



Submitted by email to: digitalmonitoring@acc.gov.au

11 August 2023
Australian Competition & Consumer Commission
Lonsdale St, Melbourne VIC
Attention: Digital Platforms Branch

Dear Sir/Madam,

RE: COMMENTS FROM NIELSEN ON ACCC DIGITAL PLATFORM SERVICES INQUIRY - MARCH 2024 REPORT

Nielsen thanks the Australian Competition and Consumer Commission (ACCC) for the opportunity to respond to the *Digital Platform Services Inquiry - March 2024 report on data brokers* (Issues Paper).

Nielsen is a trusted and independent global provider of audience measurement and data analytics services which helps to underpin a thriving and competitive Australian media ecosystem. We do this through responsible stewardship of the data under our control and in compliance with privacy protection laws that regulate the collection, use and disclosure of data about individuals.

In this submission we aim to provide some background on audience measurement which comprises our primary business. Nielsen's business model and our provision of audience measurement services (as summarised below) is distinct from companies that collect and process personal data for the purposes of targeted advertising and personalised marketing, as well as traditional data brokers, including the other organisations identified as data brokers in the Issues Paper.

In its final report to the government, Nielsen believes that it would benefit the inquiry if the ACCC considers the wide-ranging business models of organisations within the industry when determining which organisations should truly represent 'data brokers' (as 'data brokers' is currently defined in the Issues Paper).

I. Nielsen Services Descriptions

Nielsen supplies the following audience measurement services in the Australian market:

Television Audience Measurement: The measurement of audiences to broadcast television and streaming services. Key metrics include reach (gross ratings points / target audience ratings points), frequency and duration of viewing.

Digital Content Ratings: The measurement of audiences to media content viewed on computer and mobile devices. Key metrics include reach, frequency and duration of viewing.

Digital Ad Ratings: The measurement of audiences exposed to advertising campaigns on computer and mobile devices. Key metrics include impressions, reach and frequency.

II. Independent Audience Measurement

Independent audience measurement generally refers to the process whereby content creators, owners, distributors, advertisers/brands and advertising agencies can confirm the audience exposure to their products – that is, either the programming itself or the advertising associated with the programming. For example, if a business wishes to place an advertisement on either traditional television or an online platform, the cost of that advertisement is most often predicated on its viewership. In the linear television space, this is quantified by "ratings," with cost primarily determined by a particular rating metric being reached. In the online world, advertising cost is primarily determined based on the number of audience 'impressions' (or views) that occur. As an independent audience measurement service, Nielsen determines how many total viewers or listeners are present and the demographics (age and gender) of

the audience.

Similarly, content creators, owners and distributors wish to know how their content performs compared with the competition so they can make appropriate programming decisions. Whether one is a traditional television station that is primarily dependent on advertising revenue, or a streaming service provider receiving subscription revenue, viewership is the lifeblood – and independent measurement of that viewership is critical. For content owners, producers and distributors, audience measurement metrics are used as a trusted source for comparing the audience reach and frequency of content and advertising among different media properties. This helps to serve both the strategic and commercial needs of the media market itself in areas such as (but not limited to) advertising planning and reconciliation, fraud prevention, royalty distribution, content planning and scheduling, as well as the wider public interest in enabling an understanding of the changing trends and patterns in media usage, consumption and media culture over time.

Companies that collect their own data about their customers also need an independent source of measurement. For example, Nielsen provides independent audience measurement services to streaming service providers that also conduct live programming. While these platforms conceptually have some knowledge about how many subscribers tuned in, the common metric of Nielsen’s measurement helps them to compare performance with the content on other online platforms and even similar traditional television products.

Without independent audience measurement for advertising and content, the media ecosystem would, in effect, be subjectively “grading its own homework” in silos. As a result, distributors, advertisers/brands and advertising agencies would have insufficient insight into their advertising deliveries and thus be limited in terms of how they can properly and efficiently transact business.

