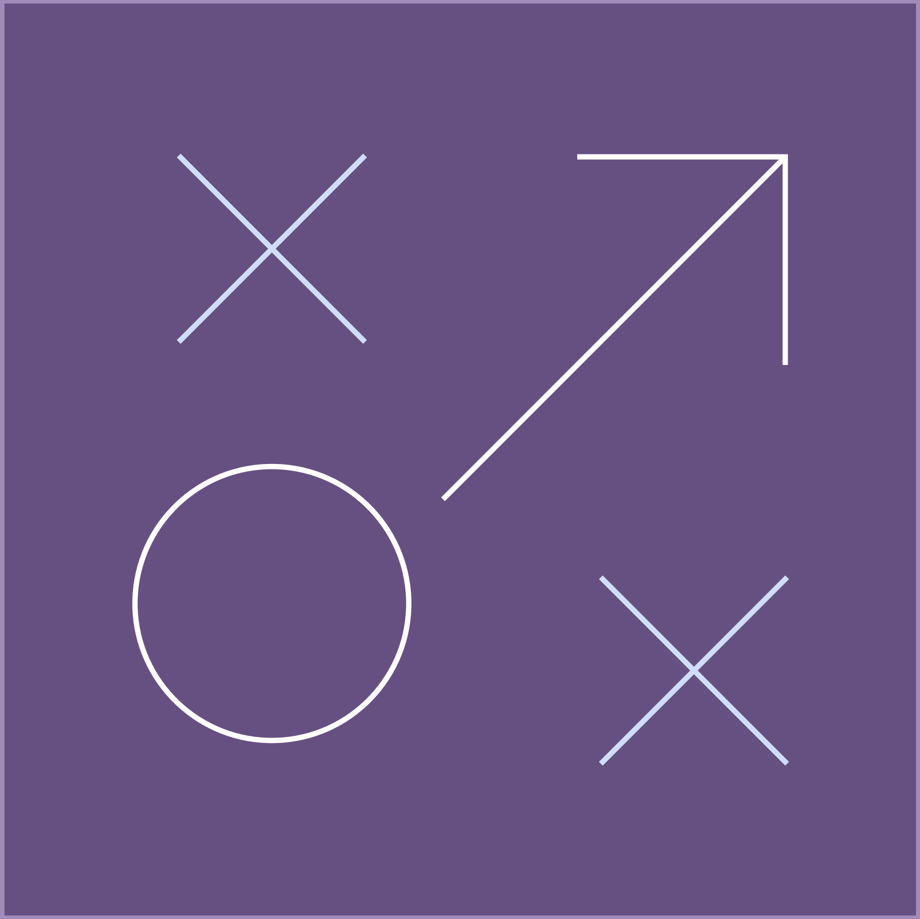
THE ATTENTION COUNCIL

FROM ATTENTION TO ACTION



BIG IDEAS

- In today's distracted world, attention to advertising shouldn't be taken for granted
- In order to convey a marketing message effectively, one must first capture the attention of the consumer
- There are three typical stages that companies go through before fully incorporating attention into their media strategy: Learning & Discovery; Planning & Optimization; Transacting
- Pivoting media and creative pursuits towards attention requires organizational support—if a natural sponsor does not exist, you need to create one
- If only the buy-side of the industry is focused on attention, then it is a zero-sum game for advertisers. First movers will capture the value at the expense of others
- True value will be created when the buy- and sell-side come together with the common objective of maximizing attention

The Attention Council brings together a combination of ad industry professionals, academics, technology vendors, and marketers to form thought-leadership around the attention economy. In this paper, we share a framework for moving through the various stages of incorporating attention into your media strategy with evidence from our member organizations.

INTRODUCTION:

The media advertising ecosystem is broken. Rates are still set using legacy methodologies that do not reflect how users consume content in an on-demand media multiverse.

The Attention Council (TAC), comprising ad industry professionals, academics, technology vendors, and marketers, is dedicated to bringing much-needed clarity to this murky world.

The move toward clarity begins by acknowledging two essential truths that marketers can agree on:

1. People need to pay attention to a piece of creative for it to have an impact.
2. Great content that captivates an audience should be rewarded.

The industry needs to come together to reshape the ecosystem in a way that reflects these two essential truths. The incentives are as obvious as they are powerful: Consumers will enjoy great content, and advertising will be more effective. As a result, content creators will earn the right to higher CPMs. These principles will apply to everyone in the industry, whether they are buying television media or digital media, or developing compelling creative.

