April 13, 2015

To: MRC Accredited Viewability Measurers

From: George Ivie and David Gunzerath

re: Update on Evolution of Viewable Impression Reconciliation Guidance

As we discussed with you several months ago, MRC has been evaluating certain issues related to viewable impression measurement that have led, on occasion, to discrepancies among accredited vendors' viewability measurements. Past MRC study led to points of guidance that helped improve the consistency of viewable impression counts and viewable rates among MRC accredited viewable impression measurement vendors. When the Viewable Impression Measurement Guidelines were initially released in 2014, MRC included five critical points along these lines aimed at improving counting consistency. Specifically, we (1) added greater specificity to minimum viewable decisioning parameters, (2) announced our intention to eliminate "count on decision" as an acceptable served impression counting method, (3) dictated a certain processing sequence, (4) called for distinguishing ad and ad container measurement, and (5) mandated accounting for "focus" treatment differences.

Below are additional issues that we also plan to address in the very near future through a new update to the *MRC Viewable Impression Measurement Guidelines*:

1. Mandating the Use of the Large Size Display Ad Pixel Threshold: We believe it is appropriate to require the use of the 30% of pixels for a minimum of one-second thresholds as the sole criteria on which large size (i.e., sized 242,500 pixels or greater) display ads should be measured for viewability. While this 30% threshold was allowable under the original Guidelines, its use was optional. We plan to mandate use of the 30% pixel criteria for these large display ads in our forthcoming update.

2. Standardizing Viewability Rules for Multi-Ad Unit Situations: Certain display ad campaign buys call for viewability measurement across multiple ad units. In such instances, we have seen that viewability rules often are being applied inconsistently. For instance, for certain page takeover buys, in which multiple ads for the same product appear on the same page at the same time, we have seen cases in which measurers require all ads to be viewable in order to count the multi-ad unit as viewable. Under this approach, a buy that involves three separate ads may be considered not viewable even if two of the three ads qualified as viewable when independently measured.

    MRC's view is that in a case where the viewability of multiple ad units is required under the terms of a buy, each ad should be measured independently for viewability, and reported independently for viewability. However, we also believe this should be the case regardless of whether the terms of the campaign specify that all of the multiple units must be viewable; the campaign terms should not influence the reporting of each unit as required by the Viewable Impression Guidelines. Terms and Conditions may dictate the basis on which the units might be monetized (for example, payment is made by the advertiser only if all ad units in a multi-unit buy meet the requirements for a viewable impression), but each unit should still be measured and reported independently. We plan to add guidance to this effect to the Guidelines in our forthcoming update.

3. Establishing Rules for the Consistent Use of the Page Visibility API: We have encountered measurement vendors who now use the Page Visibility API as an input for viewable decisions. In most cases the use of the Page Visibility API is a supplement to other viewable processes employed. It is clear to us that the Page Visibility API is not sufficient for a stand-alone solution for ad viewability measurement, and, in fact, it is often unable to definitively identify the page as either visible or non-visible.

    We encourage the use of the Page Visibility API as a supplemental contributor to viewability measurement, where available and appropriate to the measurement technique employed, and plan to establish the following rules for vendors who want to use this API: (1) the Page Visibility API is not a stand-alone solution for ad viewability measurement; (2) if this API is used as an indicator within a viewable ad impression measurement approach, we believe it can be a viable input; (3) if an unknown value is returned, we believe the measurement organization should then apply those measurement processes it utilizes beyond this API to determine the ad viewable state and resolve the unknown status; if the unknown status is not resolved through such additional processes, the impression should be counted as "unmeasurable."

4. Establishing Rules for the Consistent Use of the Flash-based "Throttle" Indicator: Similar to the previous point, we have encountered measurers who are using the "Throttle" Indicator as part of browser optimization strategy for viewable impression measurement. As with the Page Visibility API, we encourage the use of this Indicator, when available and appropriate to the task, as an input to viewability measurement decisioning. However, we currently see inconsistency in when and how this indicator is applied.

