



Transform

Marketer's Guide

Innovative thinking to make a lasting impact on your business growth.

2021

Meeting Industry Challenges

Guidance and inspiration to embracing an audience-first TV buying approach

VAB Insights.
Inspiration.
Impact.

Custom research to understand buying strategies

In March 2021, VAB conducted a custom study of over 200 marketers to assess how the industry is adopting audience-based TV buying – from their level of awareness and familiarity to their belief in the ability of the approach to drive business outcomes.

Part I: Top 10 Findings



This piece equips you with the **10 key findings** from the survey. We uncover to what extent marketers are familiar with, executing, and investing in ABB as part of their video buying strategies.

Part II: Industry Insider Look



An insider's look at how **'large' and 'small' business brand marketers and agency professionals** are approaching their TV buying strategies.

Third Release!

Part III: Challenges & Guidance



We identify the **challenges** brand marketers and agency professionals are facing in embracing an audience-first mindset and provide **guidance to help overcome** those obstacles.

See appendix for greater details behind methodology. Survey fielded March 23 - 31, 2021.

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Guidance To Inspire Brand Marketers & Agencies
Meeting Industry Challenges Around Audience-Based Buying

Click through a box above to be brought directly to the appropriate section. See slide 9 for a definition of the two marketer segments.

What You'll Learn...

In this third installment of our three-part series on audience-based buying, we provide an insider's perspective from our custom study on the challenges faced by some brand marketers and agency professionals with implementing an audience-first approach in their TV planning and buying.

This guide identifies the common challenges faced by both brands and agencies, as well as unique insights for brand marketers and agency professionals as they look to adopt an audience-based TV strategy or increase their investment in this approach. **Additionally, we'll provide guidance as inspiration to overcome these challenges.**

1

The Positive Momentum Behind Audience-Based TV Buying

Excerpt from VAB's [An Insider's Look: Why Brands and Agencies are Shifting to Audience-Based TV Buying](#)



Brands and agencies are embracing data & analytics to help them make more informed decisions for their marketing strategies

% of respondents that agree with the following statements regarding their company's investment in data & analytics to optimize and measure marketing campaigns

■ 'Large' Brand Marketers ■ 'Small' Brand Marketers ■ 'Large Business' Agency Pros ■ 'Small Business' Agency Pros

It has led to greater return on investment for our video buying & planning



My organization plans to increase its investment in data & analytics over the next 12 months



It has helped us make better informed decisions for our video strategy & buying



Source: VAB's *An Insider's Look: Why Brands and Agencies are Shifting to Audience-Based TV Buying*. VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. 'Large' Brand Marketers = business with annual total ad spend of \$5MM+, 'Small' Brand Marketers = business with annual total ad spend of \$10K - \$5MM, 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q22. How much do you agree or disagree with the following statements regarding your organization's investment in data & analytics to optimize and measure marketing campaigns? (strongly/somewhat agree).

Due to their increased comfort level with data-driven approaches, brands and agencies are accepting of more modern ways of buying TV

% of respondents that agree with the following statements

“I see the value in an automated audience-based buying TV platform”

90% / 97% / 89% / 89%

“I would be interested in using a self-service platform for buying TV, if one was available to me”

83% / 89% / 83% / 71%

 'Large' Brand Marketers 'Small' Brand Marketers 'Large Business' Agency Pros 'Small Business' Agency Pros

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. 'Large' Brand Marketers = business with annual total ad spend of \$5MM+, 'Small' Brand Marketers = business with annual total ad spend of \$10K - \$5MM, 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Pros = Professionals. Q170. How much do you agree or disagree with the following statements? (strongly/somewhat agree)

With their openness to innovate, brands and agencies are willing to upend the way they currently buy media

% of respondents that agree with the following statements

“I am comfortable with moving from traditional, GRP-driven TV buying to an audience-based TV buying approach”

83% / 91% / 83% / 71%

“Over the next three years, I believe the industry will significantly shift from traditional TV buying (GRPs) to an audience-based TV buying approach”

90% / 94% / 85% / 89%

■ 'Large' Brand Marketers ■ 'Small' Brand Marketers ■ 'Large Business' Agency Pros ■ 'Small Business' Agency Pros

Source: VAB's *An Insider's Look: Why Brands and Agencies are Shifting to Audience-Based TV Buying*. VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. 'Large' Brand Marketers = business with annual total ad spend of \$5MM+, 'Small' Brand Marketers = business with annual total ad spend of \$10K - \$5MM, 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Pros = Professionals. Q170. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

Eager to shift to a data-driven approach, they are actively searching for new solutions, such as audience-based buying

How frequently do you come across the term 'audience-based buying' in your engagements at work?

% of respondents who answered 'often' or 'sometimes'

'Large' Brand Marketers

83%

'Large Business' Agency Pros

85%

'Small' Brand Marketers

83%

'Small Business' Agency Pros

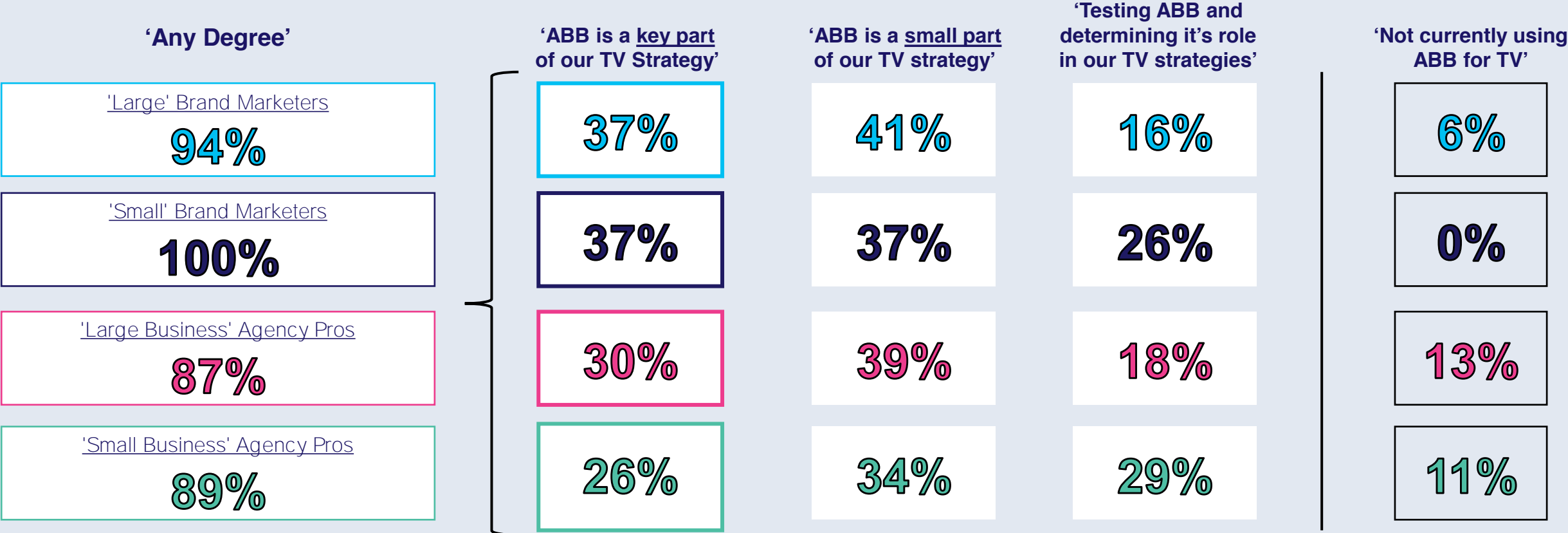
77%

Source: VAB's [An Insider's Look: Why Brands and Agencies are Shifting to Audience-Based TV Buying](#). VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. 'Large' Brand Marketers = business with annual total ad spend of \$5MM+, 'Small' Brand Marketers = business with annual total ad spend of \$10K - \$5MM, 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q41. How frequently do you come across the term 'audience-based buying' in your engagements at work? (top 2 box: often/sometimes).

As a result, many brands and agencies are shifting from traditional demo-based TV buying to audience-based buying to some degree

▶ 'Small business' brand marketers and agency professionals are much more likely to be in the 'test-and-learn' phase currently

Which of the following best describes your (company's/main client's) current approach to audience-based buying for TV advertising?



Source: VAB's *An Insider's Look: Why Brands and Agencies are Shifting to Audience-Based TV Buying*. VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. 'Large' Brand Marketers = business with annual total ad spend of \$5MM+, 'Small' Brand Marketers = business with annual total ad spend of \$10K - \$5MM, 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q70. Which of the following best describes your (company's/main client's) current approach to audience-based buying for TV advertising?

Adoption of an audience-based TV approach is on the rise, however there are still challenges to address on the path to an industry-wide shift

▶ In this guide, we provide insights across two marketer segments into the challenges that are inhibiting some from fully adopting an audience-based TV strategy

Brand Marketers



Brand Marketers

Respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B)

Agency Professionals



Agency Professionals

Respondents who work for an advertising agency (i.e., full service, creative, media, etc.)

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B) (n=105), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.) (n=106).

2

What Are The **Common Challenges**
Among Brand Marketers & Agencies?



Some brand marketers and agency professionals face **five common challenges** to fully adopting an audience-based TV approach

1

Lack a true understanding of audience-based buying

2

Low confidence in TV data and measurement

3

Disconnects created by organizational silos

4

Lack of clarity around ownership

5

Difficult to implement and execute vs. traditional demo buys



1 | Lack a true understanding of audience-based buying

While awareness and understanding of audience-based buying is growing, some marketers are wary of adopting an audience-based TV approach due to a **lack of formal education and training**. In addition, many are getting their **education primarily from ad tech** companies, which limits their understanding of how it can be applied to multiscreen TV.

Almost half of all brand marketers and two-thirds of agency professionals have either received informal training from a colleague or no training at all on audience-based TV buying

% of respondents who have received either an informal internal training or no training at all

46% / 65%

Brand Marketers Agency Professionals

Which of the following sources have you received training and support from regarding the different aspects of audience-based TV buying?