Viewer attention will inevitably become the new gold standard for media buys—and the technology to measure attention second-by-second already exists, in various forms, in both television and digital. And while some within the industry are waiting for a single uniform Attention Metric to emerge across all channels, the pioneers are acting now to incorporate attention into their media strategies. These pioneers are less concerned with whether to use Fahrenheit or Celsius, so to speak, than with accurately taking the temperature of the new attention economy. The goal is to make this vital change happen sooner rather than later.

This white paper serves as both a summary of The Attention Council's findings and a framework for incorporating attention into your media strategy, supported by evidence from our member organizations.

In our discussion with marketing leaders, we find that companies typically pass through three stages on their journey to activating an attention strategy:
1) Learning & Discovery; 2) Planning & Optimization; and 3) Transacting.

	LEARNING & DISCOVERY	PLANNING & OPTIMIZATION	TRANSACTING
Objectives	• Identify measurement strategy • Establish baseline norms • Understand performance drivers • Build organizational support	• Capture value • Monitor Performance • Establish best practices & guidelines	• Create shared value • Monitor Performance • Structural Improvements
Typical Activities	• Evaluate Vendors • Custom Research • A/B Testing	• Planning System Integration • Augment CPM • Buy-Side KPIs	• Attention Guarantee • Schedule Optimized for Attention • Shared KPIs

Let's look at them individually…

1. LEARNING AND DISCOVERY

OBJECTIVES

- Identify measurement strategy
- Establish baseline norms
- Understand performance drivers
- Build organizational support

TYPICAL ACTIVITIES

- Evaluate Vendors
- Custom Research
- A/B Testing

> "When it comes to the notion of 'meaningful media'—attention sits at the intersection of the art and the science of measurement."
>
> —Alicia Pedersen, Fidelity

To some degree, a discussion of "attention" is an exercise in semantics. Effective media advertising has always been based on generating attention via the proximity principle. If you want people to pay attention to your ad, you piggyback it with popular content. Generally speaking, the more popular the content, the higher the likelihood that viewers will pay attention to the ads that accompany it—and, therefore, the more those ads cost.

Many years ago, when print was the dominant medium, ad rates were based on circulation. But while circulation may have been a reasonably precise measure of popularity—a newspaper that sold a million copies was clearly more popular than a newspaper that sold 100,000 copies—it was an imprecise way to measure actual *attention*. Purchasing an ad in a million-circulation newspaper was certainly no guarantee that a million people would pay attention to your ad—or even notice it at all. Many factors, including the specific ad placement, along with the creative quality of both the ad and the surrounding content, played a significant role.

The ratings that developed for electronic media were an even more veiled proxy for measuring actual attention. The immediate obstacle for setting ad rates in these new media was that there was no way to measure the "circulation" of broadcast content. The number of people listening to early radio programs was anybody's guess.

In the late 1930s, Arthur C. Nielsen devised a method of extrapolating audience estimates for individual programs using a monitoring device called an "Audimeter" installed on radios in a representative number of homes.

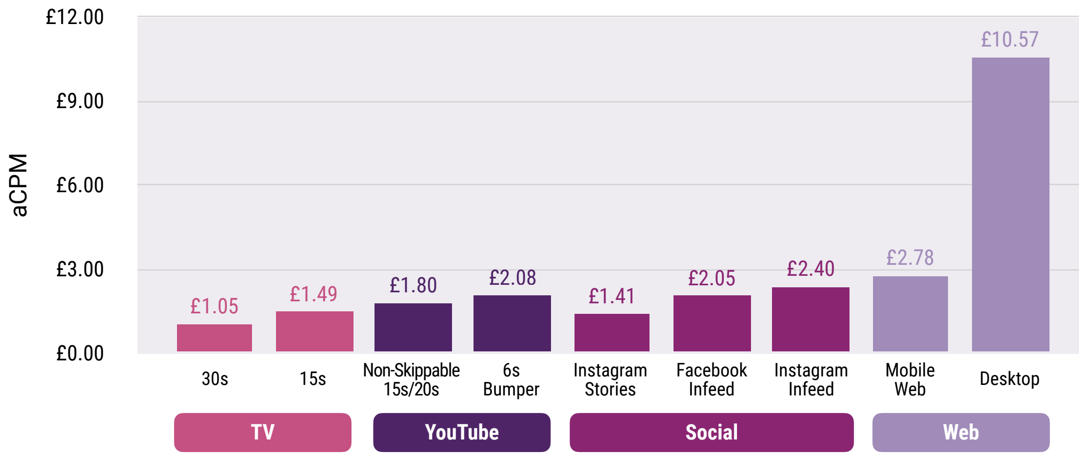
When television exploded in popularity during the 1950s, Nielsen adapted the Audimeter to estimate viewership. Thus began the system of program ratings used to determine advertising rates.

