MARKETING TO THE MULTI-PLATFORM MAJORITY

How Media Companies & Marketers Can Navigate the Brave New Digital World

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**FOR FURTHER INFORMATION,
PLEASE CONTACT:**

Andrew Lipsman
+1 (312) 775-6510
press@comscore.com

Kate Dreyer
+1 (571) 306-6447
press@comscore.com

Adam Lella
+1 (312) 775-6474
press@comscore.com

NAVIGATING IN THE BRAVE NEW DIGITAL WORLD

Whether they are ready for it or not, media companies and marketers today are being confronted with the uncompromising realities of the Brave New Digital World. This paradigm of multi-platform digital media consumption is breeding complexity, disrupting the established media infrastructure, and creating uncertainty about what tomorrow might bring. With change occurring at a rapid rate, everyone is being challenged to innovate at the speed of digital.

But despite the difficulty in doing so, there is cause for optimism as new occasions to gain advantage over the competition manifest themselves at every turn. The companies who bravely embrace this change will discover that valuable opportunities abound, and that developing the right strategies today can deliver top line and bottom line gains tomorrow. Those who fail to react may eventually be relegated to the dustbin of history.

This white paper will provide companies with important context for understanding today's digital marketplace, and how emerging multi-platform consumer dynamics create opportunities for their businesses. By adopting a unified and holistic approach to the digital consumer, companies will not only ensure they stay ahead of the curve in this uncertain environment, but they will also gain the insights needed to optimize their digital strategies and align around their most compelling long-term opportunities.

PLATFORM PROLIFERATION CHANGES THE LANDSCAPE

The past half-decade has been defined by platform proliferation, beginning with the 2007 introduction of the Apple iPhone, which ushered in the era of the media-centric smartphone. Apple's 2010 launch of the iPad similarly marked the beginning of the tablet era, and as competitors introduced their own smartphone and tablet offerings, mass markets for these devices were established. Today, more than 140 million Americans own smartphones and nearly 70 million own tablets.
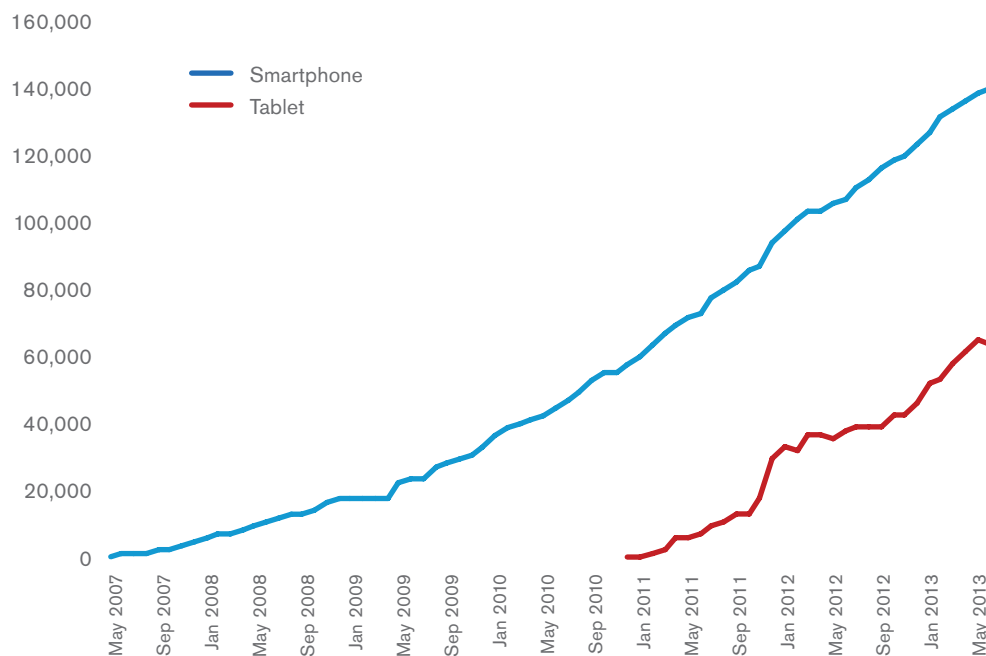
The introduction and adoption of these devices has marked one of the most significant periods of value creation in the technology marketplace. Not only has it obviously been a boon to smartphone manufacturers and wireless service providers, but it has delivered enormous utility to consumers who have new ways of accessing real-time information and experiencing media. It is startling to consider that consumers now spend nearly two times as much time on the core digital media platforms (desktop computers, smartphones and tablets) as they were just three years ago.
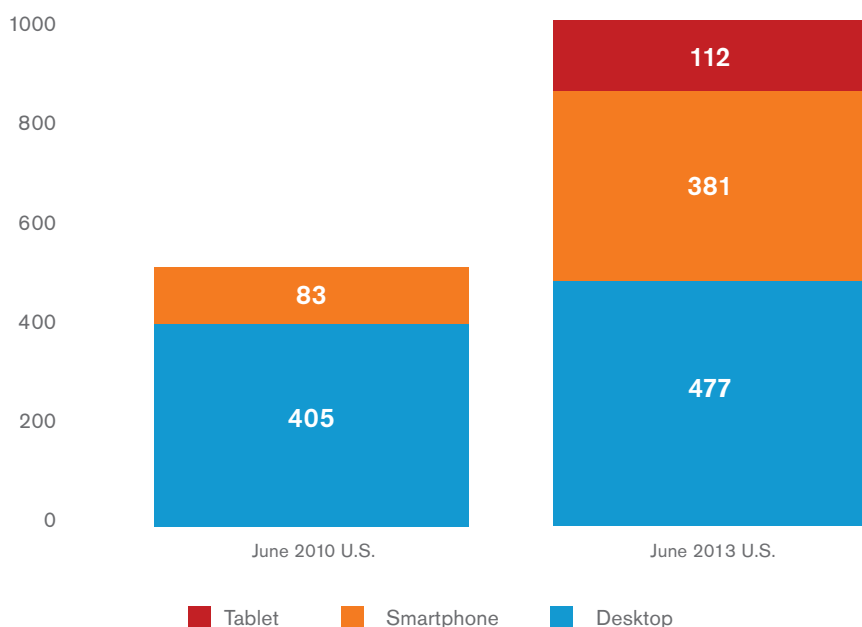
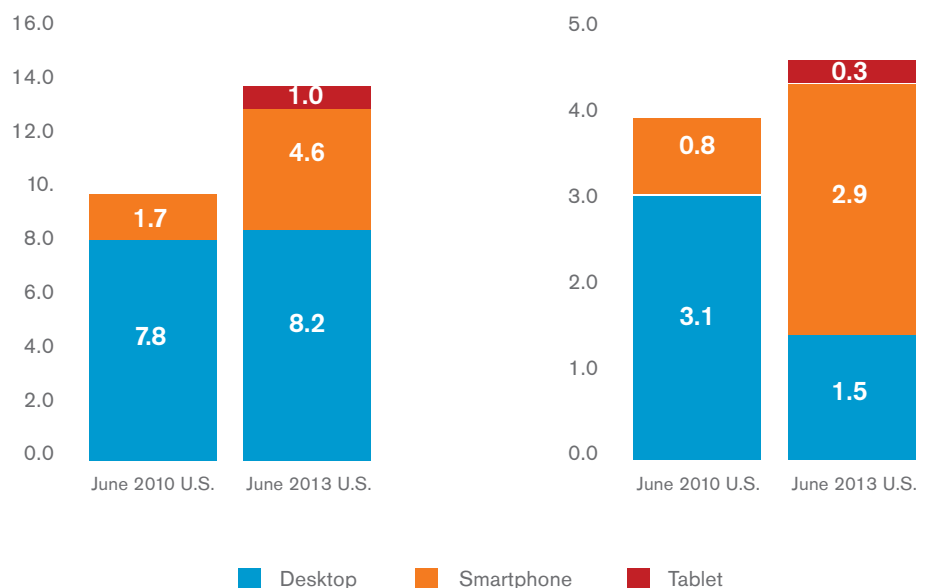# MEDIA FRAGMENTATION: DISRUPTION OR OPPORTUNITY?

