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Nielsen's Media Rating Council suspension isn't the only threat to its TV ratings dominance

Article

The news: The **Media Rating Council**'s audit committee has decided to keep its suspension of accreditation for **Nielsen**'s national TV ratings in place, according to a letter to customers seen by Adweek.

- The MRC will provide Nielsen with a list of areas in which to improve compliance and a timeline to adhere to; these will help influence when the measurement company's accreditation could be reestablished.
- MRC senior vice president and associate director David Gunzerath acknowledged the suspension was still in effect, but said the MRC is actively working with Nielsen so accreditation can "occur relatively soon"—and added Nielsen had made "significant progress" on issues that led to its suspension.
- In a statement to Insider Intelligence, a Nielsen spokesperson said it is "continuing to strengthen panel maintenance, recruitment and innovation to ensure that the industry can continue to rely on persons-level measurement well into the future."

MRC 101: Simply put, it's the body that develops guidelines for digital advertising.

- Standards developed by the MRC, such as viewability and IVT (invalid traffic), provide universal definitions and measurement information that make it possible to compare and comingle data gathered by different entities.
- The MRC awards accreditations through a stringent assessment procedure in which applicants disclose the metrics they use, and an auditor confirms they are truly tracking the measures they claim to.

How we got here: After the measurement juggernaut admitted to underestimating audiences locally and nationally early in the pandemic, potentially costing clients millions of dollars, the MRC withdrew Nielsen's accreditation more than a year ago.

- Despite the cloud over its head, Nielsen fared well at upfronts.
- The firm recently inked a measurement deal with Roku, not to mention Netflix.

No love lost: This week, measurement panel firm **TVision raised $16 million** in funding led by Nielsen competitor **iSpot** as part of its attempt to become a viable alternative. The timing is auspicious: The Video Advertising Bureau (VAB), the TV networks' industry trade body, is currently in discussions with the Association of National Advertisers (ANA) to create a rival panel similar in size to that of Nielsen that competitors could use—and TVision is poised to become that provider.

- The potential VAB/ANA initiative could reportedly cost networks $60 million or more annually. Even so, going after Nielsen could be worth it, with the measurement leader costing the industry upward of $1 billion annually.
- Nielsen's pricing and contract terms make the US the most expensive TV measurement market, which in turn makes the company a valuable asset for its new owners—assuming they can maintain its near monopoly.
- To put things in perspective: Nielsen reportedly **earns 10 times as much revenue from TV measurement as it does from digital media**—despite the latter drawing three times the ad revenue as the former.

Our take: The continued accreditation issues come as the measurement leader is set to launch Nielsen ONE shortly. The new product has been pitched as allowing publishers and marketers to make decisions based on a single statistic across linear and digital media thanks to its cross-platform technology.

- Given the challenges the TV industry faces these days, it can ill afford to *not* investigate Nielsen alternatives. But the monopolistic hold the measurement giant has in the field could make it difficult to fully cut ties with it.
- While advertisers want alternative measurement currencies, they prioritize some topics about it—including ad targeting and personalization. Without that pressure from advertisers, it will be harder for media players to justify massive investments.

Which Topics Would US Agency/Marketing Professionals Most Like to See TV/Media Companies Emphasize in Their 2022 Upfront/ NewFront Presentations?

% of respondents

	Rank 1	Rank 2	Rank 3
Ad targeting and personalization innovations	19%	17%	17%
Cross-channel personalization	18%	15%	12%
Innovative ad formats	17%	16%	14%
Measurement currencies	14%	12%	15%
Connected TV (CTV)/Ad-supported video-on-demand (AVOD) opportunities	12%	10%	11%
New programming announcements	11%	9%	10%
Ad loads/ad frequency	8%	13%	9%

Note: respondents were asked to rank the topics they most wanted to see from 1-5, with 1 being most important and 5 being least important; only responses 1-3 are shown here
Source: Advertiser Perceptions, "March 2022 Omnibus Report," April 11, 2022

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