While the various ratings services have become more sophisticated and targeted in recent years, they nevertheless rely on a legacy ratings system—and its attendant assumptions—developed more than 70 years ago. In the 1950s, when a typical household had a single black-and-white television set, families often gathered to watch programs together at appointed times. Because televisions of that era didn't have DVR capability, or even a remote (you had to get up from the couch and turn a dial on the TV manually to change channels), whole families watched entire programs, commercials included, without interruption—a phenomenon rarely seen outside the Super Bowl today.

In short: That ratings system worked fairly well because it was reasonable to assume in the 1950s that if the TV was on, someone was watching it—usually several people at once—and those viewers would see the embedded advertising.

But in today's distracted world, early measurement systems no longer hold up on their own. Fortunately, early results toward developing a universal attention measurement are encouraging. A joint effort combining research from TVision, Lumen, and Dr. Augustine Fou yielded a prototype for a pricing structure based on purchasing 1,000 seconds of attention to advertising, regardless of the medium or format. This was derived by accounting not only for "viewability," but also "eyes-on dwell time" to create a measure of "attentive seconds per thousand impressions." Factoring in the CPM rates of various media—TV, YouTube, Digital Display, and social—allows for apples-to-apples comparisons of what it costs to capture 1,000 seconds of viewer attention via, say, a 30-second TV spot (£1.05 in the prototype study) versus a desktop digital display ad (£10.57 in the prototype study).

'aCPM': Estimating a cost per 1000 attentive seconds



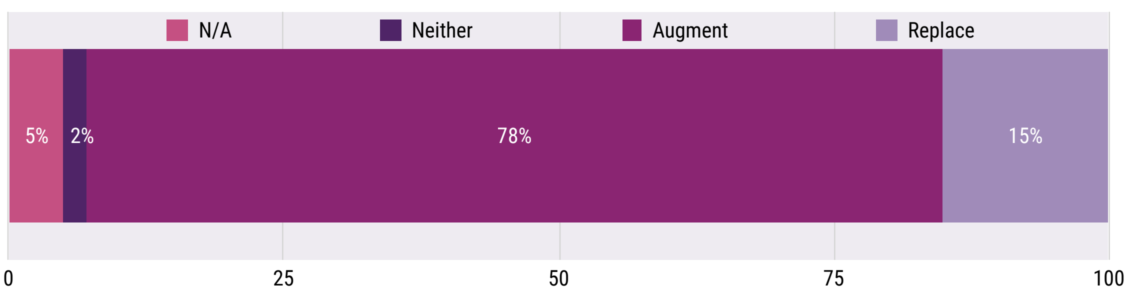
Source: Lumen, Dr. Augustine Fou, TVision

In such a fragmented media environment, it no longer makes sense to pay ad rates that are based on the faulty assumption that any single screen has the viewer's undivided attention.

The legacy systems no longer work as even veiled proxies. It's time for buyers to get what they're actually paying for: attention.

Nearly everyone in the industry is in agreement on this. A TAC survey conducted in June 2020 found that 93% of respondents believed attention will eventually augment or even replace existing metrics

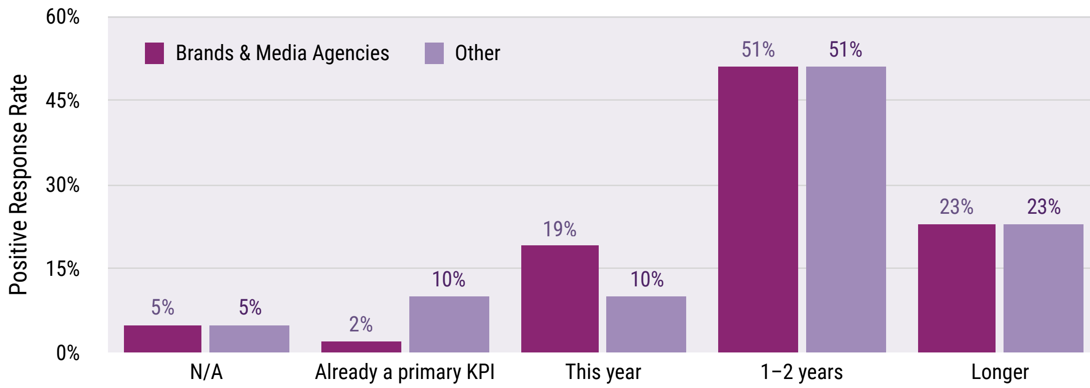
"Will attention augment or replace existing metrics?"



Source: The Attention Council

And more than half said they expected attention to be a Key Performance Indicator (KPI) within just 1–2 years.

"When do you think attention will be a primary KPI?"



Source: The Attention Council

Change, however, can be difficult. The inertia of an ad-buying system that has been in place for decades is a powerful obstacle, particularly in times of economic uncertainty. The switch to an attention-based approach requires buy-in at the top.