While there have been massive gains in digital media consumption in terms of time spent on various devices, it's critical to understand exactly how consumers are using these devices, along with when and where they are using them. For example, some types of content have experienced major incremental gains in media usage via newer platforms like tablets and smartphones (herein defined collectively as "mobile"), while in other cases there has been a major shift toward "mobile first" consumption.

The sports category, for example, has seen modest desktop gains in content consumption accompanied by significant gains in mobile consumption. The weather category, on the other hand, has seen a considerable decline in desktop usage, with users most often accessing weather websites and applications on mobile platforms. Having a better understanding of how digital media consumption is shifting within an industry will help organizations tailor their marketing and content strategies to their audiences. This kind of adaptation is necessary given that the majority of consumers in both the U.S. and abroad now consume digital content on more than one device.

Left-hand side chart: Total U.S. Time Spent on Sports Properties (Billion Minutes)

	June 2010 U.S.	June 2013 U.S.
Tablet		1.0
Smartphone	1.7	4.6
Desktop	7.8	8.2

Right-hand side chart: Total U.S. Time Spent on Weather Properties (Billion Minutes)

	June 2010 U.S.	June 2013 U.S.
Tablet		0.3
Smartphone	0.8	2.9
Desktop	3.1	1.5

Legend: Desktop · Smartphone · Tablet

Yet while consumer behavior is evolving quickly – namely due to the recent groundswell in mobile media consumption – marketers and publishers overall are still grappling with how to monetize these platforms.

Through analysis of today's multi-platform digital consumer, experience optimization, and marketing effectiveness, this white paper will help provide context for this lag in monetization and show how the digital media industry can begin to narrow that gap. It will also demonstrate the unique ways in which value is created in a multi-platform environment and how a more unified approach to measurement can improve the business prospects for media companies and marketers.

So while the multi-platform environment may at times be disruptive, it ultimately represents a significant new opportunity. Armed with new insights, better context and improved understanding, businesses will be able to confidently chart the right course to navigate this Brave New Digital World.

MEDIA CONVERGENCE: JUST THE TIP OF THE ICEBERG

If the last five years were defined by platform proliferation, the next five years will be defined by media convergence. With digital media usage occurring at scale on so many platforms, there is an overarching challenge to integrate content, advertising and measurement of audiences across disparate screens. This re-orientation towards convergence marks the beginning stages of the multi-platform majority, a new era that demands a fundamental rethinking of the existing digital media infrastructure and a willingness to evolve beyond legacy approaches to measurement and analytics.

While the ever-evolving media landscape can quickly incite reaction, having a greater understanding of a business's core audience – and how, where and when they consume content – will yield the greatest returns. With media consumption patterns varying by everything from content category to gender to age to household income, the days of the "one size fits all" approach when it comes to content creation and marketing are far behind us.

Companies must understand the environment, develop the right strategies, implement the tools to execute on those strategies, and finally measure accordingly. Here's how they can do it.

The Multi-Platform
Majority Has Arrived….

….and is here to stay.
In April 2013 for the first
time, more than half of digital
consumers in the U.S.
engaged on both computers
and mobile devices.

UNDERSTANDING AUDIENCES & MONETIZATION IN A MULTI-PLATFORM ENVIRONMENT

THE MULTI-PLATFORM MAJORITY: UNDERSTANDING YOUR AUDIENCES AND HOW THEY ENGAGE

It's no surprise to any marketer, publisher or retailer that as platforms proliferate and media converge, existing business planning strategies and methods of thinking have been turned upside down. In the days of traditional media, each media platform was so differentiated from the next that it was perhaps sufficient to have segregated marketing strategies. But as digital access continually blurs the lines between platforms, the need for a truly integrated marketing strategy is becoming more apparent, and the only way to achieve this end is to adopt a customer-centric marketing approach. In a multi-platform world, this means beginning with an understanding of your audiences and how they engage with your brand. Are they desktop-only consumers, mobile-only consumers, or multi-platform consumers?

Across the total U.S. digital population, we have recently achieved a multi-platform majority. In April 2013 for the first time, more than half of digital consumers in the U.S. engaged on both computers and mobile devices, and that number has been rising ever since. What's more: The percentage of users accessing the Internet only from a PC continues to drop, with a decline of six percentage points in just six months. While the desktop computer is not going away anytime soon, trends like these clearly
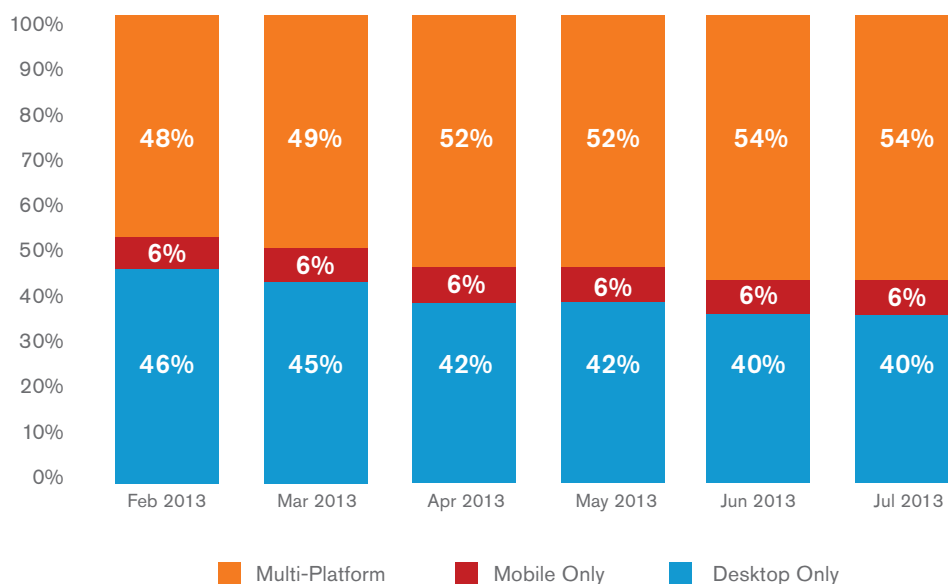
U.S. Multi-Platform Audience by Segment
Source: comScore Media Metrix Multi-Platform U.S. Total Desktop Audience and Mobile Audience Age 18+
Date: February 2013 – July 2013

	Feb 2013	Mar 2013	Apr 2013	May 2013	Jun 2013	Jul 2013
Multi-Platform	48%	49%	52%	52%	54%	54%
Mobile Only	6%	6%	6%	6%	6%	6%
Desktop Only	46%	45%	42%	42%	40%	40%

illustrate that marketers and publishers must begin to put the multi-platform consumer first and change their orientation from the PC-centric consumer view that has dominated their digital strategy for the better part of two decades.

