
Broadcast Linear Television Programmatic

Guidelines and Best Practices

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i. Preamble

This is a living document that is maintained as an open and collaborative effort between broadcasters, advertising agencies, rep firms, aggregators and platform providers. See 'Stakeholders' and 'Participating Companies' sections.

This document is expected to continue to evolve through successive updates, and is open to input from all companies and individuals who wish to contribute.

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1 Purpose

The purpose of this document is to begin the process of suggesting guidelines and best practices for the successful adoption and implementation of programmatic buying and selling of Broadcast Linear TV advertising. These guidelines are intended to supplement and improve compliance with initiatives within the various industry forums and committees, including IAB, MRC and TVB.

For our purposes, **Programmatic** has 3 important characteristics:

- 1. It involves an inventory channel that offers the buyer and seller ease of execution and lower cost of sales while maintaining the primary value of their station inventory, managing the customer relationship and settling on price.*
- 2. It provides automation of transactions through APIs and industry standards.*
- 3. It leverages new data sources to improve planning and decision-making for both buyers and sellers.*

Note that we do not presume or suggest specific programmatic buying or selling transaction types, as it is important for all participants to freely choose to engage in the types of exchanges that best suit their needs.

In addition, while the focus of this document is Broadcast Linear TV, it does not preclude the incorporation of digital inventory.

See the Glossary at the end of this document for additional terms and acronyms.

1.1 Principles

- Better position broadcast linear television to compete within a marketing/advertising landscape that is increasingly based on data, automation and audience based buying.
- Establish an open and **level playing field** while enabling each station to individually determine and distinguish the value of their inventory.
- Maintain **transparency** in the marketplace so that participants have sufficient information on both demand and inventory.
- Preserve the **integrity of sales** through seller-to-buyer and buyer-to-seller interactions. (Professionals selling to Professionals)
- Focus heavily on **fairness** so the marketplace is as safe as possible to create the **trust** required on both sides.
- Encourage the accessibility of appropriate **data** for buyers and sellers.

1.2 Stakeholders

Stakeholders in the development of these guidelines include all buyers and sellers of advertising, including:

- Broadcasters
- Networks and Exchanges
- Agencies
- Aggregators
- Rep Firms
- Existing sales agents
- Brands
- Direct Clients
- Platforms:
 - Supply Side
 - Demand Side
 - Data Management
 - Traffic/Inventory/Copy

1.3 Benefits

For the seller:

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- A common set of voluntary guidelines and best practices to help drive consistency and repeatability in systems and process
 - Facilitate adoption of multiple buy and sell side platforms
 - Preserve and improve the art of selling broadcast linear TV advertising
 - Improve the use of 1st and 3rd party data overlays to better understand audience value
 - Creation of new demand by simplifying access

2 Guidelines

2.1 Transparency

- Establish guidelines that include negotiable conditions or terms of sale, based upon individual business needs which are agreed upon between buyers and sellers. Types of negotiable conditions or deal terms might consist of:
 - Currency (including but not limited to categories such as CPP and CPM)
 - Revisions
 - Cancellations
 - Fulfillment
 - Measurement
 - Accountability (including make-goods, pre-emption and credits)
 - Payment Terms
- Encourage exposure of information about demand and inventory, including variables used for target creation.
- Incorporate mechanisms to match buy-side targets to sell-side audience segments so that neither side is disadvantaged by over-exposure.
- Establish rules of engagement between marketplaces such that demand and inventory is represented fairly.
- Processing intervals for submission, approval and execution should be clearly defined, with unambiguous Expiration Terms, Purchase to Air Terms and order status available in near-real-time.
- Class of time being sold or purchased should unambiguously defined.
- Preferable to limit advance ordering to 1 year or less to limit supply/demand commitment to unforeseen or un-expected future events.
- Insure aggregator transparency and the related market coverage calculations as it concerns how a national aggregator will apportion the inventory from the station against a wider national audience (what formulas are used to express percent US coverage)
- All audience metrics that are being applied to the station inventory by an aggregator should be shared at the time of sale. This should include transparency regarding audience attributes and whether they are reflective of local data that is rolled up or simply national data averages.
- Sale to an aggregator should include evaluation of the potential unwired bundle that the station inventory is supporting to deliver audience guarantee. Sale should include transparency to understand how the national audience is being applied to the local market units that are being provided for the sale

2.2 Integrity of Sales

- Broadcast organizations retain the ability to make pricing decisions over the inventory they own, with the ability to adjust as market conditions dictate.
- Broadcast organizations also retain the ability to designate a sales proxy of their choice to sell on their behalf.
- [Placeholder - may need to add buying guidelines once we receive input from demand-side players]
- Support the traditions of seller-initiated requests and/or buyer-initiated campaign orders