% of respondents



32% / 41%

have received informal internal training provided by a colleague



14% / 24%

have received no training

Brand Marketers Agency Professionals

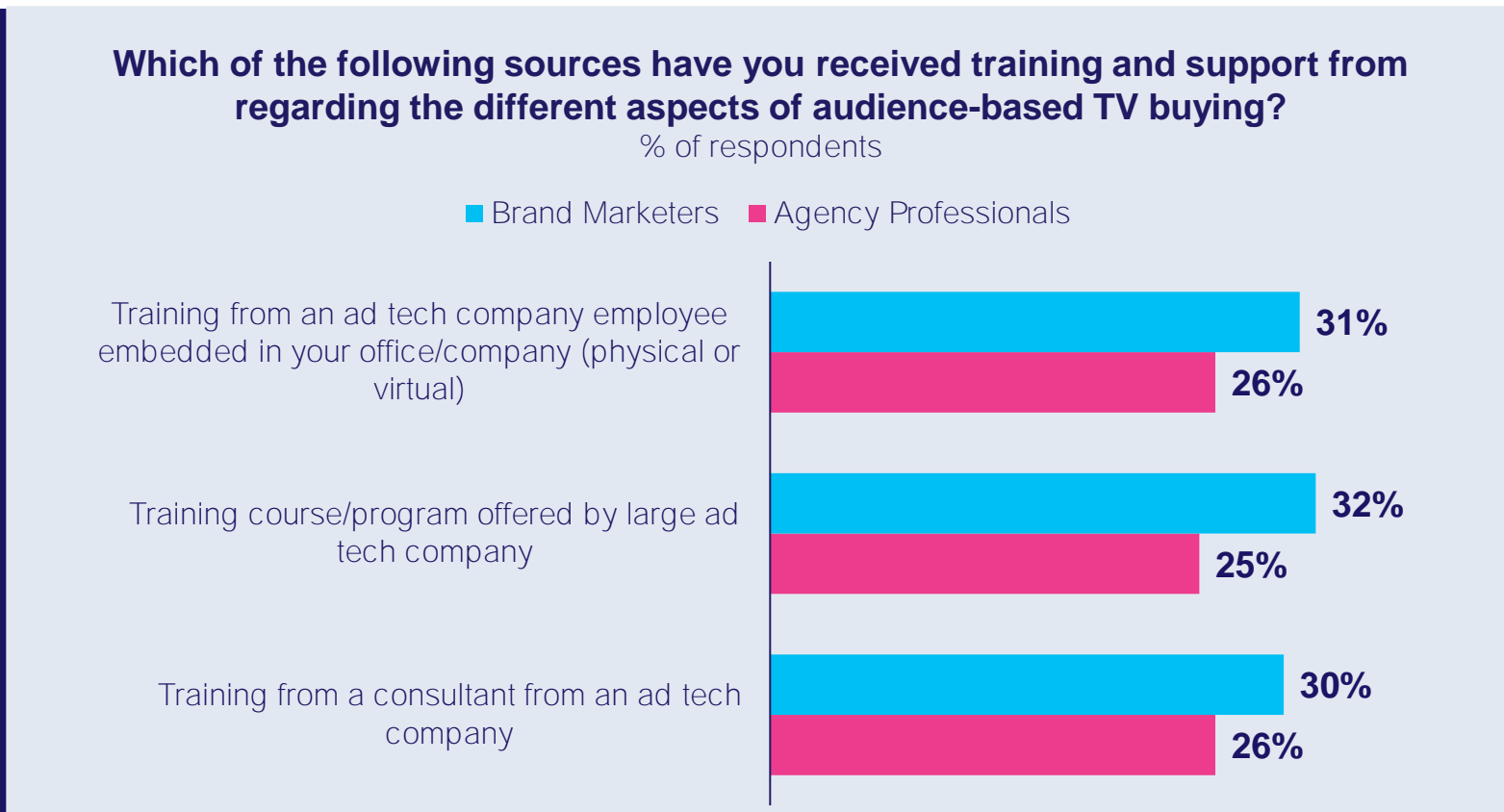
Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q155. Which of the following sources have you received training and support from regarding the different aspects of audience-based TV buying (e.g. planning, execution, measurement, etc.)?

The limited training that they might receive is often from ad tech companies, who have trained over half of brand marketers and agency professionals

% of respondents who have received training from an ad tech company*

56% / 55%

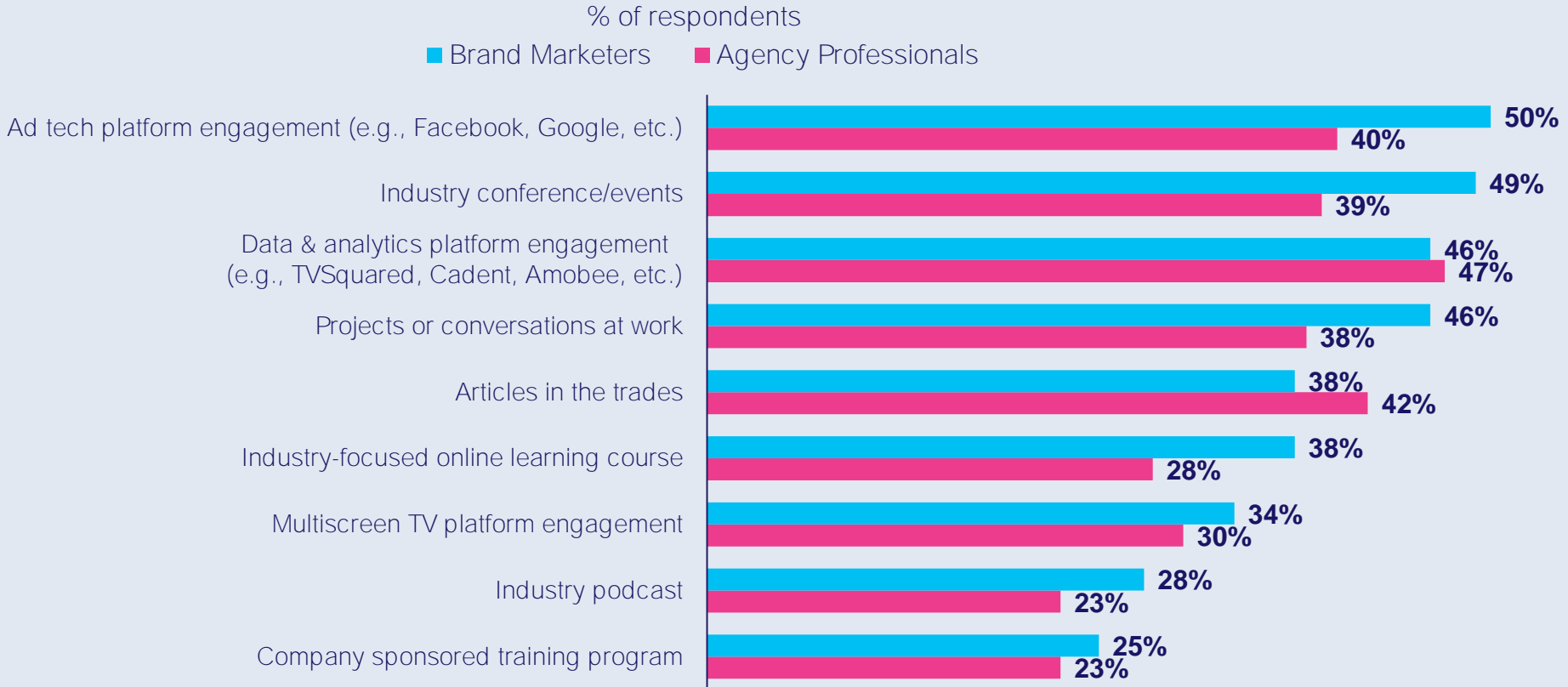
■ Brand Marketers ■ Agency Professionals



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q155. Which of the following sources have you received training and support from regarding the different aspects of audience-based TV buying (e.g. planning, execution, measurement, etc.)? *Reflects unduplicated reach among respondents who answered, 'Training from an ad tech company employee embedded in your office/company', 'Training course/program offered by large ad tech company' and 'Training from a consultant from an ad tech company'.

Marketers are hearing about audience-based buying from ad tech platforms at a much higher rate than multiscreen TV platforms, which could be giving them a one-sided view

Where do you most often hear 'audience-based buying' and the terms associated with it being discussed?



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q50. Where do you most often hear 'audience-based buying' and the terms associated with it being discussed? Base = Respondents who are familiar with the term 'audience-based buying'.

Due to limited education and training opportunities, only one-third of all marketers accurately defined ‘audience-based TV buying’

▶ Marketers may struggle to understand the greater complexities and abilities of ABB if they are unable to comprehend its precise definition

Which of the following best defines ‘audience-based TV buying’?
(respondents were given **six definitions with nine choices**, including ‘all/none of the above’ and ‘other’)

“Segmenting viewers beyond traditional demographics to target a group of consumers based on behavioral, attitudinal, and / or lifestyle data”



% of respondents who answered correctly

32% / 34%

■ Brand Marketers ■ Agency Professionals

Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q45. Which of the following best defines TV ‘audience-based buying’? Even if you’re not familiar with TV ‘audience-based’ buying, we’d like your opinion.

And less than half are familiar with multiscreen TV audience-based buying solutions; furthermore several that said they were familiar went on to name ad tech platforms

► This was especially true among brand marketers who were most likely to name platforms like Google and Facebook

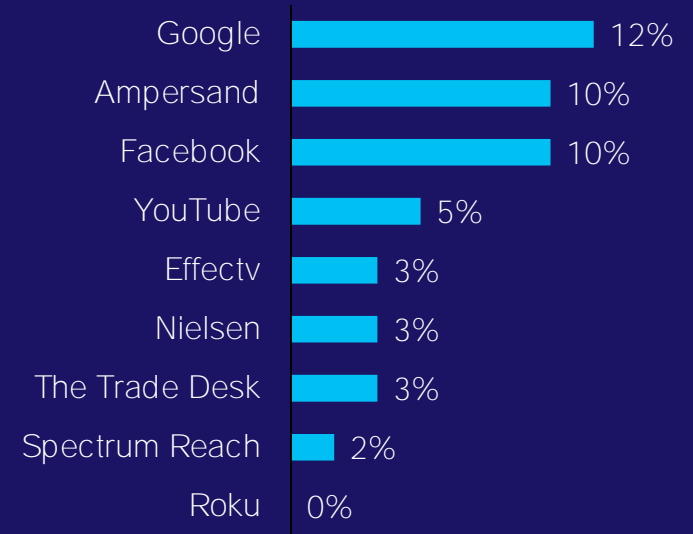
% of respondents who are familiar with any multiscreen TV audience-based buying platforms / solutions currently in the marketplace

44% / **42%**

Brand Marketers Agency Professionals

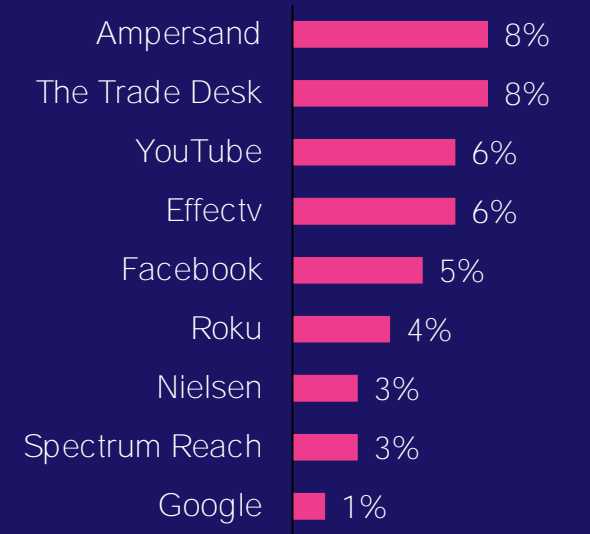
Which multiscreen TV audience-based buying platforms or solutions are you familiar with? % of respondents

Brand Marketers



50% 'Other' 0% 'None/NA/Don't Know'

Agency Professionals



44% 'Other' 12% 'None/NA/Don't Know'

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q175. Are you familiar with any multiscreen TV audience-based buying platforms / solutions currently in the marketplace? Q175a. Which multiscreen TV audience-based buying platforms or solutions are you familiar with?