Dramatic growth in mobile media consumption has not only changed the audience dynamics, but has also caused a seismic shift in the composition of time spent by platform. Barely a rounding error compared to desktop usage five years ago, mobile media usage now accounts for half of all time spent on digital media. The new digital marketing mix is a stark reminder of just how quickly the habits of consumers can evolve.

Share of U.S. Time Spent on Digital Media by Platform
Source: comScore Media Metrix Multi-Platform Total Desktop Audience and Mobile Audience Age 18+
Date: June 2013

- Desktop
- Smartphone
- Tablet

49%
39%
12%
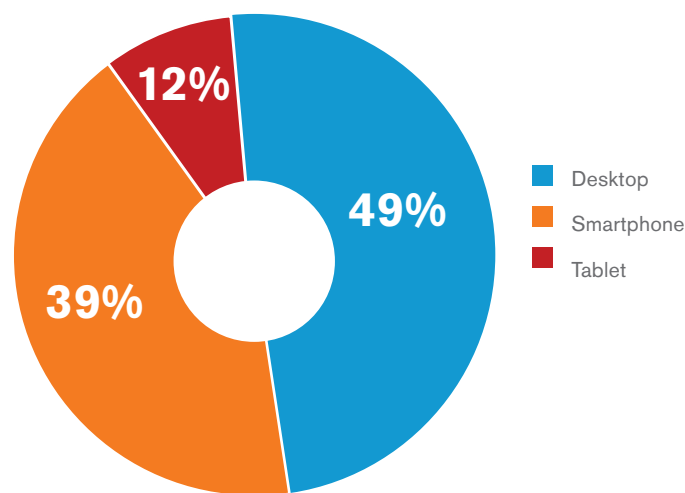
As behavior has shifted, mobile has become a more significant element in all relevant digital media markets, including video, search, advertising and commerce. The past 24 months have seen a variety of leading tech and digital media companies develop and execute strategies to help them better realize the value of multi-platform media consumption. Consider the following:

▪ Facebook redesigned its News Feed in part to improve platform consistency.

▪ The New York Times revealed a new prototype of its website with a strong nod to mobile integration. The publication also curbed access to its content through magazine-like applications (e.g. Flipboard) and extended its paywall to its mobile applications.

▪ Google upgraded AdWords to integrate the management of desktop and mobile ad campaigns.

▪ USA Today underwent a complete web redesign to provide a more "app-like" experience.

▪ Disney began to implement responsive design across a number of its properties in order to streamline the content experience across platforms.

By understanding and then deploying strategies that align with exactly how and where their audiences are engaging with the brand, companies are immediately reaping the benefits to their businesses. Facebook shocked the industry by quickly building a mobile ad business from zero in Q2 2012 to nearly $650 million in Q2 2013. Pandora now attracts a sizeable majority of its user base and nearly 3/4 of its ad revenue from mobile platforms. Disney has seen its web properties featuring mobile-friendly responsive design extend their audiences via mobile at a much higher rate than its non-responsively designed sites.

UNDERSTANDING MULTI-PLATFORM BEHAVIOR CAN DRIVE PRODUCT DEVELOPMENT AND ENHANCE USER EXPERIENCE

In Disney's case, knowing that the audience for many of its family-oriented properties is comprised of on-the-go moms helped drive the prioritization of product development. Disney understood the eventual need to move towards responsively designed formats to help scale its content and create a better user experience across platforms, but re-designing every site within the network would take time. So Disney began its effort with a handful of sites, including three popular family and parenting sites – Babble, Spoonful, and BabyZone.

Today, each of these three sites is achieving significantly better than average performance on mobile platforms. While the average top 10 Family/Parenting site extends its desktop audience by an average of 44 percent via mobile platforms, these three sites each have an extended mobile reach of 60 percent or more.
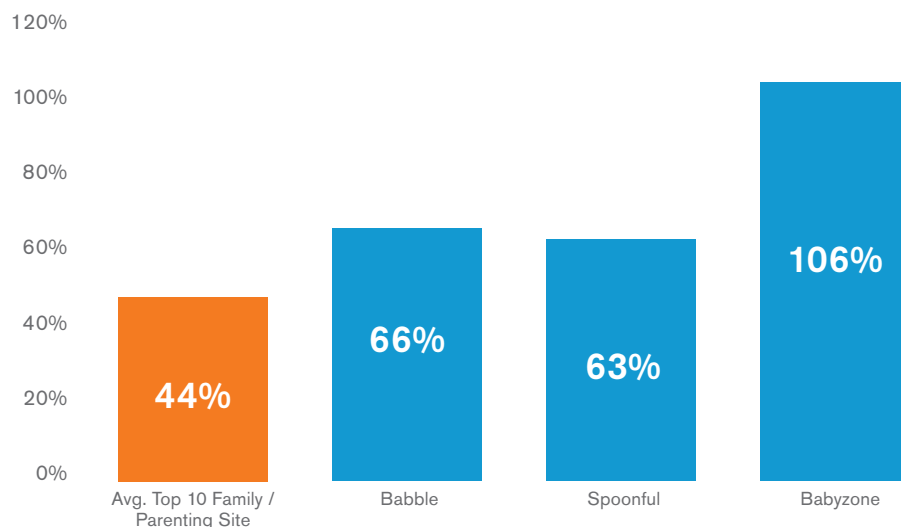
Incremental Mobile Reach of Selected Disney Properties
Source: comScore Media Metrix Multi-Platform Total Desktop Audience and Mobile Audience Age 18+
Date: June 2013

This is just one example of how fully understanding audiences and how they interact with digital content can help companies enhance a user's experience. And improving a user's experience can increase audience and engagement metrics, which can in turn help pave the way towards improved monetization of multi-platform audiences.

MONETIZING MOBILE AUDIENCES: HOW REACH EXTENDS ACROSS PLATFORMS

For publishers and media companies, monetization of their audiences is critically important but also increasingly challenging as people shift to mobile devices. There is a growing need to quantify the size of the mobile audience while understanding the characteristics and behaviors of audiences on different platforms. Having a full understanding of these audiences and how they consume content can help companies monetize digital assets through three avenues: Advertising, video and commerce.

comScore Media Metrix® Multi-Platform, introduced in March 2013, is a unique audience measurement solution that provides an unduplicated accounting of audiences across desktop computers, smartphones and tablets. A variety of new metrics available in a unified multi-platform view are highlighting many of the new and startling realities in digital media today.

