



The Counting Controversy: A User's Guide

By David L. Smith
CEO, Mediasmith Inc.



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The mainstream press has thrust the metrics debate between publishers and advertisers into the limelight, but the story being told is incomplete. Here's the lowdown.

There is an increased amount of pressure being applied by the publishers of the major websites (most of them IAB members) to the web rating services, comScore and Nielsen NetRatings, regarding their visitor numbers as they compare to website log files. While it is great to air the problem, the industry sometimes does itself more damage than good through airing these issues through the press. A great example is the recent New York Times article "[How Many Hits? Depends On Who's Counting.](#)" This shows how far this industry has yet to go in educating the people in the general press who are writing about our field.

In this case, the complaints are real enough as they involve big money. But they are misdirected. And they are incomplete.

The fact is, we have *three* methods of counting: audience measurement (NetRatings, comScore and the newer entry, Quantcast), web analytics (Omniture, WebTrends, etc.) and third-party ad servers or 3PAS (Atlas, DoubleClick and the many site-side servers). Each of these three methods has its uses and limitations. Before I get to a potential solution, I'd like to outline the basis for each of the three, how they are best used and what their limitations are. I will provide some suggestions for industry solutions, which involves parties coming to the table to talk, not just airing their problems in a press that does not even understand the nomenclature being tossed around (for example, the use of the term "hits," which is not even an audience metric but sounds good on the evening news, so it persists).

Web analytics

First there were web analytics companies that offer a software-based solution which resides on web servers (generally UNIX-based). These web servers do measure hits.

A hit is an entry in the log file of a web server. A hit is generated by every request made to a web server. It has no predictable relation to users, visitors or pages. For example, a page loading on a browser produces a hit. And every individual piece of graphic that loads on a browser produces a hit. Therefore, a page with 24 graphics on it can produce 25 hits. In the early days, we used to joke that if a seller tried to prove how big his site was by telling us how many hits it had, we would throw the seller out and tell him to come back when he had a clue.

The web analytics programs can also measure pages viewed (pageviews), visitors, unique visitors and a number of other metrics. They generally do this for any visitor from anywhere on this planet (not sure about ET visitors). So, they are not parsed for United States or any other countries' traffic, which is what many advertisers are looking for. In addition, they generally cannot tell whether a human or a machine is causing the visit. Thus, they are not generally filtering out for bots or spiders, etc. In many cases, the construction of the website involves the launching of many daughter pages, thus artificially inflating the number of pageviews that are produced.

There are many other factors involved but the bottom line is that these are webmaster-oriented tools and were not constructed to either measure advertising or even work with the tools that do measure advertising. This is a huge problem that we'll deal with in the upcoming solutions section.



A bigger problem is in the positing by the publisher sites that the numbers produced by the web analytics software represent the "real numbers." Jim Sterne, head of the Web Analytics Association, has gone on record that if a site were to use three different web analytics programs, it would get three different numbers. More to come on this...

Audience measurement

It did not take long for companies to pop up that approach the web from an advertising standpoint. First on the scene was I/PRO (Internet Profiles), which performed site audits. This stabilized terminology like visitors, unique visitors, adviews (impressions) and other factors. But it did not provide demographics. The current main contenders for this arena are comScore Media Metrics and Nielsen NetRatings. Both count advertisers, agencies and publishers among their clients.

These two companies both use a sample-based methodology. As with any counting methodology, including those analytics companies mentioned above that "count everything," each methodology comes up with different numbers. ComScore's numbers are generally higher than NetRatings,' but not always.

Both do provide demographics and country by country data, which is very helpful and, they do a good job of parsing out bots and spiders, etc. and trying to show a "real" audience. However, to some degree, the rankings that come out of comScore and NetRatings are vanity numbers for publishers to have bragging rights as they do not measure advertising; they measure sites. With the exception of site takeover buys, the total audience of a site is rarely bought by an advertiser or agency.

There is no question that a higher ranking in comScore or NetRatings can produce more calls from advertisers for a site, so these ratings services are important. But because they cannot measure advertising impressions, they are not the basis for proof of performance or media payment. Both services talk about producing data that can measure advertising, but there remain inherent problems in the sample methodology when used for digital metrics. They both continue to mis-use the media term "reach" and there is an expectation that they should have numbers closer to the web analytics numbers, even though that might not be practical.

Both services are working with the Media Ratings Council (MRC) to be audited. The MRC was first authorized by Congress decades ago to ensure that TV ratings were legitimate, and is now tackling issues in the digital space. There seems to be a general feeling in the industry that this will result in "better numbers." It may result in more consistency, but a sample, especially in the digital world, has its limitations. This is especially true when we want to take the resulting data and slice and dice it for demographics, geography, etc.

The new entry in this space is Quantcast (full disclosure, I have advised this company in the past ...but then I have advised comScore along the way, too). The Quantcast methodology is to do a census rather than a sample. Konrad Feldman, co-founder of Quantcast, recently said, "We need to have data more closely connected to the way the buyers want to evaluate the media. Census level is the only way to bring audience measurement and message delivery together."