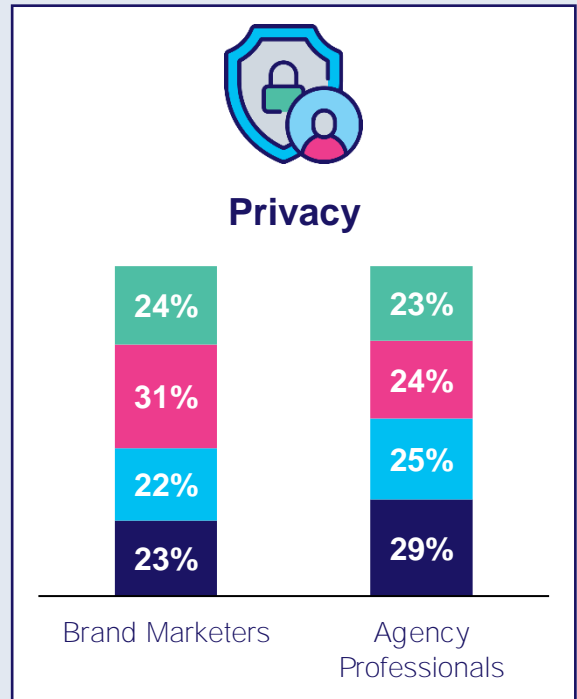
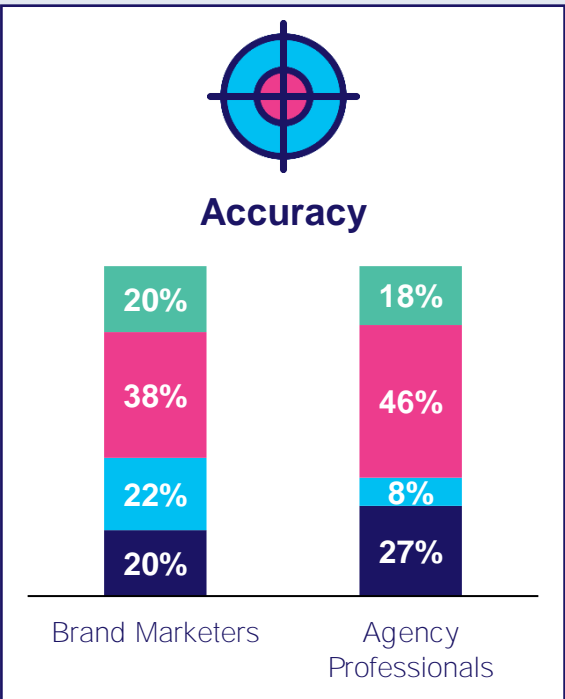
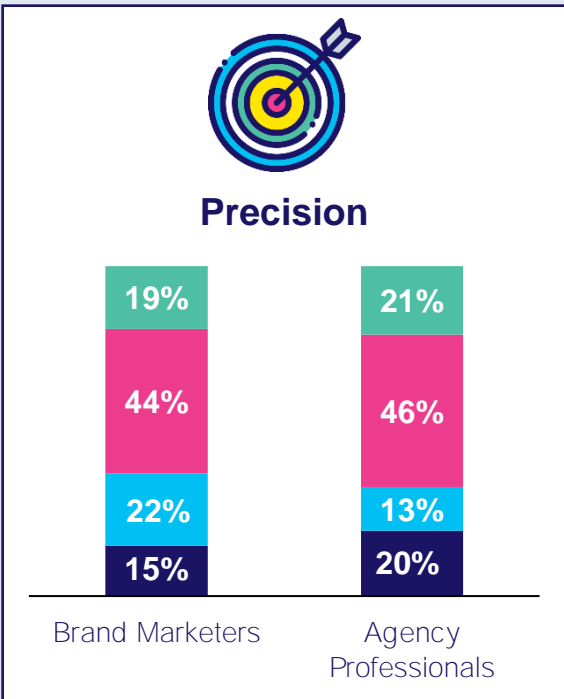
2 | Low confidence in TV data and measurement

Often **stemming from a lack of formal education**, some marketers exhibit **low confidence** and **trust** in data from multiscreen TV companies.

Because marketers are mainly getting their information on audience-based buying from them, ad tech platforms have the perception advantage in data quality

▶ When asked how satisfied they were with the quality of first-party data from multiscreen TV companies compared with data available from ad tech platforms, **54%** of brand marketers said they were satisfied while only **33%** of agency professionals agreed

Trust Level in Data Quality Attributes by Platform
 % of respondents that ranked each #1



■ Multiscreen TV networks (e.g. ESPN, Discovery) ■ MVPDs (e.g. Comcast, Charter, DirecTV) ■ Ad Tech Platforms (e.g. Google, Facebook) ■ vMVPDs (e.g. Sling, Youtube TV, and Hulu Live)

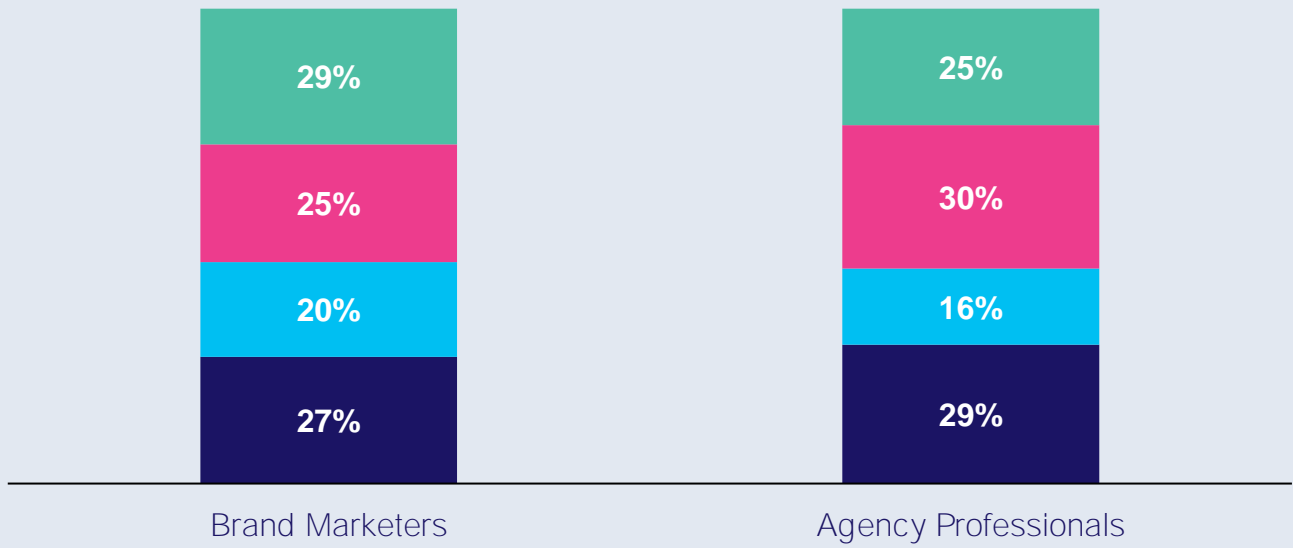
Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q190. Now we'd like you to rank the type of media companies in terms of your level of trust for each attribute of their data quality (rank 1). Q185. How satisfied are you with the quality of first-party data from multiscreen TV companies (distributors/programmers) compared with data available from ad tech walled gardens (e.g. Facebook, Google)? (satisfied / very satisfied).

However, when it comes to transparency, TV networks and vMVPDs rank highly compared to ad tech even though many marketers rely on ad tech platforms for their education on audience-based buying



Trust Level in Data Quality Attributes by Platform
% of respondents that ranked each #1

Transparency



■ Multiscreen TV networks (e.g. ESPN, Discovery) ■ MVPDs (e.g. Comcast, Charter, DirecTV) ■ Ad Tech Platforms (e.g. Google, Facebook) ■ vMVPDs (e.g. Sling, Youtube TV, and Hulu Live)

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q190. Now we'd like you to rank the type of media companies in terms of your level of trust for each attribute of their data quality (rank 1). Q185. How satisfied are you with the quality of first-party data from multiscreen TV companies (distributors/programmers) compared with data available from ad tech walled gardens (e.g. Facebook, Google)? (satisfied / very satisfied).



3 | Disconnects created by organizational silos

For brand marketers and agency professionals alike, **separate teams are often responsible** for planning and buying, **which can lead to disconnects** in the audience-based TV buying process and inhibit successful implementation of this approach.

Often, multiscreen video campaigns are planned and bought by different teams within an organization, or across separate organizations, which can inhibit investment in audience-based TV buying

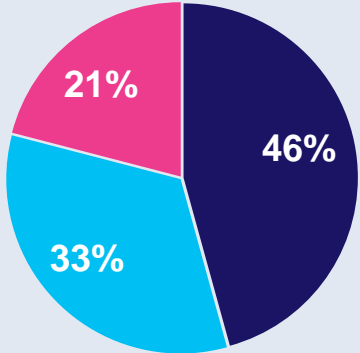
% of respondents who answered 'organizational silos' as a top three factor inhibiting them from greater investment into ABB for TV advertising*

29% / 21%

Brand Marketers Agency Professionals

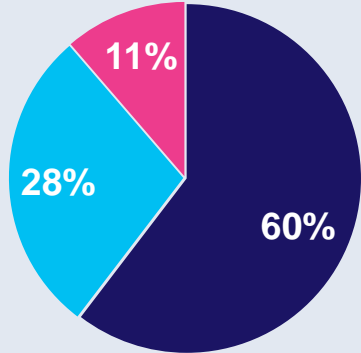
How does your organization approach planning & buying video?
(TV, OTT, digital video)

Brand Marketers



Linear TV and digital video are planned and **bought together** through the same team