Most importantly, large media properties not only have a sizeable percentage of visitors who access their sites by both desktop and mobile platforms, but they are also extending their audiences significantly via mobile-only visitors. In a desktop-centric view of the world, these visitors are never accounted for and represent lost revenue opportunity for publishers. Among the top 100 digital media properties, nearly one out of three monthly visitors (31%) only accesses that content brand via mobile platforms. Put another way, by accounting for a property's mobile-only visitors, its total digital audience is actually 44 percent larger than it would be if only accounting for its total desktop audience. While mobile devices have become meaningful to virtually every digital media property, they are primary for several notable companies which may be more accurately described as "mobile first." It's increasingly probable that the leading digital media companies of the
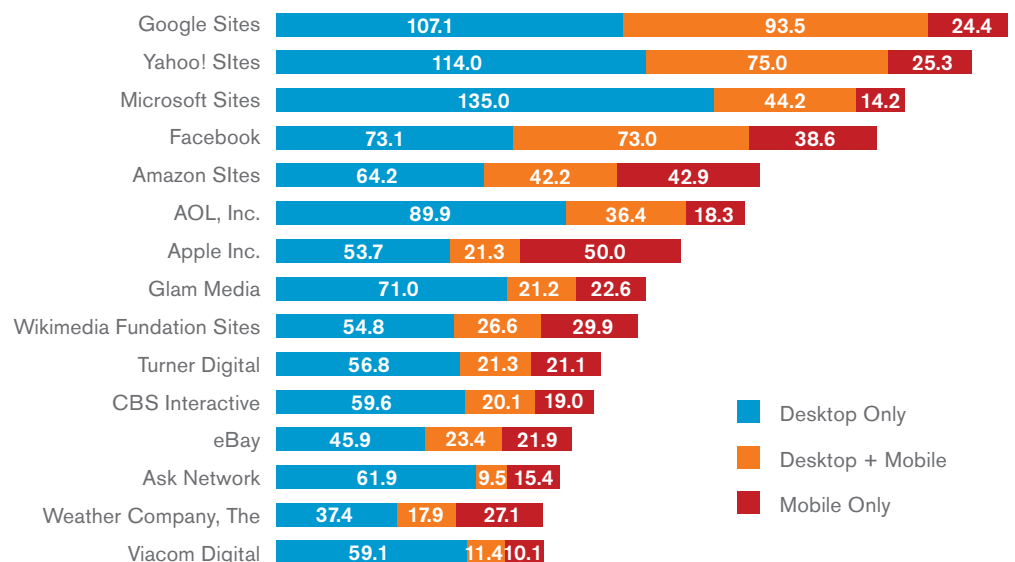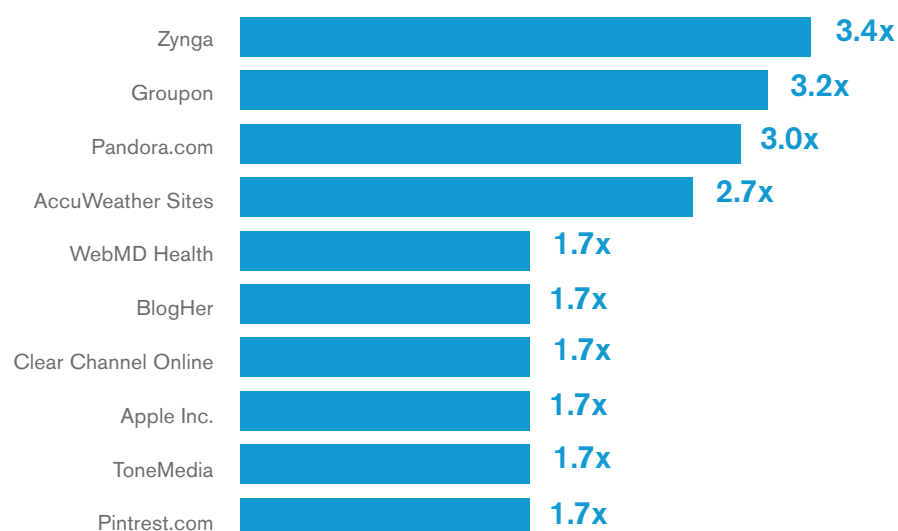
Incremental Mobile Reach of Top 15 U.S. Digital Media Properties
Source: comScore Media Metrix Multi-Platform
Total Desktop Audience and Mobile Audience
Age 18+
Date: June 2013

Property	Desktop Only	Desktop + Mobile	Mobile Only
Google Sites	107.1	93.5	24.4
Yahoo! Sites	114.0	75.0	25.3
Microsoft Sites	135.0	44.2	14.2
Facebook	73.1	73.0	38.6
Amazon Sites	64.2	42.2	42.9
AOL, Inc.	89.9	36.4	18.3
Apple Inc.	53.7	21.3	50.0
Glam Media	71.0	21.2	22.6
Wikimedia Fundation Sites	54.8	26.6	29.9
Turner Digital	56.8	21.3	21.1
CBS Interactive	59.6	20.1	19.0
eBay	45.9	23.4	21.9
Ask Network	61.9	9.5	15.4
Weather Company, The	37.4	17.9	27.1
Viacom Digital	59.1	11.4	10.1

future will begin as mobile-first companies, and we are seeing so many that have risen to new heights in the past few years with audiences coming primarily from mobile devices. Among the Top 100 digital media properties in Media Metrix Multi-Platform, four are approximately tripling the size of their desktop audiences when also accounting for their mobile-only audiences as part of their total digital population. Zynga is 3.4x larger when accounting for mobile-only visitors, while Groupon (3.2x) Pandora (3.0x) and AccuWeather Sites (2.7x) are not far behind.

The top three companies on this list have begun trading on the public markets within the past two years, and their ability to successfully monetize their vast mobile audiences is essential to strong overall business performance.

Company	Multiplier
Zynga	3.4x
Groupon	3.2x
Pandora.com	3.0x
AccuWeather Sites	2.7x
WebMD Health	1.7x
BlogHer	1.7x
Clear Channel Online	1.7x
Apple Inc.	1.7x
ToneMedia	1.7x
Pintrest.com	1.7x

Top U.S. Digital Media Properties with the Highest Incremental Mobile Reach
Source: comScore Media Metrix Multi-Platform Total Desktop Audience and Mobile Audience
Age 18+
Date: June 2013

## MONETIZATION FOLLOWS EYEBALLS FOR COMPANIES LASER-FOCUSED ON MOBILE

The lag in mobile monetization has made succeeding as a mobile-first company somewhat more challenging. But an increasing number of companies appear to be hitting their stride with mobile monetization and are showing others that it can be done.

Pandora is one of the most prominent examples of a mobile-first company today, even though it began as a desktop application. From a desktop-only perspective, Pandora attracted 21.5 million visitors in June 2013 to rank as the 63rd largest web property. From a multi-platform perspective, however, Pandora reached 64.4 million visitors and ranked as the 20th largest property. An astounding 42.8 million of those visitors, or two-thirds of its total digital population, were mobile-only users. These figures align fairly well with Pandora's current revenue split between desktop and mobile, and an important part of driving dollars for an advertising-based company is the ability to demonstrate unduplicated audience reach across platforms.

For other companies, the shift to "mobile-first" may not be as simple or straightforward, but they do have an opportunity to take their mobile measurement cues from other, more established platforms. Rather than rely on vanity metrics that may not be meaningful, mobile measurement should attempt to align with accepted metrics in other media channels.

