

**CANADA MEDIA FUND**

**Digital Media Performance Measurement – Advisory Committee**

**Date: June 28, 2011**

**Presenter: C. Briceño/J. Look**

**FOR DISCUSSION**

**SUBJECT: Digital Media Performance Measurement**

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**ISSUE:**

To define a set of digital media (“DM”) performance metrics that is relevant to the various digital media platforms, which addresses the business and operational realities of the industry and is in compliance with deliverables to the Department of Canadian Heritage

**Background**

The Canada Media Fund (CMF) is bound by its 2010-2011 Contribution Agreement with the DCH to provide audience, usage and revenue data for CMF-supported digital content on platforms other than television. With increased emphasis being placed on the CMF to deliver audience success in all of its funded projects, the CMF plans to work with stakeholders in this Advisory Committee to discuss and explore the Key Performance Indicators (“KPIs”) to be adopted in Digital Media performance measurement across the different platforms. These KPIs may also form the basis for one or more new performance factors to be included in the Performance Envelope allocation process in 2012-2013.

The CMF champions the creation of successful, innovative Canadian content and software applications for current and emerging digital platforms through financial support and industry research. The CMF disburses funding through two streams: the Experimental Program and the Convergent Stream.

Close to 80% of CMF funding is disbursed through the Performance Envelope Program, which forms part of the CMF’s Convergent Stream, allocates funding envelopes to Canadian broadcasters, who are in the best position to decide which projects could have the greatest market success. The envelope mechanism enables the CMF to disburse funds in a timely, efficient, and market-driven manner in partnership with Canadian broadcasters. Although envelopes are allocated to broadcasters, CMF funding is disbursed directly to producers. Envelopes are calculated and distributed on an annual basis.

The Experimental Stream funds Canadian interactive digital media content and software applications that are innovative and leading-edge.

In view of the policy direction mandated by the federal government, the CMF consulted extensively with the industry throughout 2009-2010 and 2010-2011, prior to implementing a number of changes with respect to the calculation of performance envelopes for the 2011-2012 fiscal year.

The factor weights used in the calculation of 2011-2012 Performance Envelopes were as follows:

Factor	Notes	Weighting	
		English	French
Audience success	Calculated on total hours tuned.	40%	35%
Original First Run	The broadcaster must have contributed toward the original financing of the project, the first airing on a conventional broadcaster or the first 3 airings on a specialty or pay broadcaster.	15%	15%
Historic Performance	Calculated on use of CMF funds over previous 3 years.	15%	25%
Regional licensing	Calculated on \$ of regional licences issued in the previous year.	20%	10%
Above threshold licence	Calculated on \$ of licences above threshold issued in the previous year.	5%	10%
DM investment	The sum of broadcaster cash and CMF commitments to DM portion of Convergent projects in the previous year	5%	5%

The Digital Media investment factor was an interim solution proposed for the 2011-2012 Performance Envelope allocation process, as the CMF objective is to develop the appropriate metrics to determine success in the digital media universe.

In addition to determining the appropriate metrics to measure DM audiences, the CMF must select a web analytics software as well as a web analytics solutions and service provider to assist in capturing, vetting the vast amount of data collected, then streamline the reporting to uncover insights from the data capture. There are a number of DM web analytics software on the market, although opinions vary widely within the industry about the current and future capability of these software vendors as well as concern over the reliability and comparability of their data. The CMF will also require the services of an experienced web analytics service provider to assist in developing a technical guide, establish a standard tagging procedure for CMF-funded elements as well as provide technical support to lesser experienced DM producers.

There are also issues relating to the appropriate "scope of measurement" that should be addressed. For example, is it desirable to have measures based on:

- precise user demographics
- CMF-funded elements on pre-existing websites
- Criterion for video views – 25%, 50% 75% or 100% completion
- measurement within Canada only or beyond Canada
- prime vs. off-prime usage (likely not a good differentiation for internet usage)
- what is the equivalent of THT, aka consumption in the DM universe
- criteria to assess "engagement"
- desktop versus mobile devices
- websites versus apps and games

Working with industry stakeholders, the CMF intends to examine whether there are a common set of measures and resulting KPIs that will address the varying uses and devices on DM platforms, or whether a variety of different metrics should be used to address each of the different behaviours listed above.