Agency Professionals



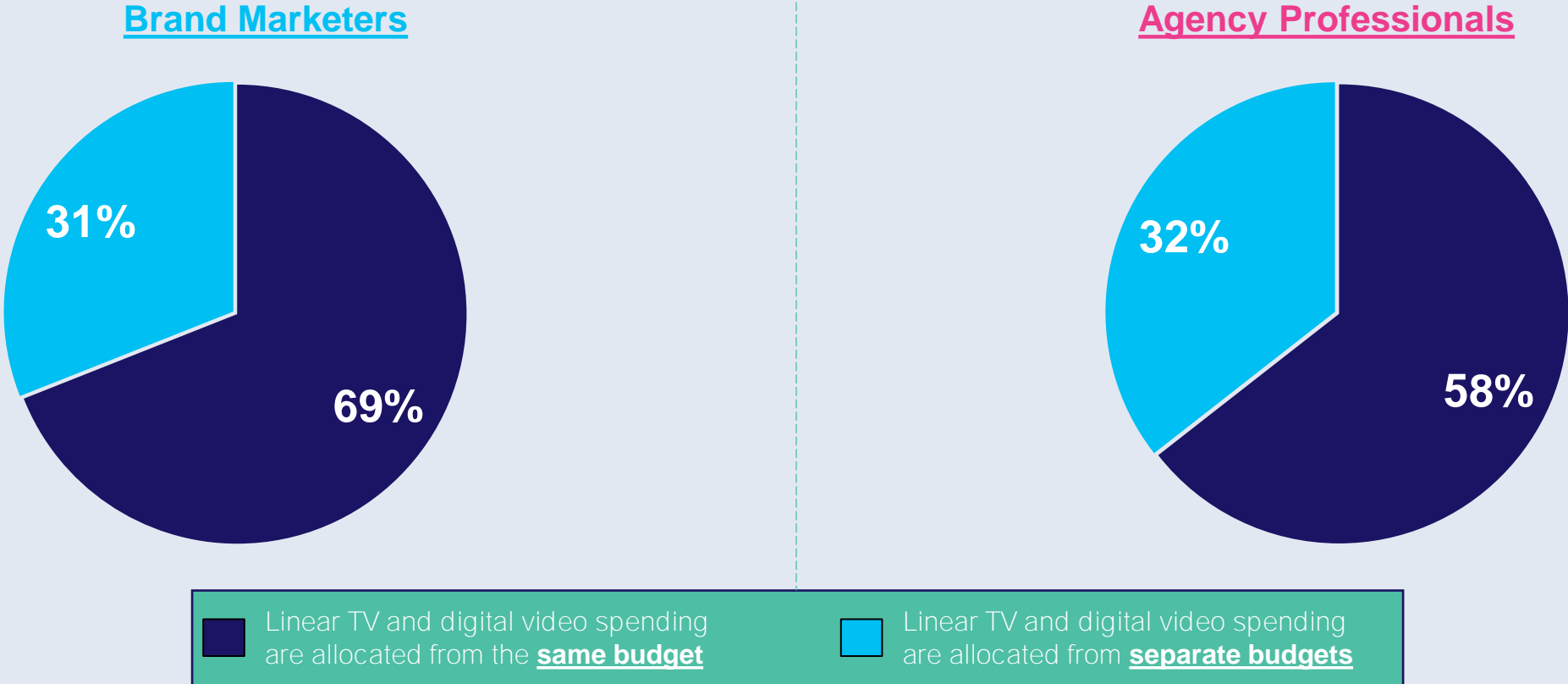
Linear TV and digital video are **planned and bought separately** within one organization

Planning / strategy and buying are **done by separate organizations** (or agencies)

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q1. Which of the following best describes how your organization approaches planning and buying (TV, OTT, digital video)? Q125. What are the top 5 factors inhibiting you from greater investment into audience-based buying for TV advertising? (rank 1-3); *Reflects unduplicated reach among respondents who answered 'Our agency's organizational silos' and 'My company's/client's organizational silos'.

As a result of these organizational silos, there are disconnects in the budgeting process as almost one-third say their linear TV and digital video is allocated from separate funds

What best describes your organization's video investment approach?
% of respondents



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q5. Which of the following best describes your organization's video investment approach?



4 | Lack of clarity around ownership

Without a clear organizational structure in place across teams, **marketers can experience confusion** over **which budget** audience-based TV campaigns would come from, as well as **who the final decision-makers are for buying**.

Organizational silos and confusion over budget ownership result in a disconnect over who owns the final buying decision

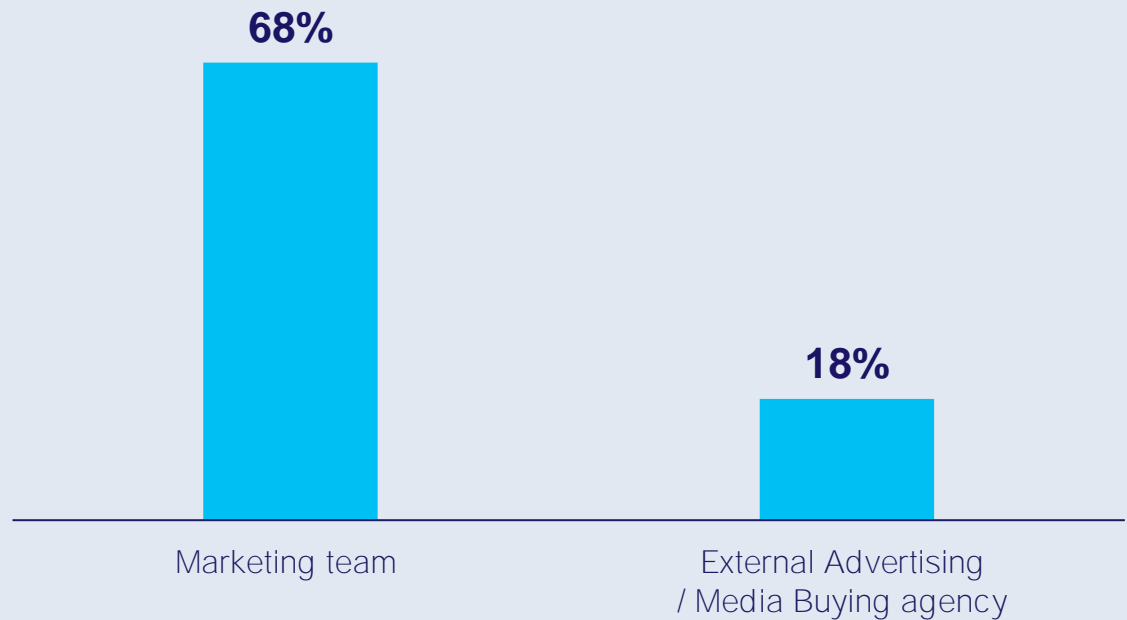
▶ An interesting duality exists as both brand marketers and agency professionals primarily believe their teams are responsible for final buying decisions which can create executional confusion

Who is responsible for making the final buying decisions?

% of respondents

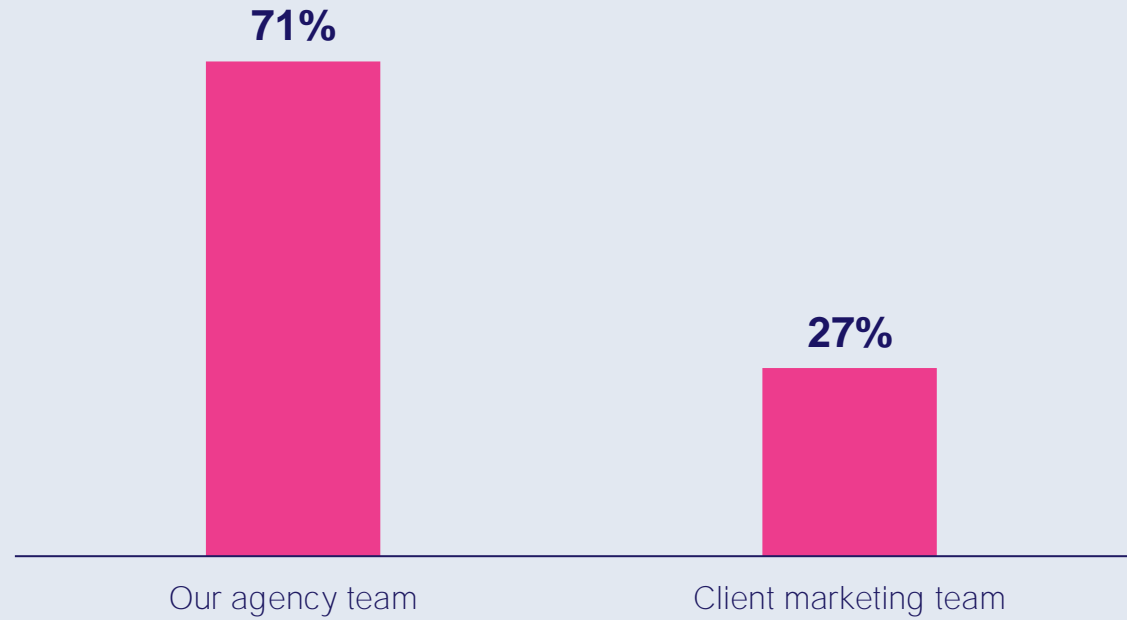
Brand Marketers

For your company's advertising campaigns?



Agency Professionals

For your client's advertising campaigns?



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q10. Who is responsible for making the final buying decisions for your company's advertising campaigns? (Base = Brand Marketers). Q12. Who is responsible for making the final buying decisions for your client's advertising campaigns? (Base = Agency Professionals).



5 | Difficult to implement & execute vs. traditional buying demos

Most marketers surveyed are utilizing audience-based TV buying to some extent, however it **remains a small part of many marketers' strategy** while others are not using it at all. Their hesitancy can be attributed to them feeling **confused and overwhelmed** by the many **definitions, platforms and methodologies** used, something that should improve as the process becomes more accessible and streamlined.