- Desktop Only
- Desktop + Mobile
- Mobile Only
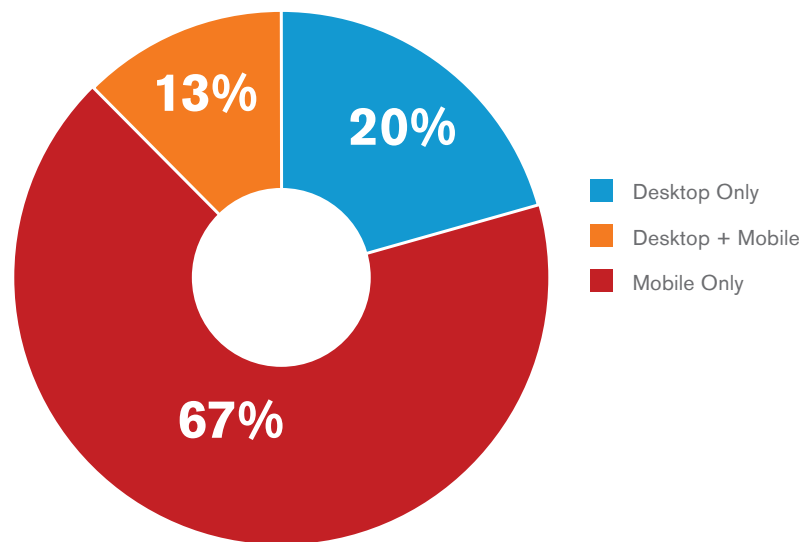
First and foremost, "mobile only" visitors must be counted. Looking at an advertising buy holistically across platforms is critical, particularly because in some cases, users access content almost exclusively via their mobile devices and rarely visit that same brand or service through their desktop computers. Additionally, marketers and publishers should give more attention to active visitors of an app versus the number of downloads. Metrics that focus on the frequency of use can actually be used to give advertisers a sense of how often their ads have a chance of being viewed. Day-parts, demographics, and rate of engagement (or time spent) are also important. When this information is combined, it can give advertisers an extremely robust picture of who they're reaching and how that audience typically behaves online, helping make their campaigns as successful as possible.

MOBILE SHOPPING & BUYING GROWTH BEGINS TO CARVE OUT E-COMMERCE MARKET SHARE

While many digital-facing companies monetize their business through advertising, commerce is another important revenue stream. And there is little doubt that retail buying is seeing the disruptive impact of the shift to mobile. With so many consumers today equipped with real-time product and price information on their smartphones, 'showrooming' – where consumers visit a retail store to "touch and feel" a product in person only to complete the transaction online, usually for a better price – has altered the retail landscape, with nearly half of smartphone users admitting to engaging in this behavior.

As consumers become more comfortable with their mobile devices, they are increasingly using them to not just research product information but also conduct transactions, otherwise known as mobile commerce or m-commerce. In the first half of 2013, U.S. m-commerce reached $10.6 Billion, representing 10 percent of all digital retail e-commerce spending. With year-over-year growth currently around 30 percent, it's clear that there's a channel shift occurring in addition to the one from physical stores to the internet – and it is favoring mobile at the moment.
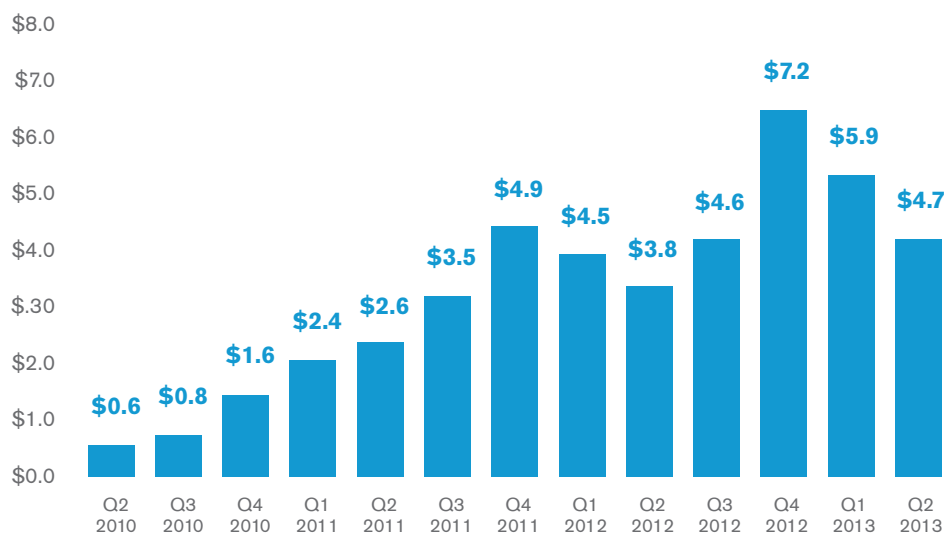
U.S. Mobile Commerce Spending by Quarter (Billions)
Source: comScore M-Commerce Measurement
Date: Q2 2010 – Q2 2013

The channel shift stands to disrupt the current e-commerce establishment for retailers who are not as adept with the emerging mobile channel as they were with the desktop market. Some traditional retailers have become extinct because they were not prepared for the online world. Will e-commerce stalwarts who are not sufficiently prepared for mobile suffer a similar fate?

While the multi-platform consumer majority continues to grow and the ways in which consumers interact with digital content shifts, marketers across industry verticals must embrace new content and advertising strategies to enhance the digital experiences of their audiences.

Accounting for Mobile Visitors is a Must.

Among the top 100 digital media properties, nearly one out of three monthly visitors (31%) only accesses that content brand via mobile platforms.
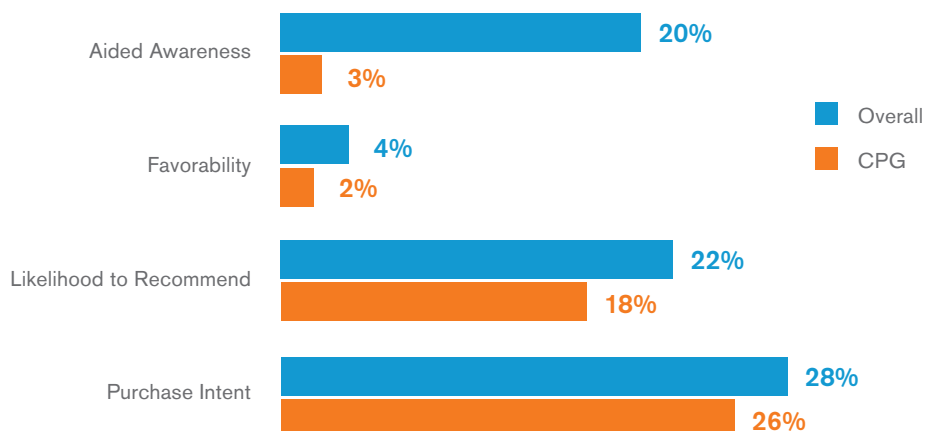
MULTI-PLATFORM MEDIA & ADVERTISING EFFECTIVENESS

While media companies, retailers and other commerce providers are finding new ways to optimize their businesses, so too are advertisers and agencies. Significant strides are being made in both the efficiency of multi-platform media planning and the holistic measurement of campaign effectiveness.

MOBILE AD EFFECTIVENESS CAN PAVE THE WAY FOR MULTI-PLATFORM CAMPAIGN SOLUTIONS

The digital media industry has increased its sophistication at measuring the effectiveness of ad campaigns over the past several years. Through the use of branding lift and sales lift studies, publishers and advertisers have been able to prove that digital advertising is effective, thereby attracting a greater share of ad spending to online media. However, this same capacity for effectiveness measurement has not yet translated to mobile advertising at a similar scale, which is likely impeding the ability of advertisers to gain trust in the medium and mobile publishers to accelerate their revenue. Given its unique benefits – which include location-enabled advertising, precise targeting capabilities and reduced ad clutter – the mobile advertising medium has great promise. But more proof of its effectiveness is needed.

comScore has conducted more than one hundred mobile brand lift studies, which are beginning to shine light on how mobile drives branding effectiveness. Across several key branding lift metrics – aided awareness, favorability, likelihood to recommend, and purchase intent – mobile ads deliver positive lifts for most of the brands studied, including a sub-set of brands within the Consumer Packaged Goods (CPG) vertical.