A common approach of those just beginning the process is to conduct a Request for Information (RFI) to develop a full picture of potential measurement partners. A typical RFI should validate key aspects such as methodology, metrics, and privacy.

Some agencies, including Dentsu and Havas, have already incorporated Attention Metrics into their planning process. They've expanded the body of research using innovative methods such as eye-tracking technology as a "first step in updating how our industry measures, plans, and trades media in the digital economy," in the words of a Dentsu study.

Once a company chooses a measurement strategy, they should set expectations for both internal and external stakeholders. That establishes the basis for specific improvement goals.

Good reporting is critical to building trust and credibility. Data collected in the reporting phase is critical to moving the organization (and its partners, such as agencies) toward more action-oriented use cases.

There is no standard time period for establishing a baseline. In some circumstances, syndicated measurement solutions may have historical data available for comparison purposes. Failing that, measurement needs to be initiated and performance monitored over a designated period of time.

Finally, it's vital to understand what drives variance in performance, regardless of the medium. In TV, that means accounting for such variables as the age and gender of those in front of the screen, daypart, etc. In digital, important variables include ad placement and publisher.

By understanding these variables, you can create a tangible pathway toward improving performance—and that, in turn, drives real business decisions.

2. PLANNING & OPTIMIZATION

OBJECTIVES

- Capture value
- Monitor Performance
- Establish best practices & guidelines

TYPICAL ACTIVITIES

- Planning System Integration
- Augment CPM
- Buy-Side KPIs

> "It's not about finding a silver bullet. It's about a rising tide for everyone"
>
> —Paolo Provinciali, ABI

From an agency perspective, a sudden shift to Attention Metrics can feel like a catch-22. Timing is a major factor; the system that has evolved requires spending commitments on an annual cycle, which are revisited quarterly. It feels risky to commit substantial budget for a significant period of time to an unproven system—but the system can't ever be proven without those commitments.

So the entrenched system remains, obvious warts and all. The television marketplace has been reduced almost to pure arbitrage, with the use of attention focused on exploiting market inefficiencies. Digital is marginally better; the market mechanism—auction—allows for greater pricing discrimination, making it easier to translate new metrics into buying strategies. But the digital marketplace is far more diffuse than television, and a significant amount of ad spend occurs within walled gardens, including Google and Facebook, where there is little incentive to offer the greater transparency that a system based on Attention Metrics would require.

So how can the industry begin to move in the direction everyone agrees it needs to go?

A helpful framework in planning is to reconsider what the budget is actually *for,* and then explore methods of breaking that objective down into smaller, more manageable—and measurable—goals.

Ultimately, budget is allocated to purchase reach x frequency. So there are two ways to try to adjust your planning process once you have attention data:

1. Hold budget constant and revise reach and frequency estimates for each asset.
2. Hold reach and frequency constant and use attention score as a penalty/discount factor to modify the "true cost" of each placement.

Once you frame the options in this way, the choice becomes clear. The first approach is very complicated and requires very deep integrations, while the second approach is generally much easier to implement.

Let's look at a simplified example.

If a brand is assessing a set of options, one common metric that is used to evaluate "efficiency" of an advertising environment is cost per point (CPP). Cost per point takes into account not only how much is paid for a placement, but also how many gross rating points the placement delivers.

Network	Daypart	CPP	CPP Rank
Network A	Daytime	110	2
Network A	Primetime	200	3
Network B	Overnight	100	1
Network B	Primetime	250	4

Agencies are accustomed to incorporating CPP (or similarly CPM) data into their models to make their planning recommendations. However, using CPP/CPM alone is not sufficient. Attention data can be seamlessly integrated into this framework with little interruption to regular workflows by recalculating CPP to deliver Cost Per Attentive Point.

To make this adjustment, simply divide the CPP through by the Attention Metric.

Network	Daypart	CPP	Attention	CPAP	CPAP Rank
Network A	Daytime	110	40%	275	1 (+1)
Network A	Primetime	200	55%	364	2 (+1)
Network B	Overnight	100	25%	400	3 (-2)
Network B	Primetime	250	50%	500	4 (-)

As you can see from the example above, the overnight placement moves from the most cost-efficient when targeting CPP, to the 2nd lowest when targeting CPAP. Understanding where and when audiences are paying attention to advertising can fundamentally change the decision-making process.

And as much as the television market has expanded since the days of just three major networks, the internet is far more sprawling. So the digital challenges are even greater in many respects—and the lines between channels become increasingly blurry.

