system can receive data on household targets from your audience activation platform.
Step 4: Campaign Setup

Campaign Setup Readiness Checklist

- Finalize campaign order details with advertiser, signing necessary insertion order agreements outlining the terms of the campaign ensuring that it aligns with final proposal details.
- Ensure measurement deliverables and expectations are finalized with the client, including the format of the report, data elements to be included, and frequency of updates.
- Planning/Research should ensure that segment size did not change (dramatically) from the time the forecast was run. If audience segment specification or its related size did change, Planning will need to re-run a forecast to make sure campaign goals can still be obtained.
- Ensure that any exclusions did not change (dramatically) from the time the forecast was run. If they did change, planning will need to re-run a forecast to make sure campaign goals can still be obtained.

Campaign Setup Execution

- Sales team provides the creative ID(s) to align with audience segments included in the campaign.
- Traffic team sets up the campaign and matches the audience segment with the creatives for the campaign.
- To enable attribution, a control group should to be established as part of the overall campaign setup. At a minimum, some portion of the target segment audience should be “held out” from the addressable campaign to measure at least basic level attribution.
- An alternative is to be prepared to report against a set of “synthetic” control groups that are based on likelihood to be exposed/not exposed to the addressable campaign, and likelihood to convert (from the marketer, or 3rd party historical conversion data).
- Research team documents the measurement details for the campaign to refer to when the campaign is completed.
- Planning team approves the order in the Order Management System (OMS) to activate campaign on the assigned start date.

Step 5: Activation

When it comes to activation, operational workflow will depend on your vendor and technology choices for addressable and traffic management. Some vendor tech will require manual steps in your operational workflow to achieve addressability. Regardless of your vendor and technology combinations, the following is required to schedule your addressable campaign: Default Order, Default Copy Instructions, and Segment Copy Instructions.

- The way to set up the inventory to be used for addressable default campaigns depends on the business rules you create for this platform. Default orders ensure creative insertion within those viewing households that do not match targeted audience segments.
- As defined in the proposal, and with approval of the planning team, the designated operations team will begin activation of the addressable campaign. Enter the campaign details and segment copy instructions in your addressable traffic system. Specific information required to marry the appropriate segment to the selected copy is creative copy ID, creative name, addressable segment ID and segment name.
- Create instructions for a final check on any exclusions that were submitted via the planning team for final check before going live.
- After the above steps are completed, inform the client that their addressable order has been fully processed and is set to go live on the specified date.
Step 6: Monitoring and Optimization

Establishing monitoring and optimization best practices is critical for helping ensure advertisers’ expectations and outcomes are achieved. For example, if a campaign is under pacing, consider: what new inventory can we open up to? Why is it under pacing? Are the audiences in more demand? It is important not to make decisions in a silo. If an under pacing campaign is manually bumped up it could negatively affect another campaign. A seller should determine if mid-flight changes to segments will be allowed. Depending on your addressable traffic system, in some cases mid-flight changes to a segment or copy will require a new order to be created and executed, or mid-flight copy changes to a segment or copy can be edited within the current campaign.

It is important to establish best practices for optimization of campaigns:

- As campaigns start, establish cadence for pulling pacing reports to monitor campaign delivery.
- Establish how many days to let campaign run before making changes.
- Ensure that when making changes, to never do on a Friday or before a day where no one will be available to monitor impact of changes.
- Make sure the team making changes has purview on how a change in one campaign impacts delivery in others.

Remember, sales must be trained in how to manage expectations throughout the campaign.

This requires continuous dialogue between seller and internal teams on pacing and optimization so that the seller can inform the client if pacing is aligned with expectations. Sales must understand how dynamic decisioning works and be able to explain it to clients.

Step 7: Reporting and Measurement

Post campaign reporting should be provided to clients after the completion of the campaign. Sellers can consider third-party measurement providers such as Comscore or Nielsen for validation of campaign reporting.

Standard Reporting Dimensions

Addressable TV Ad Campaigns

- Campaign Name
- Flight dates
- Segment Name
- Network
- Creative + Ad Length
- Month
- Week
- Day
- Hour

Standard Reporting Metrics

Addressable TV Ad Campaigns

- Impressions
- Uniques (e.g., HHs)
- Frequency
to continue the discussion: contact us

Be part of TV’s Addressable Future.

If you are a TV programmer or distributor interested in going addressable for your advertisers, or if you are an advertiser eager to learn more about how to use addressable TV advertising for your brand, we would love to hear from you. Please visit, www.GoAddressable.com.