Aided Awareness — Overall 20%, CPG 3%
Favorability — Overall 4%, CPG 2%
Likelihood to Recommend — Overall 22%, CPG 18%
Purchase Intent — Overall 28%, CPG 26%

Legend: Overall, CPG

Mobile Ad Campaign Benchmarks: Percentage Lift in Brand Metrics
Source: comScore Brand Survey Lift Mobile Benchmarks
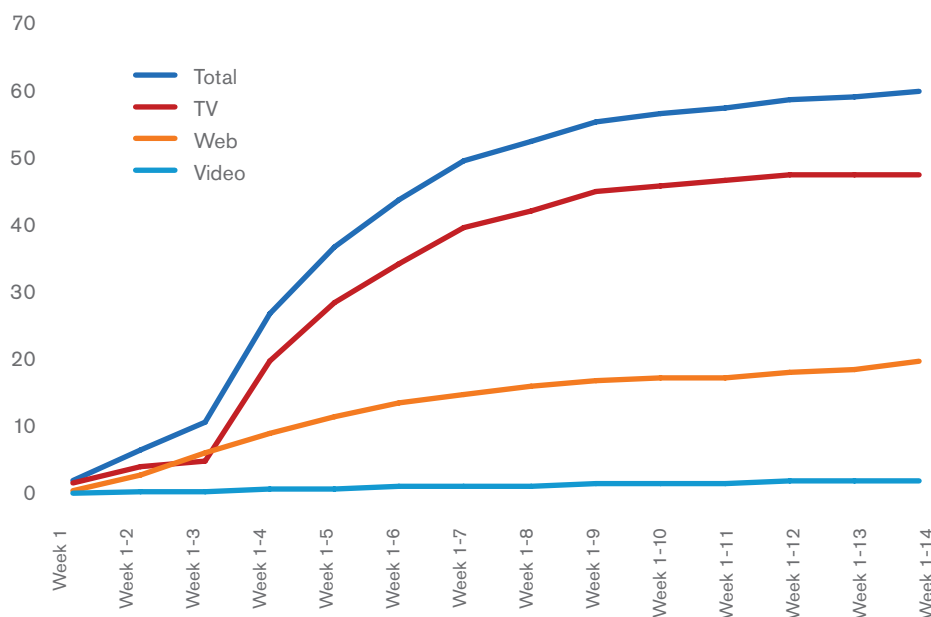Date: 2012-2013

Interestingly, the lifts appeared to be stronger the further down the purchase funnel with lifts in the 20-30 percent range for likelihood to recommend and purchase intent. Perhaps with mobile ads often reaching consumers closer to the point of purchase if they are visiting retail locations, the increased relevance of the ad may have a more profound effect on lower-funnel behaviors.

MOBILE AD METRICS CAN IMPROVE MARKET MIX OPTIMIZATION

As mobile ad effectiveness measurement increases, marketers will begin to have metrics such as demographics, reach/frequency, GRPs and branding lift available to incorporate into their marketing mix analysis. Common metrics across media channels facilitate cross-platform analysis.

Marketers can both improve their allocations of media according to which campaigns are delivering the highest ROI, and understand which combination of platforms can be used to optimize overall effectiveness. The multi-platform environment has the ability to deliver a 'surround sound' communications strategy that reaches the consumer at optimal frequency across multiple touchpoints to maximize awareness and drive lower-funnel behaviors. With comparable campaign metrics across these platforms, marketers can determine the incremental effect of reaching consumers through each additional platform.

While multi-platform marketing holds the promise of improving top-line effectiveness, it can also drive bottom-line efficiencies in targeting specific audiences. Increasing target audience reach within a single platform quickly reaches a point of diminishing returns. By layering in additional platforms for consideration, media spend can be directed to those that most efficiently reach the target. Delivering against your campaign's reach and frequency objectives can often be accomplished much more cost effectively by pursuing the low hanging fruit in online or mobile in addition to the high hanging fruit in TV.

Cumulative Weekly Audience Reach (%) by Medium for a Large Consumer Goods Brand Multi-Platform Ad Campaign
Source: comScore vCE
Date: 2012

In this example, a popular consumer goods brand was able to improve its reach by 12 percentage points through the use of display advertising and online video in addition to the original TV buy. While the TV reach curve had completely flattened by Week 11, the other two channels continued to move the needle upwards. In addition, the fact that total reach was consistently higher than the reach on any individual platform reflects that fact that some consumers were reached exclusively by a particular platform and again points to the wisdom of a multi-platform media plan.

Mobile Shopping Begins to Carve Out E-Commerce Market Share.

In the first half of 2013, U.S. m-commerce reached $10.6 Billion, representing 10 percent of all digital retail e-commerce spending.

MULTI-PLATFORM DIGITAL BUSINESS OPTIMIZATION

With audiences using an increasing number of devices and businesses working to adapt, how can organizations evaluate their efforts and set their organizations on the path to success over the long term? They must not only re-orient their business strategies and digital content to align with today's multi-platform consumer, but also take another look at the systems and metrics currently used to evaluate business performance. Doing so will help companies hone their strategies, define the right metrics, and put a process into place that allows them to revisit these KPIs regularly as media, platforms and, in turn, consumer behavior, continue to evolve.

With the emergence of these new platforms has come the influx of big data into organizations. While businesses wrestle with change, they are now equipped with more information than ever before to help solve their most pressing business challenges. The opportunity here, though, is using big data in its many forms to glean insights that can help businesses refine their product, content, advertising and commerce strategies to ensure an optimal customer experience in the multi-platform world.

MULTI-PLATFORM METRICS CAN INCREASE SIGNAL-TO-NOISE RATIO

Using big data effectively for business optimization usually means improving the signal-to-noise ratio. In the context of multi-platform user behavior, big data streams in from different platforms to create a chaos of numbers that struggle to convey what an individual customer is doing, along with where and when that action is taking place. It's challenging to hone the customer experience when many businesses have no way of knowing that, for example, an individual user may have first visited a retailer's website on a desktop, then visited the site on his smartphone while in a physical store, later read product reviews on a tablet at home, and finally completed a purchase on a desktop computer at work the next day.

While traditional website analytics will report metrics used to understand performance – such as unique browsers, visits per browser, and conversion rate – these don't necessarily reflect the reality of a customer's online and offline journey because the computer thinks each interaction is an independent user and independent event. With the majority of consumers using multiple devices to consume content and complete transactions, the traditional web analytics siloed view is no longer sufficient for extracting insights to optimize business plans, product development and customer journeys.

1 MOBILE BROWSER
spends 10 minutes
views 2 articles

STANDARD ANALYTICS
2 browsers
avg. 15 minutes
avg. 3 articles

1 TABLET BROWSER
spends 20 minutes
views 4 articles

MULTI-PLATFORM ANALYTICS
1 browser
avg. 30 minutes
avg. 6 articles

Fortunately, big data coupled with sophisticated analytical systems is helping businesses turn this chaos into order and providing the metrics and insights that reflect the realities of the multi-platform consumer. Digital Analytix Multi-Platform, introduced by comScore in June 2013 with a unique methodology that successfully attributes multi-platform engagements to a single user, dramatically increases businesses' signal-to-noise ratio and ability to discover the insights that matter.