There are quite literally thousands of different placements for an advertiser to choose from in digital media. As a study by the Dentsu Aegis Network observed,

> *"Current industry planning systems consider all impressions equal. The same 'reach' on television versus in-feed social can come at vastly different costs but is valued subjectively, often based on the perceptions and experience of individual planners. Even within the same channel, impressions are often priced equally, regardless of how long they may or may not have been viewed."*

This disconnect between value and price creates an opportunity for brands to realize outsized returns through data that reveals true quality. As we've shown above, research has proven that Attention Metrics are predictive of outcomes, so it holds that Attention Metrics can provide that alpha.

The following is a playbook for using Attention Metrics to navigate the fragmented digital media landscape.

When starting out, the most important fundamental building block is an understanding of the nuance of Attention Metrics based on the type of ad experience:

Polite Interruptions: Advertising experiences that capture someone's full attention for an amount of time they control. Think skippable Youtube ads or full page mobile advertising.

Duration is a strong leading indicator of quality when measuring polite interruptions, but it's essential to control for the quality of creative.

Forced Interruptions: Ads that force someone to view for an amount of time: pre-roll ads that don't allow for skipping or ads with countdown timers.

In the case of forced interruptions, duration isn't a strong signal as it can easily by foiled by consumers directing attention to another device. Often it's best to use eye-tracking to understand the types of content that keep people engaged during commercial breaks.

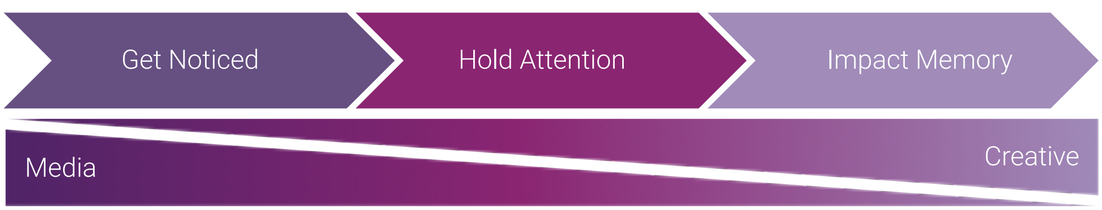
Adjacent Ads: The vast majority of digital advertising and a growing number of TV placements can be classified as *content adjacent*—they are viewable at the same time as content.

In the case of adjacent ads, a mixture of duration and page geometry is needed to predict attention to those ads. Things like ad coverage and page clutter should be taken into account in addition to time-spent.

The other foundational element of Attention Metrics is the "Attention Pathway" which helps us understand how media and creative interact to influence attention. Adelaide created the Attention Pathway, and a metric called the AU to help disentangle the impacts of media and creative on attention and resulting outcomes.

The Attention Pathway says that media's job is to create an *opportunity* for uninterrupted attention. Creative's role is to *capture* attention and apply brand assets that ultimately impact memory.

The Attention Pathway



With this foundation, we can start to apply Attention Metrics to digital media. There are three main uses: Planning, Measurement, and Optimization. In each case, it's crucial to be aware of the type of format being observed and to take steps to ensure media measurement is isolated from creative noise.

PLANNING

Attentiveness of media is but only one aspect of media buying, so it's important to set campaigns up to have the maximum upside out of the gate rather than rely on optimization.

Planning with Attention Metrics allows buyers to adjust reach based on the likelihood of capturing attention. Given the granularity of digital media, and the variance in quality there is an opportunity to create far more efficient plans to reach audiences.

Site	Placement	Attention Rating
Site A	MPU (300x250)	1.62
Site A	Leaderboard (728x90)	1.39
Site B	Half page (300x600)	2.81
Site B	Billboard (970x250)	4.11
Site C	OLV (320x240 15s)	0.92
Site D	OLV (1920x1080 6s)	3.87
Facebook	Instream Video (15s)	3.92
Facebook	Stories Video (6s)	1.65
Instagram	Instream Video (15s)	2.21
Instagram	Stories Video (6s)	2.33