Marketers are overwhelmed by the many platform launches and confused by differing terminology and methodologies used across media sellers

▶ This showcases the industry’s need for simplifying and streamlining the audience-based buying process through consistent methods and terms

% of respondents that agree with the following statements

 Brand Marketers  Agency Professionals



93% / 74%

“I find it **difficult keeping up with the launches** of different audience-based buying platforms and methodologies used by multiscreen TV companies throughout the Industry”



94% / 91%

“The industry needs **common, consistent audience definitions** across media sellers and platforms”



89% / 78%

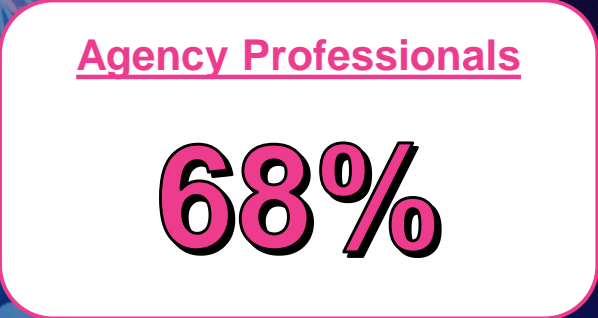
“I am often **confused with all of the terminology** used to describe audience-based buying by various multiscreen TV companies”

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q210. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

While a cross-platform measurement solution would ease much of this confusion, most marketers are not confident that there will be one

“I am not confident that the industry will ever have a unified solution for measuring campaign success across platforms”

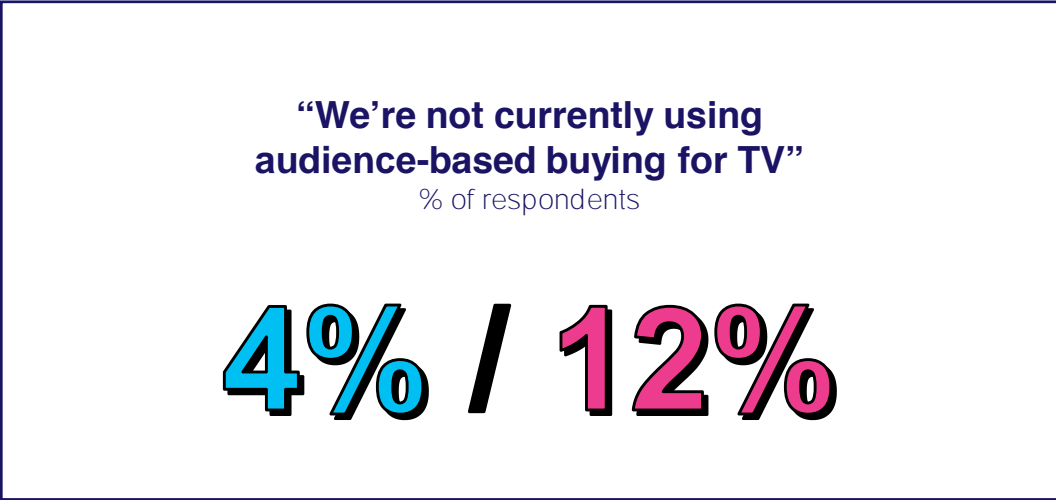
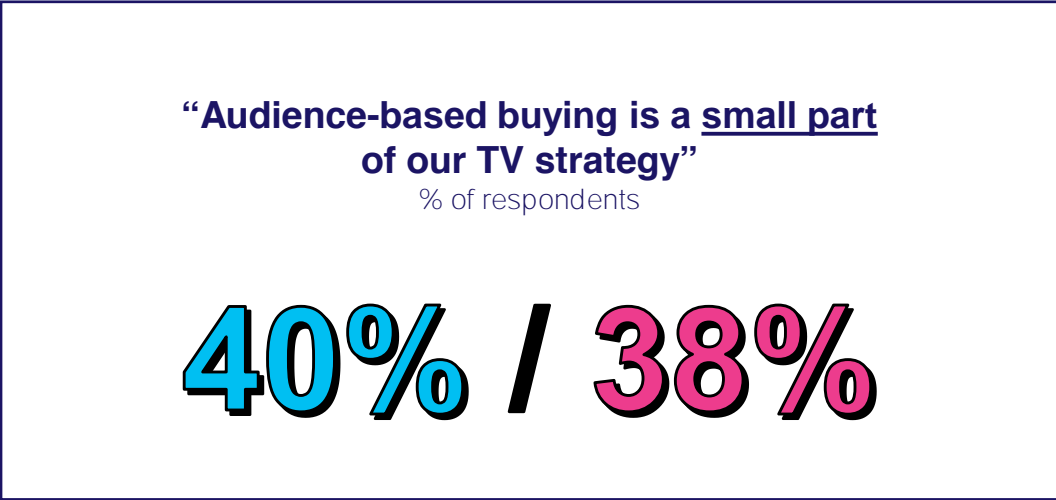
% of respondents that agree



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.) Q21. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

As a result, about half of all marketers are either using audience-based buying as a small part of their TV strategy, or are not currently using it

44% of brand marketers & **50%** of agency professionals say audience-based buying is either a **small part of their TV strategy** or they are **not currently using it for TV**



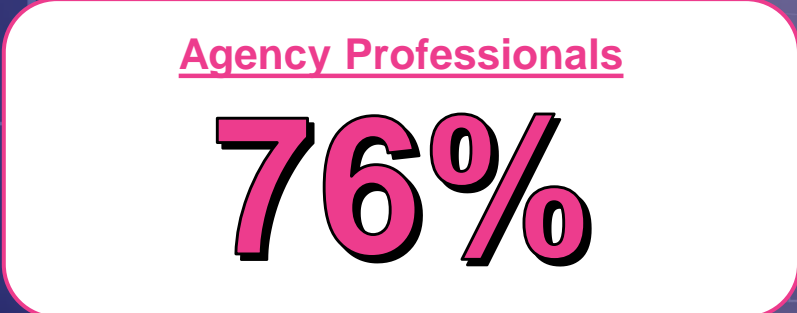
 Brand Marketers  Agency Professionals

Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q70. Which of the following best describes your (company’s/main client’s) current approach to audience-based buying for TV advertising?

However, most marketers say they would increase their TV investment if the platform offered the same executional benefits as they perceive digital advertising offers, which represents a great opportunity for growth

“My [company/main client] would increase our TV spend if TV offered the same level of accountability, transparency and ease of execution that is available with digital advertising.”

% of respondents



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), Q20. How much do you agree or disagree with the following statements? (strongly/somewhat agree).



Summary: **Common Challenges**

- ▶ **While understanding and adoption of audience-based TV buying is growing, some marketers still struggle with the greater complexities and abilities of this approach due to a lack of education and training**
- ▶ **Many more readily associate it with ad tech platforms since they are the ones most actively discussing, and training, marketers on audience-based buying, giving them greater control of the conversation**
- ▶ **Disconnects in planning, buying, budgeting and even decision-making can lead to apprehension towards developing audience-based buying and disjointed cross-platform campaigns**
- ▶ **Some marketers feel overwhelmed by the various platforms, terminology and methodology which leads to a greater lack of understanding and lower confidence in the process and quality of multiscreen data vs. ad tech platforms**

3

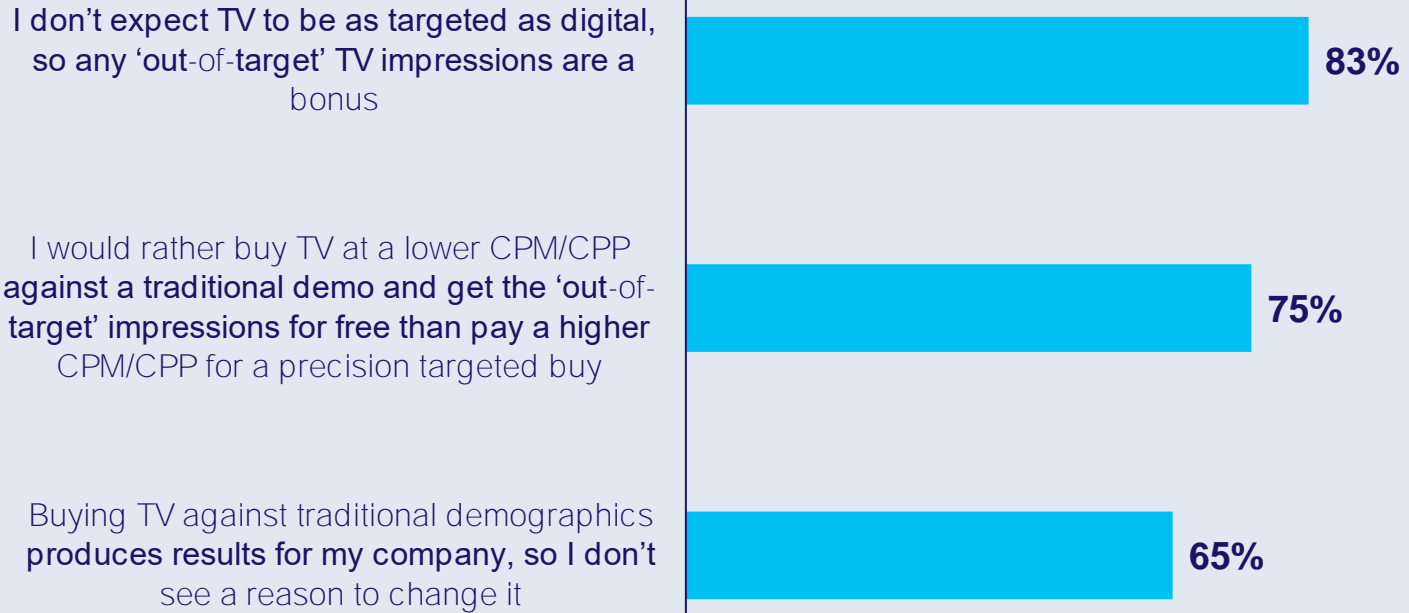
What Are The Challenges Unique To **Brand Marketers**?



There is a lack of urgency by some brand marketers to adopt a more targeted, audience-first approach as many are satisfied with the expectations and results of their traditional demo TV buys



% of brand marketers that agree with the following statements



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Q21. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

Brand marketers are more likely to turn to media companies' insights portals, mainly ad tech platforms, than their own agency when searching for actionable information on audience-based buying

Top sources of information that advertisers feel are most helpful to their marketing efforts around audience-based buying
% of brand marketers that ranked the following 1-3



Media Platform /
Company Insights Portal*

27%

vs. 15% among 'agency pros'



My Agency

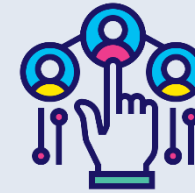
25%



Google Media Tools**

24%

vs. 16% among 'agency pros'



3rd Party Research
& Analytics

21%

26% among 'large business'
brand marketers



Social Media (Facebook,
Twitter, YouTube, etc)

20%

vs. 10% among 'agency pros'

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), 'Large Business' Brand Marketers = business with annual total ad spend of \$5MM+. Q160. Please rank the 3 sources of information that you feel are most helpful or actionable to your marketing or advertising efforts when researching and gathering information about audience-based buying (rank 1-3). *includes Think with Google, Facebook IQ etc. **Refers to Google's suite of digital tools for advertisers, including Google Analytics.