The example below illustrates how an analytics platform not attuned to multi-platform engagement will miscalculate the number of unique browsers, which leads to a miscalculation of all other derivative metrics.

	Customer Path to Purchase					
	Interaction 1	**Interaction 2**	**Interaction 3**	**Interaction 4**	**Interaction 5**	**Purchase?**
Customer 1	Desktop	Smartphone	Desktop			No
Customer 2	Tablet	Desktop	Tablet	Smartphone	Desktop	Yes
Customer 3	Smartphone	Desktop	Desktop	Tablet		No
Customer 4	Desktop	Tablet	Desktop			Yes
Totals	4	4	4	2	1	2

	Traditional Web Analytics			Digital Analytix Multi-Platform		
	Unique Browsers	**Visits per Browser**	**Conversion Rate**	**Unique Browsers**	**Visits per Browser**	**Conversion Rate**
Customer 1	3	1	0%	1	3	0%
Customer 2	2	2.5	50%	1	5	100%
Customer 3	4	1	0%	1	4	0%
Customer 4	1	3	100%	1	3	100%
Totals	10	1.5	20%	4	3.75	50%

Note that an orange cell indicates a logged-in site visit, whereas a yellow cell indicates a non-logged in site visit.

Platform proliferation is causing inflation over time in the counting of browsers, which leadslead to a decline in per browser engagement and conversion metrics in traditional web analytics measurement. The ability to accurately tie engagements to a single user enables more accurate reporting of unique browsers and helps businesses better understand how, where and when their customers are actually engaging with their marketing messages.

MULTI-PLATFORM INTEGRATION CAN HELP IMPROVE AD SELL-THROUGH RATES

This knowledge can be especially critical when refining a company's product development roadmap or creating value for advertisers. While retailers care about metrics such as conversion, publishers and media companies focus on their ad inventory sell-through rate. In today's expansive digital media universe the primary challenge for publishers is not the ability to create available ad inventory, but rather how to demonstrate the value of what is already available and sell it at the highest possible rate. Doing so effectively means providing compelling ad packages to advertisers and their agencies, which can prove difficult when inventory remains siloed by platform and is sold as independent packages.

But as the advent of multi-platform enterprise analytics improves ad package integration, media companies are able to significantly improve sell-through rates by providing advertisers with highly customized, valuable ad packages. This was a primary motivator for one TV/broadband/mobile phone provider, which delivers content across multiple channels, to begin using multi-platform analytics. When the company sold its ad packages separately by channel based on advertiser and agency asks, it had difficulty filling inventory from emerging channels (e.g. mobile). The provider could not effectively measure how users were moving across devices and show the importance of mobile. They realized that multi-platform analytics could help build and communicate integrated ad packages for their clients that would not only reach the right audiences more efficiently, but would also improve the relative demand for inventory beyond the desktop. The provider is now using multi-platform analytics to increase its ad sell-through rates and CPMs for advertising via its various platforms.

Multi-Platform Metrics Can Increase Signal to Noise Ratio.

Big data brings with it the opportunity for businesses to glean insights that can help refine product, advertising and content strategies.

CONCLUSION: 5 STRATEGIES
FOR MULTI-PLATFORM SUCCESS

In a world where multiple device usage is no longer the exception but the rule, the time has come for a new multi-platform approach to digital media measurement, planning, evaluation and optimization. Publishers, advertisers and marketers must be empowered with the metrics to understand holistically how their audiences behave online if they are to implement successful strategies to shape their customers' digital experiences.

The future of digital media is bright, because as consumers continue to increase their time spent with a particular platform, advertising spend will eventually follow. This is the lesson learned from the past new media platforms. But the speed at which this occurs will depend a great deal on how well businesses align around the opportunities, and how well the industry collectively implements the infrastructure needed to realize this value, which may come in the form of:

- More accurate accounting of audience, engagement and conversion
- Improved efficiency in media planning and reaching target audiences
- Incremental effectiveness achieved by developing marketing and content synergies

With those fundamental value-drivers in mind, below are five key strategies that can be used to reach and engage audiences, acquire and retain customers, and drive business growth in the Brave New Digital World.

1. DEVELOP CUSTOMER-CENTRIC, NOT PLATFORM-CENTRIC, MARKETING STRATEGIES

Media companies and marketers must remember that their objectives ultimately revolve around how they reach, engage and influence consumers, not platforms. They should first seek to answer how these consumers are moving from screen to screen and consuming content, what content they're consuming, and when they're accessing it if they are to obtain an accurate view of the customer. Fortunately, sophisticated new measurement capabilities and analytics tools offer the insights needed to understand the complete customer journey. Once this perspective is understood, companies can then turn their attention to adapting their strategies to the appropriate platforms. What is the split of consumption between mobile and desktop? Are users foregoing desktop access and only consuming content through their smartphones or tablets? The overall program

goals and corresponding digital experiences should be tailored to the needs of today's consumers and then adapted to the respective platforms – not the other way around.

2. CREATE CONSISTENT, INTEGRATED AND PLATFORM-AGNOSTIC EXPERIENCES FOR YOUR CUSTOMERS

While businesses will want to tailor some specifications to the medium, they should generally strive to build products, content and marketing experiences that operate seamlessly across platforms. Whether this takes the form of responsively designed digital properties or native ad formats that render the same across screens, businesses can efficiently deliver a consistently engaging experience to their users. Even if their digital properties still get most of the traffic from only desktops, mobile consumption continues to rise quickly meaning that responsive design and optimization is an area that must be addressed if not today, then most certainly in the near future.

3. MAXIMIZE EFFECTIVENESS BY LEVERAGING MULTI-PLATFORM SYNERGIES

Many businesses today remain siloed from a communications and channel management perspective, with separate teams dedicated to in-store, online, mobile, etc. But optimizing performance channel-by-channel creates inefficiencies that are a drag on ROI, which can be remedied by managing them in a more synergistic (rather than competitive) fashion. Even if organizations are still siloed and do not have the resources to create strategic planning groups that oversee all communications efforts, providing key employees with third-party multi-platform data can still help a business take a broader look at its own current and potential impact on the media and advertising landscape. Such a holistic approach can create an environment that fosters a 'surround sound' marketing impact that fosters incremental gains in consumer awareness, engagement and conversion.

4. UNDERSTAND DEMOGRAPHIC DIFFERENCES BETWEEN PLATFORMS TO DRIVE AUDIENCE TARGETING EFFICIENCIES

Because not every audience segment behaves similarly across media platforms, both publishers and advertisers can improve the efficiency of how they reach their core audiences with holistic multi-platform targeting strategies. Reaching 18-34 year olds, for example, can be challenging via TV, but they are extremely heavy online video and smartphone users. By layering in these additional platforms and channels and evaluating campaigns in an integrated fashion, marketers can attain their reach and frequency objectives more efficiently. Similarly, publishers can devise their content strategies to better align with the audiences who are more likely to consume content on various channels. With an improved understanding of audience demographics as they traverse screens, companies can optimize their content and determine the best marketing mix. The availability of in-flight campaign

planning and execution tools can also enable improved audience targeting mid-campaign.