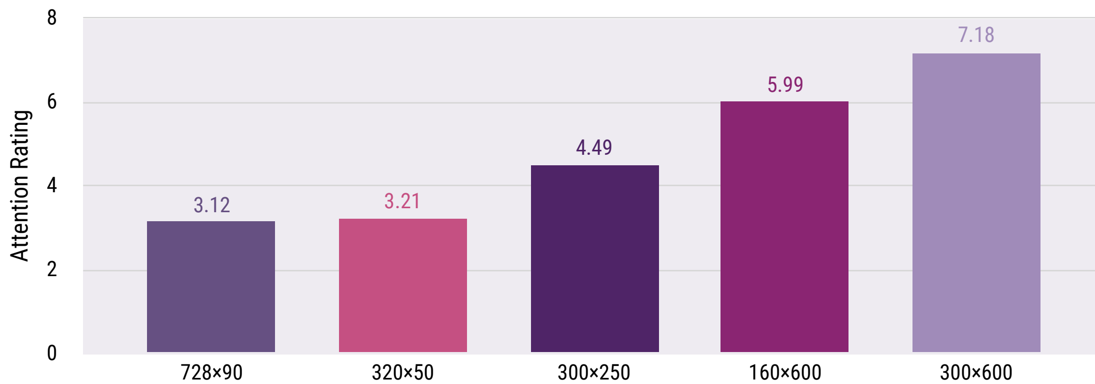
MEASUREMENT

Measuring digital media with Attention Metrics is possible using a combination of tactics - the most popular are JavaScript tags, and the synthesis of adserver logs with attention data in cases where direct tagging isn't possible.

Tag-based attention measurement uses technology similar to viewability measurement to detect qualities of the impression that are predictive of attention. Those vectors can include things like the size of the ad, clutter on the page, and how long the ad is on screen.

Some platforms don't allow for direct measurement of media attention requiring the synthesis of eye-tracking data with whatever direct measurement is available.

Attention Metrics per ad format on an example campaign

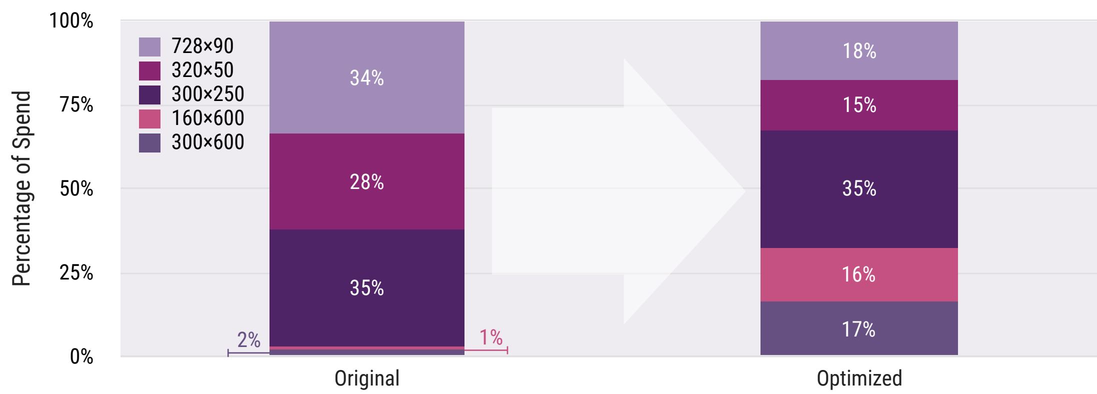


Source: Adelaide

OPTIMIZATION

Shifting spend between placements based on observed quality is possible by integrating cost data and looking for opportunities to decrease the cost of incremental attention. One needs to be careful not to decrease reach by shifting budget from places where incremental new reach is high to places that are simply providing more efficient attention.

Recommended ad format optimizations on an example campaign



Source: Adelaide

CASE STUDY

The Creative Approach to Measuring Attention

SORIN PATILINET
GLOBAL MARKETING INSIGHTS DIRECTOR AT MARS

MARS

Attention may be a relatively new topic at most brands, but not at Mars, Inc. The company has spent the last five years refining the methods to use attention to assess the effectiveness of its ads. Using historical best-in-class sales impact measurements that use Single Source data as a truth set, the team led by Global Insights Director Sorin Patilinet tested numerous proxy metrics and understood what correlates best with sales.

“During the last 15 years we’ve built an internal engine that utilizes data from panel companies like Nielsen, GfK, IRI or Kantar, to extract the most accurate view on creative performance,” Patilinet says. “While at first, we used Single Source to optimize our media plans, we soon recognized that creative was the biggest driver of growth. Once a media plan is optimized, the only variable that can improve your performance is the quality of your creative.”

The next step was to understand how other behavioral KPIs can match the data requirements to optimize creative. This is an often-overlooked aspect of the debate on developing Attention Metrics.

It’s easy to get so bogged down in the debate about different standards of measuring attention, or in trying to compare Attention Metrics across channels, that we forget that the biggest factor in determining whether or not an ad attracts and holds viewer attention is, frankly, whether or not that ad is any good.

“Years of testing various neuroscience-based marketing solutions taught us that one of the biggest challenges for advertising is simply getting people to notice your messages,” Patilinet says.

It’s an ongoing process. “With every year, we’ve gradually built a deep knowledge repository of what works, and what doesn’t, in our advertising across our product categories,” Patilinet says. “This database of 3000+ creative scores allowed Mars to add science to the art of producing advertising and helped create the Key Beliefs that guide our media decisions.”