Some brand marketers question whether audience-based TV buying is worth the cost, a factor that plays a role in why 63% of brand marketers have not yet made it a key part of their strategy

Top Reasons Why Audience-Based Buying is Not a 'Key Part' of Their TV Strategy

% of brand marketers that ranked each between #1-3 for top reasons

32%

“I am not convinced that audience-based buying is **worth the cost**”

vs. 24% among 'agency pros'

30%

“I **lack sufficient internal tools** to implement TV campaigns based on audience-based buying”

36% among 'small business' brand marketers

29%

“It's **harder to implement** than campaigns with traditional buying demographics”

29%

“My company **hasn't prioritized shifting** to an audience-based buying target”

26%

“I don't think there are **adequate metrics** to measure a TV campaign's success based on audience-based buying”

24%

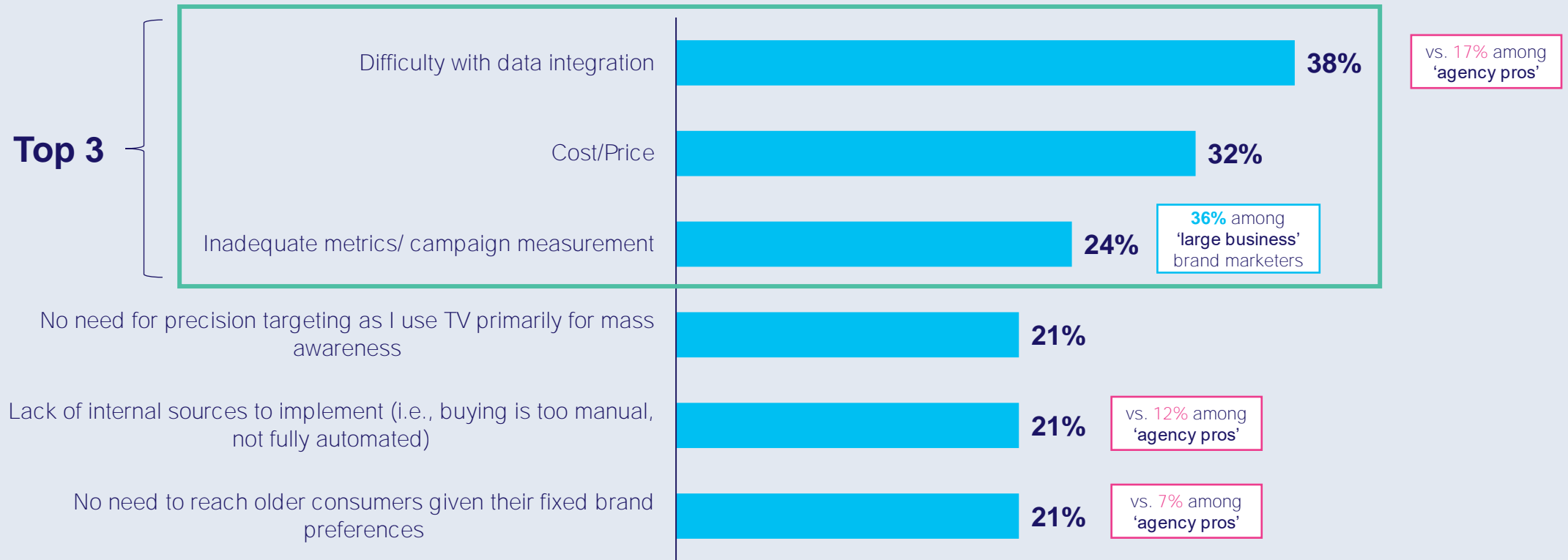
“I don't think it is worth committing to audience-based buying **until the ecosystem is more established**”

vs. 13% among 'agency pros'

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), 'Small Business' Brand Marketers = business with annual total ad spend of \$10K - \$5MM. Q75. Which of the following are the top reasons why audience-based buying is not a key part of your TV strategy? (rank 1-3). Base = Respondents who said audience-based buying is a small part of their TV strategy, they are currently testing it and determining its role, or they are not currently using audience-based buying for their TV strategy.

Challenges with data integration and measurement, as well as pricing, are hindering greater investment by brand marketers

Top Factors Inhibiting Greater Investment in Audience-Based TV Buying
 % of brand marketers that ranked each between #1-3 in top factors



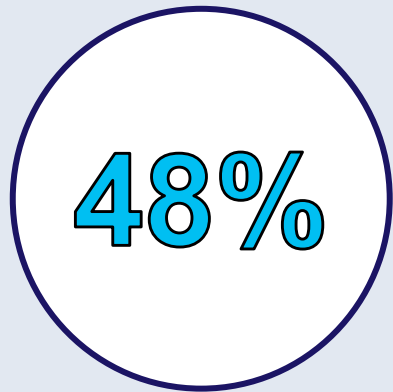
Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), 'Large Business' Brand Marketers = business with annual total ad spend of \$5MM+. Q125. What are the top 5 factors inhibiting you from greater investment into audience-based buying for TV advertising? (rank 1-3). Base = Respondents who said audience-based buying is a small part of their TV strategy, they are currently testing it and determining its role, or they are not currently using audience-based buying for their TV strategy.

However, development of unified performance metrics, as well as more education and training on the benefits and process itself, would encourage brand marketers to increase their audience-based investment

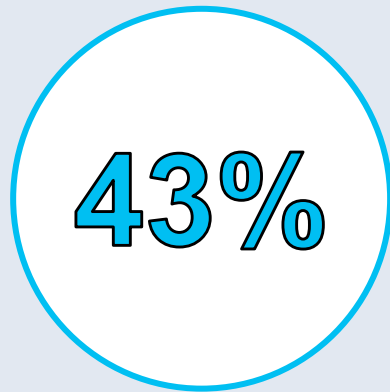
▶ Incentives provided by media companies are more likely to encourage investment from brand marketers than agency professionals

Which of the following would encourage you to increase your investment in audience-based TV buying?

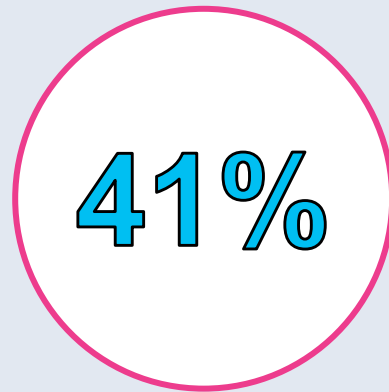
% of brand marketer respondents that ranked the following statement 1-3



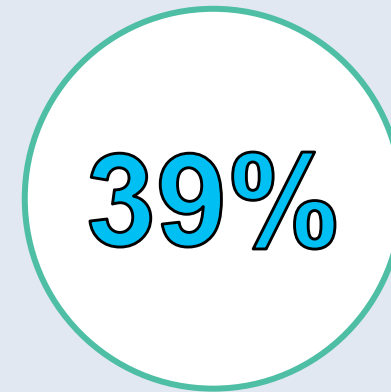
Development of better performance metrics solutions



Having a better understanding of benefits and how it works

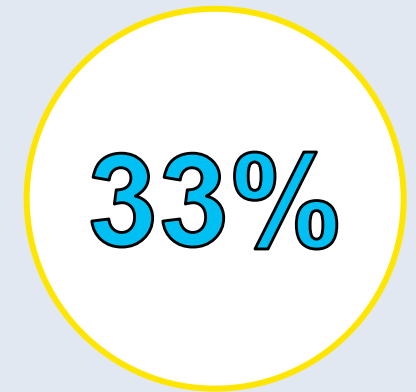


Unified measurement across media platforms



Incentives provided by media companies

vs. 26% among 'agency pros'



Introduction of a new advanced solution or offering in the market

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), 'Small Business' Brand Marketers = business with annual total ad spend of \$10K - \$5MM. Q130. Which of the following would encourage you to increase your investment in audience-based TV buying?



Summary: **Brand Marketers**

- ▶ **Many brand marketers are satisfied with their traditional demo TV buys, from both an outcomes and cost/pricing basis**
- ▶ **But as they look to learn more about audience-based buying, they are more likely to turn to ad tech resources, and even social media, for actionable information**
- ▶ **Their lack of organizational prioritization and insufficient internal tools go hand-in-hand, making the audience-based buying process, especially data integration, harder to implement which can hinder their investment in the approach**
- ▶ **However, marketers are willing to increase their investment as audience-based buying becomes more embedded in the industry, measurement solutions evolve and more education and training becomes available**

4

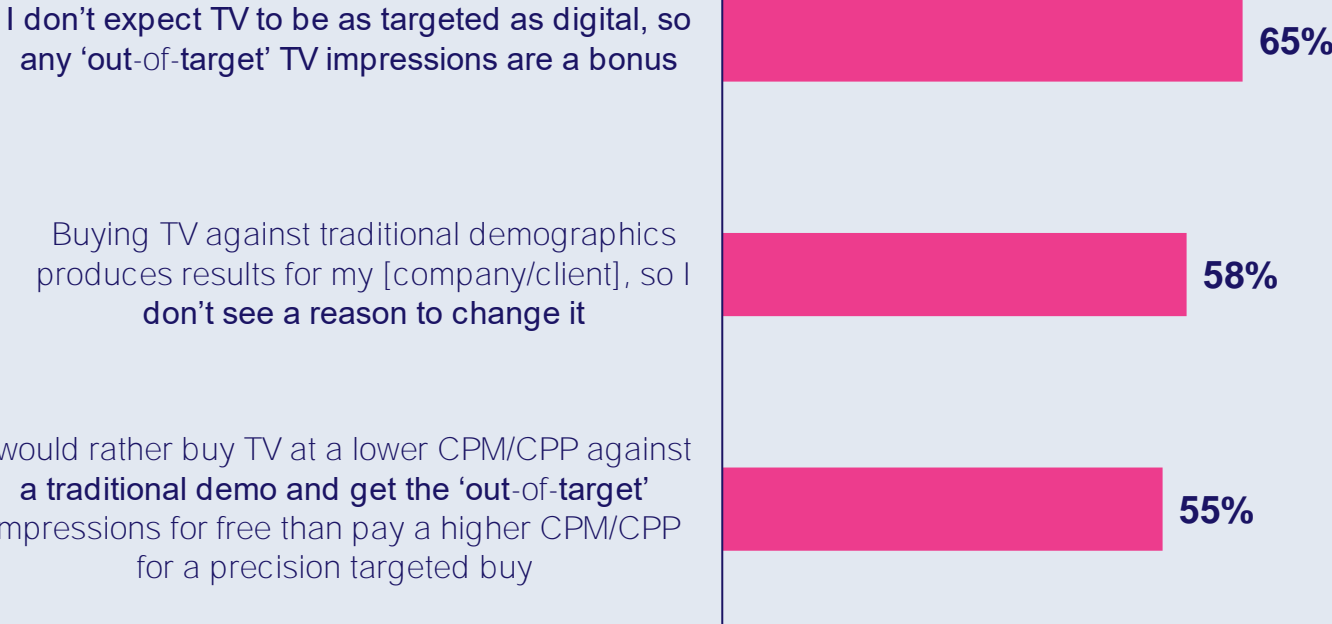
What Are The Challenges Unique To **Agency Professionals**?