    We plan to establish rules for vendors who want to use this indicator to ensure this is not a source of significant measurement differences between vendors. Our current plan is similar to that noted above in reference to use of the Page Visibility API: (1) the Throttle Indicator should not be relied upon as a stand-alone solution for ad viewability measurement; (2) if the Throttle Indicator is used as a contributing data point within a viewable ad impression measurement approach, we believe it can be a viable input; (3) if an unknown value is returned, we believe the measurement organization should then apply those measurement processes it utilizes beyond this Indicator to determine the ad viewable state and resolve the unknown status; if the unknown status is not resolved through such additional processes, the impression should be counted as "unmeasurable."

    A browser optimization strategy is complex and generally dependent on a combination of techniques; additional techniques beyond the Throttle Indicator should remain in place.

5. Viewable Impression Measurement by Vendors Who Also Apply Enhanced Invalid Traffic Filtration Techniques: As was noted in the original Viewable Impression Measurement Guidelines, there is a specific order in which the components of the viewable decisioning process should take place. To deviate from this order could affect viewable impression counts, and therefore result in discrepancies across vendors.

    In short, there should be an initial viewable impression count executed subsequent to the standard IAB required filtration procedures—i.e., the application of robots/spiders exclusion lists, and basic activity based filtration techniques (these are referred to as "General Invalid Traffic detection" in MRC's forthcoming draft of revised guidance for the filtration of invalid traffic). Enhanced techniques (called "Sophisticated Invalid Traffic detection" in the forthcoming IVT guidance document) for detecting and removing additional invalid traffic should be executed subsequent to this base viewable impression decision. Therefore, if a vendor does provide such

enhanced filtration processes, it should report both the base viewable impression count prior to the application of these enhanced methods (which will be a count that should be comparable across vendors, regardless of whether they offer enhanced non-human traffic detection or not), as well as the "net" viewable impression count that results after these techniques have been applied. The latter count (post application of enhanced filtration) should be referred to as "[Company Name] Filtered Viewable Impressions," while the base count (subsequent to General Invalid Traffic filtration but prior to Sophisticated Invalid Traffic filtration) should continue to be called "Viewable Impressions."

Appendix A of the Viewable Impression Measurement Guidelines includes a chart that illustrates these processes, both inclusive of enhanced invalid traffic detection and not. The Viewable Impression count (i.e., the count that is comparable across all viewability vendors) should occur after Step 8 on this chart (although Step 15 should be considered as well if ad blocking is in effect).

Please note that this guidance point does not differ from what was originally spelled out in the Guidelines, except for the new naming convention for the viewable impression count that results after the application of enhanced filtration techniques.

6. Updates to Performance Rate Calculations: The original Viewable Impression Measurement Guidelines requires the calculation and disclosure of certain performance metrics related to viewability measurement. These are the Measured Rate, the Viewable Rate, and the Impression Distribution. Each of these calculations is based in some way on the served impression count: the Viewable Rate is Viewable Impressions divided by the Measured Impressions (i.e., those served impressions that can be measured for viewability); the Measured Rate is Viewable Impressions plus Non-Viewable Impressions, divided by Served Impressions; and the Impression Distribution is the percentage of Total Served Impressions that fall into the Viewable, Non-Viewable, and Undetermined buckets.

In concert with our prior guidance that indicated MRC's belief that the definition for Served Impressions should no longer include those impressions that are not highly likely to have rendered on the browser, and that we plan to address this at a future point by updating IAB's Measurement Guidelines for served impression counting to this effect, our forthcoming guidance update to the Viewability Guidelines will require the above performance metrics to be calculated using Rendered Served Impressions as their basis. These means that vendors currently using a "Count on Decision" methodology for their Served Impression counting approach will need to adjust the count that is used for the calculation of these viewability performance metrics to a count that occurs later in the ad serving process (note that Count on Decision will remain acceptable as a method for served impression counting until such time the IAB Guidelines are updated). Measurers who currently employ a "Count on Download" approach to served impression counting will not need to make an adjustment to comply with this new Viewability guidance point.

The above revisions will be incorporated into an updated version of the *MRC Viewable Impression Measurement Guidelines* that will be issued in the near future (likely no later than within 60 days), and will serve as accreditation assessment criteria in forthcoming MRC audits of viewable impression measurement systems.

Please contact the MRC Staff with any questions. Thank you for your participation in the MRC accreditation process.