Nevertheless, there is still room for improvement. “In today’s digital world, the amount of creative we produce has exploded, and panels have shown their limitations,” Patilinet says.

“We knew we needed to pivot to a proxy KPI that still is consumer-centric and can help us optimize.” Recognizing that need is one challenge. Meeting it is another. “This process gets more and more difficult as consumers’ habits become ad-resistant and they embrace ad-blocking tools and techniques,” Patilinet says. “Grabbing their fleeting attention has never been more difficult, but it is possible. Optimizing our creative for better attention is a priority for Mars in the digital age. And on top of this, a higher level of attention has a strong relationship with a higher business outcome: sales impact.”

To maximize that sales impact, Patilinet says, “Most digital creatives we produce get pretested using a mix of attention measurement and time in view. We found those two variables predict sales patterns and allow a descriptive review of the creative when combined with our creative guidelines and other emotional measures.”

What’s next? “Our ambition for 2021 is to track attention for every ad developed,” Patilinet says. “We have a strong belief that only by scaling capabilities can you generate meta-learnings that propel you further in your creative excellence journey.”

CASE STUDY

A Step toward Incorporating Attention into Planning

PAOLO PROVINCIALI
HEAD OF US MEDIA AT ABI

ABInBev

If everyone agrees that a shift to Attention Metrics across all channels is inevitable, why has there been so little progress to this point? "That's really not a surprise, because attention is a new metric," says Paolo Provinciali, Head of US Media at ABI. "And there's no universal measurement."

The problem is that consumer experience is radically different across channels, which makes an MMM strategy based on universal measurement impractical. "You can't compare an Instagram story to a 30-second TV spot to a YouTube bumper ad," Provinciali says.

So the great leap forward has to start with baby steps. At ABI, says Provinciali, "We're laying the groundwork for using attention."

That includes an experiment in using attention in television. "We're buying on a viewability guarantee with a couple of TV networks," Provinciali says. "That commands a certain price that we agree upon and it commands a premium—which I'm fine with paying because the assumption is that with higher viewability I get higher returns. It's the ROI that I'm interested in. Both the networks and the advertisers need to see this as an advantage. You're offering something that others are not offering, and therefore you can attract better business. For me this is a no-brainer."

The challenge on the network side is that they will have to provide content capable of generating the level of engagement that justifies charging a premium for higher attention. "This can be a collaborative approach and a win/win situation," Provinciali says. "If networks develop content that's more engaging, consumers will be more engaged and advertisers get higher ROI."

But changing the status quo can be challenging, Provinciali says, "particularly when there are headwinds, or in moments of crisis."

For example, the COVID-19 pandemic halted production of many network television programs, making it a challenge to produce any new content, let alone content that was more engaging.

On the other hand, the pandemic "forced the industry to do things we never thought we could do," says Provinciali. "We tested. We learned. It was a wake-up call not only for us but also for a lot of other people."

One of the most striking examples of pandemic-induced innovation was ESPN's decision to move its Michael Jordan documentary "The Last Dance" from its scheduled summer airdate to the spring, when the cancelation of most live sports programming created a huge void in the network's schedule. TVision's research revealed that "The Last Dance" scored extremely high for attention among viewers who were ravenous for quality sports programming.

That's just one example of how networks could charge a premium for advertising that draws high attention—attention that is actually measured—among a selective demographic. And that can be the model for the future. Says Provinciali, "This is an opportunity for the whole industry to reset and build around consumer centricity."

3. TRANSACTING

OBJECTIVES

- Create shared value
- Monitor Performance
- Structural Improvements

TYPICAL ACTIVITIES

- Attention Guarantee
- Schedule Optimized for Attention
- Shared KPIs

One of the biggest drawbacks of the legacy transaction system is that there are essentially no guarantees. In television, program ratings don't equate to attention—and attention also doesn't