## **Metrics to Measure**

A list of DM metrics definition currently being used by Google Analytics in the measurement of internet traffic is attached as Appendix A.

While the list includes a multitude of metrics that are frequently cited in the web traffic measurement reporting, there is no common agreement in the industry with respect to a recognized standard measurement. The emerging popularity of social networks, sharing of content, likes versus dislikes, also need to be addressed.

For example, internal server data (e.g. Google Analytics) used in the self-reporting of statistics (unique visitors, video views, video starts, time spent) may be individually customized to align with the business model of each broadcaster. Therefore, whereas such “server level” information may yield precise data as to the amount of traffic being recorded, there is no way to standardize and authenticate the data coming from these sources in order to generate an “apples to apples” comparison between broadcasters.

Different types of measurement methodologies have their own limitations on what kind of data can be produced. Server level measures (i.e. Google Analytics) provide data based on all traffic that arrives at a particular webpage or target that is being measured, and is one of the more popular no licence fee web analytics software, albeit privacy is compromised. However, the lack of standardized metrics in server level data (as has been introduced earlier) or 3<sup>rd</sup> party verification can make an “apples to apples” comparison between websites especially difficult.

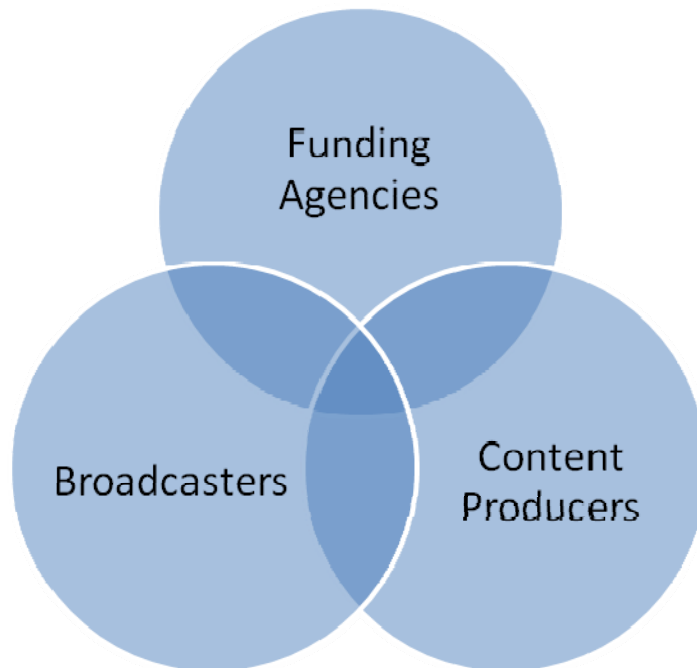
## **Progress by other agencies**

The anticipated outcome of discussions at the Advisory Committee sessions will be to determine key performance metrics on multiple digital media platforms that the CMF should be measuring before focusing on the precise mechanisms (methodology, 3<sup>rd</sup> party suppliers) to be deployed in order to capture and analyze the performance..

Other funding organizations have attempted to develop a set of web traffic measurement metrics which would provide comparative analysis of success across funded projects, by genre, by platform and by project size. In spite of these undertakings, the Bell Broadcast and New Media Fund has recently acknowledged that unless a designated resource was assigned to monitor and coordinate with each website regularly to ensure compliance, data quality reliability and accuracy could be compromised, rendering meaningful analysis less than satisfactory.

In the absence of an immediate solution to the “standardization” of digital media reporting metrics, it is the goal of the CMF to bring all stakeholders around the table in order to harmonize, when possible, reporting requirements among Digital Media funding agencies in order to reduce burden and administrative complexities for producers applying for funds.

## Proposed work breakdown



In this workshop we are going to define and work through common “problem spaces” associated with measuring digital media content consumption from a stakeholder’s perspective. As a final output, a new strategic canvas will be developed based on a re-framing of core issues and concerns.