5. RE-EVALUATE YOUR BUSINESS METRICS AND KPIS TO BETTER OPTIMIZE YOUR STRATEGIES

The market is changing and business KPIs may need to be updated to reflect that. The downside of continuing to optimize to the wrong or outdated KPIs is that it can lead businesses further and further from the optimal business strategies, especially as the meaning of those metrics change over time due to environmental factors. That is exactly what's happening today as platform proliferation grows: visitor metrics get inflated while conversion and average engagement metrics decline. Re-evaluating your KPIs to get a sense of how and when this may be occurring is the first step to fixing the problem. With a unified view of the digital consumer that takes into account their behavior across platforms, businesses can bring order to this chaos, run their businesses on the right metrics, and develop product and marketing strategies that align with how their customers are actually visiting, engaging and converting.

Navigating the complexity of the Brave New Digital World will not be easy, but it's important not to lose one's compass. With an understanding of the changing landscape, where incremental value can be realized, and use of the right metrics for success, any business can not only survive but thrive in this environment. Those who develop such a plan of attack will chart their course to multi-platform success.

APPENDIX

ABOUT OUR METHODOLOGY: MULTI-SOURCE MEASUREMENT

The theoretical solution for multi-platform audience measurement is the single-source panel, in which a subset of the panelists for each individual media channel is measured across all media platforms, taking into account any duplication of audiences. This approach requires that panels used to measure separate platforms have a large enough overlapping sample to meaningfully understand that segment of users who access media from all platforms. This is a particularly thorny challenge: While the single-source panel can be credibly applied to two-platform measurement initiatives, the method quickly breaks down when attempting to include a third platform, let alone a fourth or a fifth. Not only is recruiting a multi-platform single-source sample difficult in practice, it's also economically infeasible.

The practical solution to this problem is multi-source measurement, which synthesizes census-level big data sources with panel measurement. Rather than remain wedded to the outdated panel-only approach that cannot scale to measure the multiple platforms each one of us uses every day, the multi-source methodology uses digital data to solve today's more complex media measurement problems. Traditional panels remain important for certain elements of audience measurement, such as understanding demographics and deriving person-based metrics, but their limitations in reporting granularity across platforms render them insufficient for producing more detailed insights about consumer segments or purchase behavior. Combining panel data with big data unlocks the ability to scale measurement across multiple platforms and produce meaningful insights.

We live in the era of big data, and leveraging its unique benefits for audience and campaign measurement purposes is essential. Census-level measurement elements, including web page tags, persistent cookies and IP addresses, can be used to calculate audience overlap across several touchpoints, including mobile websites and apps, smartphones and tablets, and mobile and desktop devices, to provide a single unduplicated audience number for all digital media.

PRODUCT DEFINITIONS

- **comScore Media Metrix® Multi-Platform**

comScore Media Metrix® Multi-Platform utilizes Unified Digital Measurement™ (UDM®). It delivers the true digital reach for more than 300,000 media entities with a breakdown of unduplicated, overlapped and exclusive audience sizes, demographic compositions and behavioral trends across media platforms including desktops, smartphones and tablets.

For more information, please visit:
www.comscore.com/Products/Audience_Analytics/Media_Metrix_Multi-Platform

- **comScore MobiLens®**

comScore MobiLens® provides market-wide insight into mobile digital media consumption, brand-level audience metrics, and details of device ownership and technology penetration. Using proprietary data collection methods, we survey nationally representative samples of mobile subscribers age 13+ in the U.S., UK, France, Germany, Spain, Italy, Canada and Japan. For the following analysis, the three-month average figures amount to a sample of 30,000 mobile users.

For more information, please visit:
www.comscore.com/Products/Audience_Analytics/MobiLens

- **comScore TabLens®**

comScore TabLens® provides monthly U.S. data on tablet usage based on trusted sampling and survey methodology. OEMs, operating systems and carriers rely on TabLens to understand device adoption and trends in the tablet market. Publishers, app developers and advertisers use TabLens® data to understand digital content consumption and how it varies by consumer segment, device, OS and browser versus app access.

For more information, please visit:
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- **comScore Mobile Metrix®**

comScore Mobile Metrix® brings Unified Digital Measurement™ to smartphone and tablet devices by combining on-device metering with census-level data. This provides advertisers, agencies, publishers and app developers with unparalleled access to U.S. mobile consumer behaviors from apps and browsers on smartphones and tablets.

For more information, please visit:
www.comscore.com/Products/Audience_Analytics/Mobile_Metrix

▪ comScore M-Commerce Measurement

comScore M-Commerce Measurement provides the most accurate, timely and comprehensive view of consumers' online shopping and spending behavior across new platforms, including smartphones and tablets.The service also provides spending by product category, and measurement of m-commerce sales for selected leading retailers. The data leverages a proprietary methodology based on consumer surveys that are calibrated to comScore's behavioral E-Commerce Measurement.

For more information, please visit:
www.comscore.com/Products/Audience_Analytics/e-Commerce_Measurement

▪ comScore Brand Survey Lift™ Mobile

comScore Brand Survey Lift™ (BSL™) Mobile is a survey-based effectiveness measurement solution that helps businesses quantify the branding impact of display advertising on mobile. BSL™ Mobile recruits survey respondents directly from mobile devices and leverages a traditional test and control methodology to provide a holistic understanding of the campaign's impact as well as actionable and reliable insight into the key drivers of mobile branding effectiveness.

*For more information, please visit: http://www.comscore.com/Products/Advertising_*
Analytics/Brand_Survey_Lift_Mobile

▪ comScore validated Campaign Essentials™

comScore validated Campaign Essentials™ (vCE®) is a holistic ad and audience delivery validation solution that provides deep campaign insights, in-flight reporting and daily alerting for convenient and effective campaign management. Unlike existing single-point solutions, vCE® provides an unduplicated accounting of impressions delivered across a variety of dimensions, such as ads delivered in-view, in the right geography, in a brand safe environment and absent of non-human traffic. It also evaluates the degree to which validated impressions reached the campaign target audience.

*For more information, please visit: http://www.comscore.com/Products/Advertising_*
Analytics/validated_Campaign_Essentials

▪ comScore Digital Analytix® Multi-Platform

comScore Digital Analytix® Multi-Platform is an enterprise digital analytics SaaS solution that gives businesses the power to measure their own customers' multi-platform behavior across digital channels, including websites, mobile apps and other connected experiences. While legacy web analytics solutions assume content consumption occurs on a single device, Digital Analytix® Multi-Platform unifies browsers across devices, giving businesses the insights they need to innovate product development, optimize the customer journey and increase revenue.

*For more information, please visit: http://www.comscore.com/Products/Digital_*
Business_Analytics/Capabilities/Multi-Platform

ABOUT COMSCORE, INC.

comScore, Inc. (NASDAQ: SCOR) is a global leader in digital measurement and analytics, delivering insights on web, mobile and TV consumer behavior that enable clients to maximize the value of their digital investments.

Through its Audience Analytics, Advertising Analytics, and Digital Enterprise Analytics product suites, comScore provides its clients with a variety of on-demand software, real-time analytics and custom solutions to succeed in a multi-platform world. The proprietary comScore Census Network™ (CCN) leverages a world-class technology infrastructure to capture trillions of digital interactions a month and power big data analytics on a global scale for its more than 2,000 clients, which include leading companies such as AOL, Baidu, BBC, Best Buy, Carat, Deutsche Bank, ESPN, France Telecom, Financial Times, Fox, LinkedIn, Microsoft, MediaCorp, Nestle, Starcom, Terra Networks, Universal McCann, Verizon, ViaMichelin and Yahoo!.

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