The majority of agency professionals are satisfied with standard TV campaigns as many agencies are evaluated and rewarded based on traditional metrics (i.e., GRPs, reach, frequency) and cost efficiencies



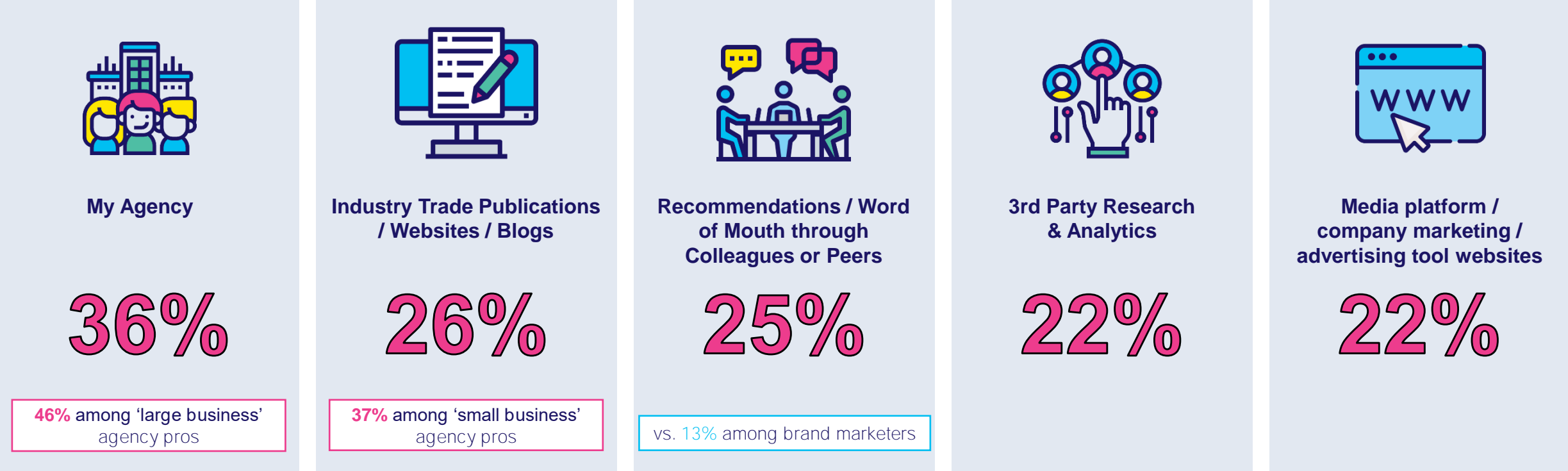
% of agency professionals that agree with the following statements



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q21. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

Agency professionals are more likely to turn to their colleagues and internal resources than to media partners for information about audience-based buying

Top sources of information that advertisers feel are most helpful to their marketing efforts around audience-based buying
% of agency professionals that ranked the following 1-3



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q160. Please rank the 3 sources of information that you feel are most helpful or actionable to your marketing or advertising efforts when researching and gathering information about audience-based buying (rank 1-3). *includes Think with Google, Facebook IQ etc. **Refers to Google's suite of digital tools for advertisers, including Google Analytics. ***Includes Warc, ARF, Resonate, etc.

The lack of full understanding around how audience-based buying in TV can be executed and measured is evident in the reasons given for why 72% of agency professionals say it is not a key part of their strategy yet

Top Reasons Why Audience-Based Buying is Not a Key Part of TV Strategy

% of agency professionals that ranked each between #1-3 for top reasons

51%

“I don’t think there is **enough scale** yet to make enough of an impact”

vs. 20% among brand marketers

33%

“I don’t think there are **adequate metrics** to measure a TV campaign’s success based on audience-based buying”

44% among ‘large business’ agency pros

30%

“My client **hasn’t prioritized shifting** to an audience-based buying target”

27%

“It’s **harder to implement** than campaigns with traditional buying demographics”

54% among ‘small business’ agency pros

24%

“I am not convinced that audience-based buying is **worth the cost**”

42% among ‘small business’ agency pros

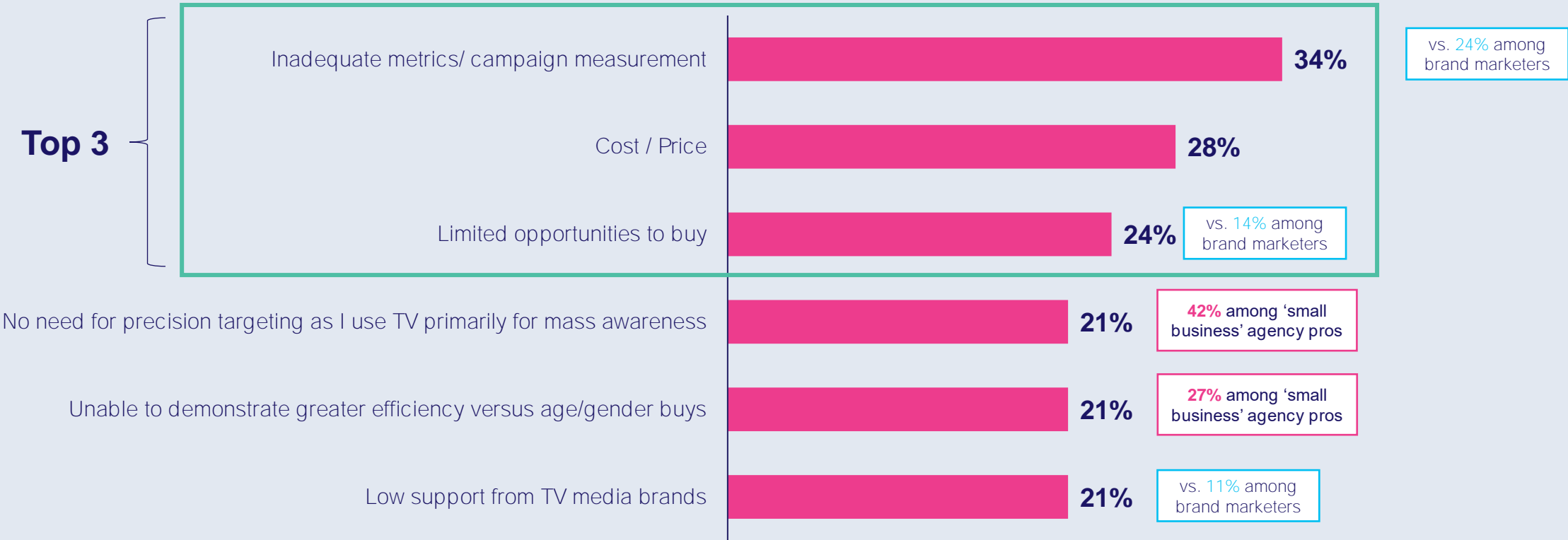
21%

“I **lack sufficient internal tools** to implement TV campaigns based on audience-based buying”

Source: VAB / Advertiser Perceptions ‘Audience-Based Buying Survey,’ March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), ‘Large Business’ Agency Pros = client with annual total ad spend of \$5MM+, ‘Small Business’ Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q75. Which of the following are the top reasons why audience-based buying is not a key part of your TV strategy? (rank 1-3). Base = Respondents who said audience-based buying is a small part of their TV strategy, they are currently testing it and determining its role, or they are not currently using audience-based buying for their TV strategy.

Challenges with measurement and breadth of opportunities in addition to cost, especially as it relates to traditional demo buys, are hindering greater investment by agency professionals

Top Factors Inhibiting Greater Investment in Audience-Based TV Buying
 % of agency professionals that ranked each between #1-3 in top factors



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q125. What are the top 5 factors inhibiting you from greater investment into audience-based buying for TV advertising? (rank 1-3). Base = Respondents who said audience-based buying is a small part of their TV strategy, they are currently testing it and determining its role, or they are not currently using audience-based buying for their TV strategy.

Like brand marketers, development of unified performance metrics, as well as more education and training, would encourage agency professionals to increase their audience-based buying investment

Which of the following would encourage you to increase your investment in audience-based TV buying?

% of agency professional respondents that ranked the following statement 1-3

52%

Development of better performance metrics solutions*

48%

Having a better understanding of benefits and how it works*

60% among 'small business' agency pros

46%

Unified measurement across media platforms*

40%

Client's change in direction/campaign objectives

vs. 27% among brand marketers

38%

Introduction of a new advanced solution or offering in the market*

51% among 'small business' agency pros

*Note: statement overlaps with brand marketers' top factors

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.), 'Large Business' Agency Pros = client with annual total ad spend of \$5MM+, 'Small Business' Agency Pros = client with annual total ad spend of \$10K - \$5MM. Q130. Which of the following would encourage you to increase your investment in audience-based TV buying?

Summary: Agency Professionals

- ▶ Agency professionals are much more likely to prioritize metrics that traditional media is currently bought on for their video ad campaigns including target reach, impressions delivery and driving cost efficiencies / savings, which is often how their performance is evaluated and rewarded by their clients
- ▶ Not surprisingly, they look to their own agency resources for actionable information on audience-based buying which includes their network of colleagues of peers
- ▶ Their perceptions around a lack of scale and adequate metrics, as well as the lack of prioritization from their clients, are the main reasons why audience-based buying has not become a more integral part of some agency professionals' TV strategies
- ▶ Development of enhanced and unified performance metrics as well as greater access to education and training would help aid in increasing audience-based buying investment

5

**Guidance To Inspire
Brand Marketers & Agencies:
Meeting Industry Challenges
Around Audience-Based Buying**



Guidance to help all marketers overcome the challenges they may face along the path to implementing audience-based TV buying

1

Develop and prioritize formal training and education

2

Prioritize outcomes - not media delivery - as the definition of success

3

Offer proof of outcomes & expand understanding of how these outcomes can be measured

4

Re-examine media buying structure & process to ensure alignment on campaign's KPIs across teams



1 | Develop and prioritize formal training and education

One of the key challenges many marketers face in adopting an audience-based TV approach is a lack of education and proper training. **VAB has several informative pieces of insights content** devoted to the practice, and by taking advantage of other resources like **industry conferences** or **webinars**, marketers can help further their own understanding. In addition, brand and media companies alike should **develop formal training** opportunities, something many marketers have shown an interest in.

To overcome a lack of awareness and understanding of audience-based TV buying, marketers can utilize industry resources like webinars and conferences to broaden their own education, or advocate for formal training within their own organizations

Broaden Your Education

Learn about audience-based TV campaigns from multiple perspectives by [attending industry conferences](#), [signing up for webinars](#), etc.

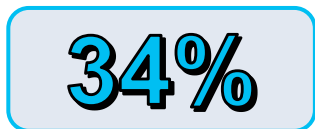


Create Formal Training

Develop an in-house training program for buyers and planners on what ABB is and how to implement it.

Insight: *Over one-third of brand marketers and agency professionals are interested in learning more about the benefits of audience-based TV buying*

% of respondents who would like to learn more about the benefits of audience-based buying compared to traditional demographic based buying



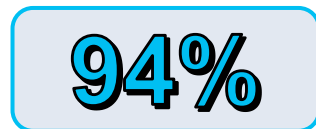
Brand Marketers



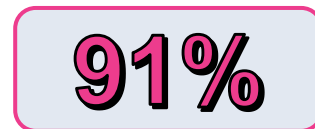
Agency Pros

Insight: *Almost all brand marketers and agency professionals are interested in a free, expert training*

% of respondents who would be interested in free expert training on audience-based buying



Brand Marketers



Agency Pros

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q165. Which of these audience-based buying topics related to TV advertising would you like to learn more about? Q210. How much do you agree or disagree with the following statements? (strongly/somewhat agree).

For those looking to broaden their education or need help developing formal training, VAB is your one-stop shop for all things ABB with content dedicated to helping educate both buyers and sellers so they feel empowered to execute audience-based campaigns

Existing VAB Content to Help Educate

The 'What?'