2.3 Fairness

It is important to establish generally agreed upon guardrails between buyers and sellers in order to minimize mistakes, and protect the integrity of the marketplace

- Consistent definition and use of :
 - terminology - such as 'dayparts'
 - classifications - such as audience segments (beyond age/gender) and ad/content categories
 - currency
- Provide a consistent view of inventory between buyers and sellers, across markets and inventory types.
- Limit certain transactions that interfere with marketplace integrity, including:
 - Arbitrage within a marketplace
 - excessive use

- Prohibit obfuscation of participants (or 3rd party representation, if applicable)
- Bids and orders should comply with advertised price floor

2.4 Data

- Use or integration of 1st and 3rd party should be encouraged. (Might consider cooperating on techniques such as escrow or 'double-blind' methods if necessary to protect privacy).
- All participants should have full access and ownership rights to data they create or generate as a course of doing business. Proprietary information should remain confidential and exclusive, and only disclosed with the consent of the owners of that information.

2.5 Open APIs

A common set of non-proprietary APIs should be available for broadcasters and complementary platforms that is consistent across programmatic buying and selling systems. These APIs should accurately and efficiently:

- Expose and update available inventory
- Integrate and reconcile with station workflow and traffic systems
- Submit requests
- Process transactions, once approved and/or completed
- Notify relevant buyer or seller systems of status
- Transfer relevant material, including creative
- Enable buyers and sellers to utilize independent tools such as yield management and/or pricing tools
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The APIs should support, but not be limited to, the following types of interactions:

- Futures/direct deals/ordering agreements. The API should support the notion of direct deals or ordering agreements that frame the pricing and targeting allowed for future direct buyer-seller orders. Ideally, the API should provide the means to negotiate these deals programmatically.
- Inventory availability vs. pricing discovery. It should be possible to query for inventory availability versus price curves, thus allowing the media planner to explore the trade-offs between constraints (flight times, audience characteristics, and placement), available impressions, and price.
- Spot vs. audience orders. The API should allow orders to be expressed as audience (impressions at an average CPM for a given set of constraints) as well as traditional spot schedules.
- In-flight and final reporting. The API should provide periodic progress reporting as well as the typical final report and post-analysis, to allow buyers to make in-flight adjustments.
- Creative registration & approval. The creative workflow, including registration with third party entities (such as Ad-ID or EIDR) and seller creative approval, should be supported by the API

2.6 Glossary

Term or Acronym	Definition
API	Application Program Interface , is a set of routines, protocols, and tools for building software applications. The API specifies how software components should interact.
CPM	Cost Per thousand - The dollar cost of advertising exposure to a a thousand households or a thousand people who, via traditional or advanced data sources, have been identified as having similar demographic, qualitative or behavioral characteristics.. A quantitative measure of media evaluation, relating a medium's cost to its audience delivery.
CPP	Cost Per rating Point - The cost of reaching one percent of the target audience within a specified geographic area. Used by many media planners in developing, setting, and allocating rating point goals for marketing budgets.

DMP	Data Management Platform is software that collects and organizes data to improve audience segmentation and enable targeting.
DSP	Demand-Side Platform is software system used to purchase inventory in an automated fashion.
IAB	Interactive Advertising Bureau.
Inventory	Inventory is the amount of ad space (spots) a broadcast station has to available to sell.
Linear TV	A term used for real-time television services that are transmitted on a schedule. Most TV programs originate as linear TV, but may become time-shifted for later viewing.
MRC	Media Rating Council. The MRC Mission is to secure for the Industry and related users audience measurement that is Valid, Reliable, and Effective
RTB	Real Time Bidding is buying and selling of inventory in real time, similar to the stock market.
SSP	Supply-Side Platform is a software system used to sell inventory in an automated fashion.
TVB	TVB is the not-for-profit trade association of Americas commercial broadcast television industry.

2.7 Participating Companies

Working Group:

- Cox Media Group
- Cox Reps
- E.W. Scripps Company
- Fox Television
- Gannett Co. Inc.
- Graham Media Group
- Hearst Television Inc.
- Katz TV Group
- Media General Inc.
- Meredith Local Media Group
- Raycom Media
- Schurz Communications
- Tribune Media
- TVB

Reviewed and provided input:

- Dentsu Aegis (Carat)
- Clypd
- Empower
- Horizon Media
- Magna
- Maribeth Papuga (formerly Mediavest)
- Starcom
- Tube Mogul
- Universal McCann

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- Videa
 - Visible World
 - Zenith Media

