



**A's**

# Multi-Currency National TV Demo-Base Ratings

Not Ready For Prime Time



The 4A's Measurement Committee believes that the advertising industry is not yet prepared to move to multi-currency national TV demo-based ratings in 2024. While agencies are carefully assessing alternative currency initiatives, there are a multitude of factors and barriers that appear likely to prevent the adoption of additional currency solutions in the marketplace.

Agencies have spent decades and millions of dollars integrating currency data into systems for forecasting, planning and reconciliation. These systems are complicated, validated and in many cases, audited. Yet while advocates paint a picture of readiness to transition to the next set of solutions, and while they imply the industry is mere months away from progressing to big data solutions promising improved accuracy, flexibility and measurability, we see hurdles that will take more time to overcome.

Since currency and financial transactions go hand in hand, deciding on a currency solution requires a great deal of trust in data. This trust doesn't come without auditing, testing, research and comparisons to historical data sets. Put another way, the solutions that are presented as 'ready' have not gone through audits, have not been widely tested by agencies and networks, have not produced consistent metrics and methodologies to compare to historical data with financial implications, and have not been fully integrated into procurement systems (setting aside from the fact that they appear to carry additional costs and require additional resources to work with multiple currencies).

Adding additional currency solutions requires in-depth data analysis and review, system integrations and time and resources to validate the new currency solutions to a standard that enables agencies to deem them a currency at scale. Smaller scale 1-on-1 deals based on alternative currencies are in place with some advertisers and networks, but these are not yet widely used and validated. Our committee received anecdotal reports from agencies that believed new networks were ready to transact but that instead faced difficulties and challenges, including constant changes to the data, a lack of standard conversion factors, a lack of integrations with planning and buying systems and basic content errors. Even today, we understand the data sets for the Upfronts 24/25 won't be ready until Feb of 2024 leaving agencies little time to react.



## Short-Term Concerns

- 1 Each of the four major currency vendors is now talking to the MRC, but the estimated timetable to accredit their products is unknown (and could be years away).
- 2 Each of the four major currency vendors is launching the latest version of its product in 1Q24, making it difficult for agencies (and even the vendors themselves) to be fully prepared for the BY2425 Upfront negotiations.
- 3 Agencies have limited bandwidth to perform multiple currency metric assessments without taking focus away from serving their marketing clients.
- 4 If issues are found (and one must assume some will be), significant time and effort will be required to communicate those issues, make adjustments and then evaluate again.
- 5 Contracts may prohibit the direct comparison of currency providers, which directly inhibits the ability to analyze these new solutions.

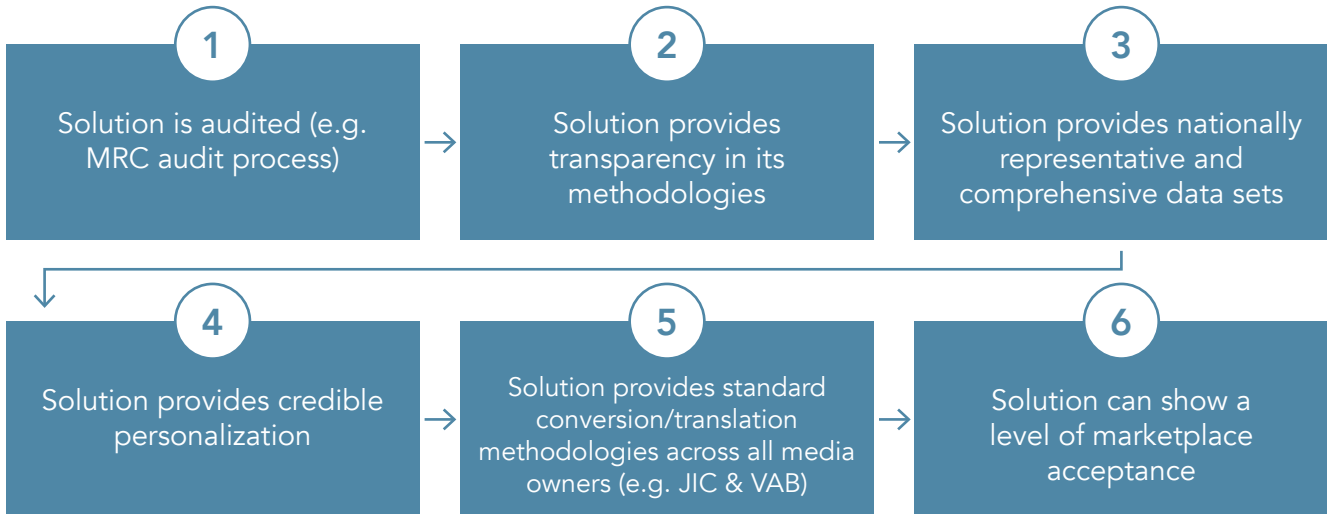
## Long-Term Concerns

Our committee also identified certain long-term concerns in a multi-currency environment that don't yet have clear solutions.

- 1 Systems should be flexible to plug and play using multiple currencies so they can be dynamically changed by clients. We have not seen this with most systems.
- 2 Agencies are concerned about having to pay for every currency solution that is supported by their advertiser clients and/or the publishers that advertisers desire to work with. This increased cost may have to be passed to advertisers. Each solution seems to present different viewership (or valuation) of the same program, creating variation in CPMs that will be confusing.
- 3 The use of different arrays of currencies in an agency seems likely to create many types of inefficiencies, from data quality (apples-to-apples comparisons) to user training and expertise.
- 4 Multiple currencies without a standard currency exchange rate seems likely to lead to inaccurate and inconsistent methodologies for measurement.



## Solution Evaluation Framework



A multi-currency market would create opportunities in the areas of Local TV, Advanced Audiences, and use of outcome-based metrics like search lift and store visits. However, our committee thinks it is important to be realistic about how the industry can arrive at such a market successfully. It is also important to consider the complexity that such a market will add to an already complex system and to appreciate that any long-term solution requires thoughtful collaboration.

The members of the 4A's Measurement Committee and their agencies are committed to progressing multi-currency solutions that meet the needs of their clients and encourage providers to bring forward solutions that meet the criteria below. Many of the agencies represented on this committee already have invested an immense amount of time and resources in partnership with alternative currency providers and expect to continue to do so.

The committee calls upon existing currency solutions to resist complacency, which has historically slowed improvement. Competition is healthy, and the historic absence of competition has created an environment that lacks flexibility. That new solutions may not be fully ready to deploy shouldn't ease pressure on incumbents to continue to follow their roadmaps. We see it as imperative that incumbents double-down on innovation and change and provide transparency in their methodology and deployment plans so that agencies can evolve with them.



## Questions to ask:

- Q. Are your clients specifically asking about alternative currencies? If so, which currencies?
- Q. Does your agency have the required contracts, resources and bandwidth to test additional currencies?
- Q. How do you determine whether a measurement solution is in fact a currency?
- Q. Are you prepared/willing to move forward with multiple currencies if a client or publisher requires their use?

The 4A's Measurement Committee is committed to helping our industry transition towards multi-currency, but we want to ensure this transition starts with a trusted foundation in order to avoid eroding the stability of our current methodologies.

## Contact Us

Have questions about this paper? Please contact Ashwini Karandikar, 4A's EVP, Media, Tech & Data at [akarandikar@4as.org](mailto:akarandikar@4as.org).