What Is Audience-Based Buying?
Simplifying Marketing Topics and Terms

Get a directory of common terms and concepts to better be able to talk to your clients and stakeholders about it

The 'Why?'



Audience Migration in Context
Leveraging Population Shifts To Unlock \$4 Trillion in Buying Power



Delayed Adulthood
How Younger & Older Generations Are Achieving 'Life Milestones' at Their Own Pace

Learn why the industry is shifting to an audience-based TV approach

The 'How?'



The VAB Top 10
A Top-Line View of How the Industry is Adopting Audience-Based Buying



An Insider's Look
Why agencies and brand marketers are shifting to audience-based TV buying

Through VAB's custom survey of marketers, get an insider's look at why your peers are changing their buying strategies to be more audience-focused

The Proof



Proven Strategies & Tactics In Audience-Based TV Buying
Success Stories Highlighted Through Real-World Case Studies

Be inspired by proof of its success via 23 real-world case studies

And coming soon: A directory of audience-based buying platforms

There are a host of ABB platforms available to you. This directory will help you get started.



2 | Prioritize outcomes - not media delivery - as the definition of success

Many marketers face a lack of institutional / organizational prioritization of audience-based TV buying and need internal experts to help implement this approach. Shifting the mentality from efficiency (CPM) to **effectiveness (ROI / business outcomes)** can ensure a truer measure of brand success. By **testing and learning**, marketers have a better chance at tapping into the ROI capabilities of audience-based buying.

Inspire your organization to fully embrace audience-based buying implementation by prioritizing outcomes over traditional media metrics to determine the success of a campaign

As an industry, rethink agency and marketer incentives / rewards

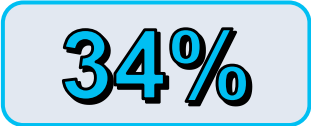
Shift mentality from efficiency (CPM) to effectiveness (ROI/business outcomes). This makes innovation possible and is a truer measure of brand success.

Test and Learn

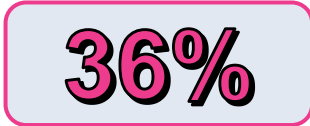
The most successful marketers are those who have embraced audience-based buying through a test-and-learn strategy.

% of respondents who would like to learn more about the following audience-based buying topics related to TV advertising

Effective measurement (best metrics to use)



Brand Marketers

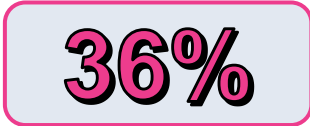


Agency Pros

Availability of test and learn programs that allow advertisers to test audience-based buying



Brand Marketers



Agency Pros

Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q165. Which of these audience-based buying topics related to TV advertising would you like to learn more about?



3 | Offer proof of outcomes & expand understanding of how these outcomes can be measured

Marketers need assurances when it comes to measuring outcomes and proof of brand success surrounding audience-based TV buying. By learning more through real-world case studies, like VAB's [Proven Strategies & Tactics in Audience-Based TV Buying](#), marketers can **better understand** the practice of **buying based on specific, data-informed target audiences.**

VAB can provide you with proof to inspire your clients and organizations

- ▶ Marketers want to see audience-based buying in action – **34%** of brand marketers and **36%** of agency professionals would like to access case studies to learn more about how other marketers are using audience-based buying for TV advertising and performance guarantees

Through 23 real-world case studies, be inspired by how brands crafted audience-first buys to achieve a specific outcome, the buying tactics they employed, how they measured their campaign and evaluated success



Proven Strategies & Tactics In Audience-Based TV Buying Success Stories Highlighted Through Real-World Case Studies

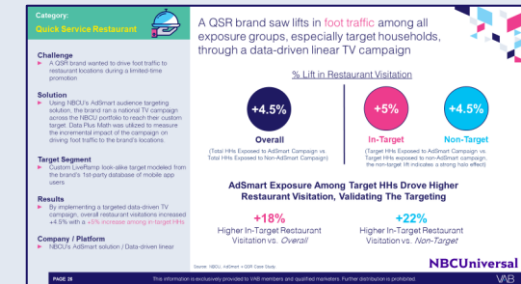
Be inspired by real-world examples

How Audience-Based Buying Can Drive...

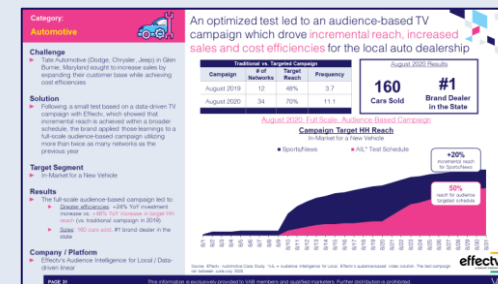
Awareness



Action



Outcomes Through the Funnel



Source: VAB / Advertiser Perceptions 'Audience-Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B), Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q165. Which of these audience-based buying topics related to TV advertising would you like to learn more about?



4 | Re-examine media buying structure & process to ensure alignment on campaign's KPIs across teams

Some marketers find implementing and executing audience-based TV buys more difficult compared to traditional demo buying. Many times, organizational silos, confusion around decision-making, or a lack of clarity on KPIs prevent marketers from embracing an audience-first approach. By assigning **clear roles** and **goals across teams, prioritizing integrated positions** to maximize effectiveness and accountability, and **assigning core KPIs**, marketers can **ensure alignment and position themselves for success.**

By assigning clear roles and core KPIs across teams, organizations can minimize confusion around executing audience-based TV campaigns

- ▶ By issuing an organizational mandate to implement audience-based TV buying – a position that would inspire **27%** of brand marketers and **24%** of agency professionals to increase their investment – companies and clients can ensure that all parties involved are on the same page, allowing for these data-driven buys to be executed more easily

1

Assign clear ownership roles and goals within agency and brand marketer teams

2

Prioritize integrated positions that have line of sight across all buying for maximum synergy and accountability

3

Regardless of structure, campaigns should have a core KPI that both buyers, planners & clients are working towards and are evaluated & compensated on

Source: VAB / Advertiser Perceptions 'Audience Based Buying Survey,' March 23 – 31, 2021. Survey base: Advertising decision-makers who are involved in buying or planning digital video, cable / broadcast TV, or advanced TV (n=211). Brand Marketers = respondents who work for a company selling products or services to consumers (B2C) or businesses (B2B). Agency Professionals = respondents who work for an advertising agency (i.e., full service, creative, media, etc.). Q.130. Which of the following would encourage you to increase your investment in audience-based TV buying?

Three Key Learnings



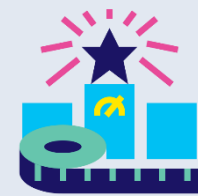
Make Education and Training More Accessible

Many of the challenges brands and agencies face in adopting audience-based TV buying relate back to the need for more well-rounded education and training. Incorporating different perspectives into the conversations happening on the ground will help to advance awareness, understanding and, subsequently, demand.



Reimagine Institutional Structures to Implement More Modern Strategies

Understanding how important their TV investment is to achieving their sales goals, marketers can be hesitant to change their strategy. However, by streamlining their organizational structures to account for advancements in the industry, brands and agencies can promote greater effectiveness and accountability and position themselves for greater success.



Rethink How Success is Measured

The success of a TV campaign has typically been based on traditional media metrics (i.e., GRPs, reach, frequency). However, innovation in data measurement enables a shift to evaluating impact on business KPIs and brand outcomes.

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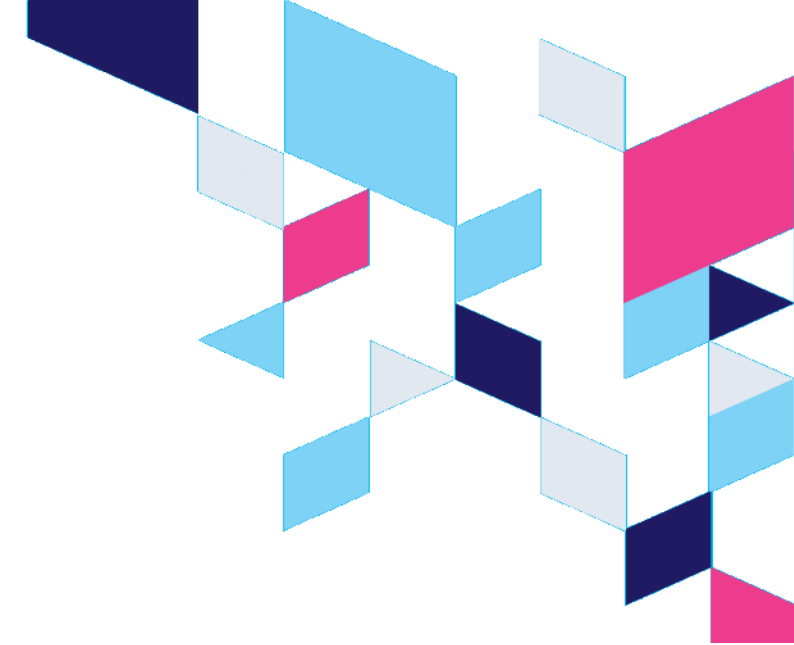
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An Insider's Look

Why brands and agencies are shifting to audience-based TV buying



The VAB Top 10

A Top-Line View of How the Industry is Adopting Audience-Based Buying



Delayed Adulthood

How Younger & Older Generations Are Achieving 'Life Milestones' at Their Own Pace



Proven Strategies & Tactics in Audience-Based TV Buying

Success Stories Highlighted Through Real-World Case Studies



What Is Audience-Based Buying?

Simplifying Marketing Topics and Terms



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About VAB

VAB is an insights-driven organization that inspires marketers to reimagine their media strategies resulting in fully informed decisions.

Drawing on our marketing expertise, we **simplify** the complexities in our industry and **discover** new insights that **transform** the way marketers look at their media strategy.

Simplify

We save you time by bringing you the latest data & actionable takeaways you can use to inform your marketing plans.

Discover

We keep you one step ahead with the latest thinking so you can create innovative, forward-looking strategies.

Transform

We help you build your brand by focusing on core marketing principles that will help drive tangible business outcomes.

We are committed to your business growth and proud to offer VAB members, brand marketers and agencies **complimentary access** to our continuously-growing Insights library. **Get immediate access** at theVAB.com.





Custom Study Methodology



VAB commissioned *Advertiser Perceptions* to conduct an online survey between March 23 – March 31, 2021.

The results are based on 211 U.S. respondents of brand marketer and agency contacts from Advertiser Perceptions' Ad Pros Community with a wide range of annual total advertising budgets (\$10K - \$250 MM+) across a variety of market sectors (e.g., retail, financial, auto, food / dining, healthcare, technology, entertainment, etc)

Respondent Qualifications:

- ▶ Advertising decision maker involved in TV and/or digital video advertising campaigns
- ▶ National / Regional sales focus
- ▶ Mix of job titles (junior, mid, senior level)
- ▶ Mix of independent ad agencies and holding companies