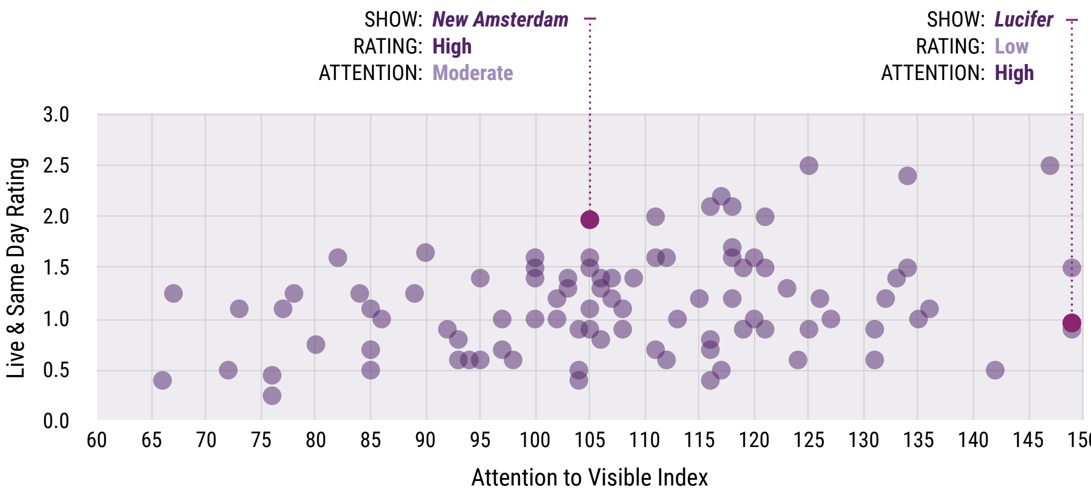
> "Show me the incentive and I will show you the outcome."
>
> –Charlie Munger, Vice Chairman, Berkshire Hathaway

correlate to CPM. In digital, methods of determining "engagement" have traditionally been so fungible as to be useless.

If guarantees based on viewer attention become a mainstream way to buy and sell media, room for arbitrage will be smaller. Moreover, guarantees will make it less risky for new brands to try an attention-based approach. Simply put, a brand manager will be more inclined to risk budget on an attention-based transaction that's guaranteed.

We believe the movement toward attention will reach a tipping point once it's widely available via many TV networks—and the networks should be eager to adopt Attention Metrics, too, because those metrics offer guaranteed outcomes.

Mapping Broadcast Ratings to Content Attention



Source: TVision

In digital, as in television, many brands are still in the learning and discovery phase. Pioneers such as Lumen Research and Karen Nelson-Field at Amplified Intelligence are using eyes-on-screen monitoring with groups of volunteers (comparable to the approach that TVision uses to measure attention in television) to determine digital advertising efficacy, particularly among display ads. And while there is substantially greater variance in digital than in television—mitigating factors include different website designs, ad placement on the screen and the number of ads that appear onscreen at the same time—digital's inherently greater agility should enable a faster transition to the planning and optimization phase—and ultimately, on to transacting.

What will the results look like once the industry reaches that threshold? In general, brands will pay a bit higher CPM, in exchange for much higher attention. (To be clear, in both television and digital, attention will not be an all-or-nothing metric—it will be a gradient.)

Early evidence of a shift toward attention-based guarantees is encouraging. Some major TV networks have started to offer attention guarantees in the U.S., while digital media have offered viewability guarantees for about five years. (It's important to note, however, that viewability and attention are not the same thing. Just because an ad is "viewable" doesn't mean it's actually being viewed. That requires viewer attention.)

	Standard	Attention Guarantee		
Ratings	✓	✓	Only used as part of buying currency	Brands can secure 5–10% higher viewability/attention with moderate CPM increase
Viewability/ Attention %	✗	✓	Brands to choose to guarantee based on either % or actual volume metrics	
Viewable/ Attentive GRP	✗	✓		

As for the steps required to make the transaction transition happen: Brands need to use data driven linear (DDL) to maximize the benefit of these new deals. TV networks can use DDL to forecast not only viewability but also attention, which will enable optimization at specific levels, including daypart, channel, and show. At this point TV, like digital, is more inclined to offer viewablity guarantees. But TAC believes that eventually an attention guarantee will become more valuable—and therefore more coveted.

Attention guarantees could be a great way for TV networks to monetize “cult” programs that have small but devoted viewerships that generate modest ratings but high attention. On the other hand, brands could stop paying premiums for “vanity purchases” in certain high-rated programs that generate low attention.

Once attention becomes the gold standard, networks will push for more innovative ad formats that are designed to maximize attention, such as “pic in pic,” product integration, etc. In digital, by contrast, we might see big brands demanding that websites be redesigned to enable greater attention for the brands’ creative.

Attention Metrics will provide an immediacy that will enable those in both television and digital to monitor ongoing campaign performances and optimize in-flight when necessary. The final stumbling block is for the buy-side and the sell-side to come to agreement on best practices, as well as terms for an acceptable exchange rate for attention-based transactions.

THE CTA FROM TAC

For years momentum has been building to move away from the “in the room” approach to media advertising to one based on actual attention. The time has come to act. Representatives from all corners of the media advertising ecosystem are all here in the same room *now*. If we just give our undivided attention to meeting one another’s needs, the entire industry will benefit enormously.

Thank you to our contributors:

- ➔ Sorin Patilinet (Mars)
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- ➔ Tristan Webstar (TVision)

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