To measure on a census basis involves handling an incredibly large volume of data, but with processing speed increasing and the cost of server space rapidly decreasing, this barrier is going away. Adam Gerber, chief marketing officer of Quantcast, expanded on Feldman's statement. "In an addressable advertising world, the process of audience evaluation during the planning process cannot be separated from the actions during the implementation process.



Today we do not have these tools. There needs to be a greater depth of information to the media planner. Panels alone cannot accommodate measurement of the distribution model with the way that media flows today. Measurement needs to be more dynamic."

Third-party ad serving

Third-party ad serving started out as a way to simplify the trafficking of internet advertising. Using these tools, the advertiser and agency can traffic a complete campaign through a single tool, changing creative at will and counting all efforts on the same basis. Cookies are dropped when an ad is served to the browser which then facilitates a number of metrics that the third party ad serving category can provide. This includes "view through" or "post impression" and whether an ad is served to a person more than once (facilitating reach and frequency metrics, frequency capping, retargeting and many other techniques).

The third-party ad serving information is not parsed for the United States, but it could be. It also does not provide the important demographic information that an advertiser needs. All that said, third-party ad serving does provide the important impression counts that are the basis for proof of performance and the basis for media payment. It also gives us important tools for tracking and optimization.

Despite the statement in the Times article that "each company uses its own methodology to count impressions" this is not much of a problem anymore. The IAB, AAAAs and the MRC have worked hard toward resolving the differences in impression counting through their auditing and certification process. The good news is that out of this process, some 13 different ways of counting impressions across 27 different ad servers has been winnowed down to a single counting methodology. While all parties have not yet been certified, there is great progress being made in this area.

What the real problem is, and some solutions

Why do we need the numbers in the first place? If we are not selling advertising, we don't need them at all except for the ego of the publisher. So it seems that the first priority should be meeting the advertiser's needs. This means that the buyer and seller need information that they can count on. This includes data that is advertiser and campaign centric, not site centric.

We also need to make sure that ALL constituents are at the same table. That does not seem to be the case. Both the Web Analytics Association and the IAB are issuing definitions and standards separately. (Note that the AAAAs and the ANA, the groups who should care about these standards, are not apparently doing so). It is not going to do any good to have standards if the definitions are not agreed to.

So, my top six solutions are:

1. IAB and WAA meet and normalize their dictionaries
2. AAAAs and ANA meet and set up advertiser priorities
3. All of the above get together in one room to get on the same page
4. Bring in the major vendors and give them direction and consider an industry RFP for the next generation of metrics that are media-campaign driven
5. Advertisers and agencies encourage development of solutions that bring together audience, advertising, geography, serving, counting and dynamic targeting
6. Everybody stop whining and get involved with the industry to fix the above

Conclusion

Can we get writers in the mainstream press like the NY Times to actually understand our business and our nomenclature? It's probably a long shot until we get our act together and talk to each other rather than the press about our problems. If we are all saying the same thing, all boats will rise.



About the Author

David L. Smith, CEO of Mediasmith, is an internationally known expert in the areas of new media application, media strategy, media planning and metrics, and has a number of awards to his name including an Effie and an ad:tech Individual Achievement award. Trained in the major agency media department environment, he has been in the independent media service field since 1978 when he founded Mediasmith. Smith is a pioneer in the application of computers in media, deployment of interactive advertising and media metrics. His experience ranges from participating in the creation and early usage of the first generation of advertising technology (housekeeping systems, data sources) to the current issues facing the use of metrics in the digital marketplace. He has been at the forefront of new metrics applications, with major involvement on the AAAAs, ARF, OPA and IAB national committees working to establish and refine standards in metrics, business practices and financial issues for interactive advertising. Smith has also contributed his knowledge through articles and interviews in an extensive range of media over the past two decades. He is a regular speaker at Industry events including iMedia, @d:tech, OMMA and others and writes regularly for a number of industry publications and Web sites including iMediaConnection and MediaPost. His advisory board involvement includes OPA, IAB, comScore/Media Metrix, AdEx and a number of start-up private companies. A University of Washington graduate, Smith is married with a seventeen-year-old son; plays guitar; and is a gourmet Chinese cook. You'll find him at the office early most mornings unless he is traveling with his family.

About Mediasmith

Mediasmith is a recognized leader in digital media planning and buying. We specialize in the integration of traditional and digital media, search, emerging technologies. We architect plans across all media, in all markets, in virtually all product categories utilizing the right combination of media options to help our clients grow in the increasingly fractured media environment; from planning and buying, to tracking, optimization, and reporting of ROI on all media efforts. Mediasmith remains dedicated to the evolution and standardization of digital media practices. As committed innovators, we test the latest in metrics and analytics, providing solutions that enable us to act as a catalyst for our clients' media innovations.