As such, the perspectives of all key stakeholders – across both Convergent and Experimental streams - will be represented at the workshop. Several brainstorming activities will take place. Each activity will be designed to generate new ideas and simulate mock negotiations around key issues that stakeholders will be confronted with in the standardization of a common digital media measurement system.

In the end, the primary objective of the session will be to identify and document the most critical factors pertaining to agreement on a standard set of KPIs for digital media content consumption across the sectors. Moreover, this particular advisory panel has been created to apply innovative, solution-oriented thinking to the issues at hand.

The workshop is the first step in an ongoing iterative process designed to promote collaboration and corroboration with a goal towards generating the insights necessary to connect the dots between content development, delivery, audience growth and business value, while at the same time promoting fairness and transparency.

### **Group Break-out Sessions:**

Three separate breakout sessions will be held during the day. Each session will tackle a different strategic hurdle, or “problem space.” Pre-determined problem statements -informed by pre-workshop survey response data - will be tackled by each group; applying analysis and refinement processes - making progress by eliminating hurdles to each issue.

## APPENDIX A

### Metrics to Measure

Below is a list of DM metrics definition currently being used by Google Analytics in the measurement of internet traffic:

<b>Metric Name</b>	<b>Category</b>	<b>Definition</b>
Bounces	Site Usage	This field identifies the number of single-page visits to your site over the selected dimension. For example, if you apply this metric to the Ad Campaign dimension, it'll display the number of single-page visits to your site by users that reached your site via a particular ad campaign.
Bounce Rate	Site Usage	The percentage of single-page visits (i.e. visits in which the person left your site from the entrance page).
Clicks	Site Usage	This field identified the number of times a user has clicked on your Ads.
Entrances	Site Usage	This metric identifies the number of entrances to your site. It will always be equal to the number of visits when applied over your entire website. Thus, this metric is most useful when combined with particular content pages, at which point, it will indicate the number of times a particular page served as an entrance to your site.
Exits	Site Usage	This metric identifies the number of exits from your site, and, as with entrances, it will always be equal to the number of visits when applied over your entire website. Use this metric in combination with particular content pages in order to determine the number of times that particular page was the last one viewed by visitors.
%Exit	Site Usage	The percentage of site exits that occurred from a page or set of pages.
New Visits	Site Usage	The number of new visits by people who have never been to the site before.
Time on Page	Site Usage	This field indicates how long a visitor spent on a particular page or set of pages. It is calculated by subtracting the initial view time for a particular page from the initial view time for a subsequent page. Thus, this metric does not apply to exit pages for your site.
Pageviews	Site Usage	This field indicates the total number of pageviews for your site when applied over the selected dimension. For example, if you select this metric together with Request URI, it will return the number of page views over the returned result set for the Request URI for your report.
Time on Site	Site Usage	The time a visitor spends on your site.
Visits	Site Usage	The number of times your visitors has been to your site (unique sessions initiated by all your visitors). If a user is inactive on your site for 30 minutes or more, any future activity will be attributed to a new session. Users that leave your site and return within 30 minutes will be counted as part of the original session.
Visitors	Site Usage	A user that visits your site. The initial session by a user during any given date range is considered to be an additional visit and an additional visitor. Any future sessions from the same user during the selected time period are counted as additional visits, but not as additional visitors.
Unique Visitors	Site Usage	Unique Visitors represent the number of unduplicated (counted only once) visitors to your website over the course of a specified time period. A Unique Visitor is determined using cookies.

Unique Pageviews	Content	The total number of unique visitors to a given page.
Total Unique Searches	Content	The total number of times your site search was used. This excludes multiple searches on the same keyword during the same visit.
Visits with Search	Content	The total number of visits where internal site search was used.
Search Refinements	Content	The number of times a visitor searched again immediately after performing a search.
Time after Search	Content	Starting from the first use of internal search, time spent on site until either the session ended or until another search happened
Search Depth	Content	The average number of pages visitors viewed after performing a search. This is calculated as Sum of all "search_depth" across all searches / ("search_transitions" + 1)
Search Exits	Content	The number of searches a visitor made immediately before leaving the site.

Source: Google Web Analytics Glossary by Ron Foreman; <http://empoweryou.ca/2007/04/22/google-web-analytics-glossary>