Independent audience measurement has positive impacts on competition through providing unbiased data that helps enable media companies and their business partners to trust each other in their commercial transactions. This system of third-party independent verification for audience measurement is a staple of the traditional media ecosystem and has allowed the market to develop trading currencies that underpin the buying and selling of media in a competitive manner. The evolution of the media marketplace has seen the rise of new wide reaching platforms that have changed the media viewing landscape. As such, truly independent, third-party audience measurement has become crucial for agencies, advertisers, publishers and broadcasters and the consumers they serve. Independent reporting helps to create transparency on the actual reach of both their content and ad campaigns.

This positive impact on competition also helps smaller reaching advertisers and media owners in the marketplace by enabling them to measure and optimise their advertising, content reach and frequency using metrics that are consistent and comparable. Independent audience measurement allows advertisers and the small businesses they represent to have independent confirmation that ads have been delivered and in turn serves to prevent large platforms from dictating to smaller businesses regarding both the verification and, in turn, cost of advertising delivery.

III. Personal Information and Audience Measurement

A. De-Duplication

Independent audience measurement verifies the validity of impressions, i.e. that an advertisement has been viewed long enough to earn an impression and be counted. For example, many online providers do not let consumers fast forward content until after a certain time period has elapsed on an advertisement, e.g. such as five seconds. The providers do this to ensure that the advertisement is viewed and, as a result, the impression will “count”. The advertiser pays based on the impressions counted. An independent audience measurement provider can verify that such time did indeed elapse, providing an objective and trusted data set to improve transparency and fairness in a highly competitive and innovative media market – in a manner more unbiased than the data collected by platforms themselves.

Audience measurement – in both the linear TV and online contexts – requires the measurement to efficiently de-duplicate viewers. For example, if a viewer sees the same advertisement four times while watching streamed content, that viewer only represents one consumer reached, not four. Without an independent measurement provider adjusting for this duplication, pricing for advertising would



most likely be inflated. De-duplication is therefore an essential element of audience measurement. De-duplication is achieved by recognising digital signals when that advertisement is delivered, which is in turn based on the processing of limited personal (pseudonymised) information.

B. Privacy and Audience Measurement - a Practice Distinct From Audience Targeting

Data collected by Nielsen for independent audience measurement is used for the sole purpose of measuring the performance, i.e. reach and frequency, of advertising and content. Notably it is not used to track data subjects across different websites, nor can it be used for such purpose or for the purpose of delivering targeted advertising or content personalisation.

Nielsen implements privacy safeguards such as pseudonymisation, anonymisation, purpose limitation, data minimisation and defined data retention periods. For example, data collected and processed for the purposes of providing digital audience measurement services is pseudonymised so that an individual cannot be uniquely identified. The outputs provided to clients are in the form of aggregated, anonymised reports, which does not allow for the targeting of individuals. Nielsen requires clients/publishers to provide information to individuals on the Nielsen measurement service and a link to our Digital Measurement privacy notice which provides users with additional information and the choice to opt-out of the measurement. The data processing by Nielsen includes standardised, market-wide fraud mitigation steps, including the removal of invalid or non-human traffic from the data, such as bots – something not necessarily guaranteed by a platform's own data.

Nielsen also works directly with content providers respecting and upholding copyright ownership when measuring linear and digital products.

In short, the delivery of audience measurement services provides a necessary independent measurement of media viewing to the Australian market and does not involve data brokerage practices, of passing through or on-selling of personal data among third-parties to facilitate the targeting of advertising at individuals across the internet.

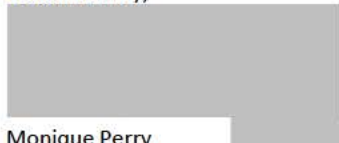
IV. Conclusion

As described above, limited processing of personal information is essential for measurement practices such as de-duplication and enables Nielsen to provide the marketplace with audience measurement data.

Acknowledging the distinct business model and use case for independent audience measurement will help uphold transparency for the media market. Any failure to account for the need for independent audience measurement would likely have a material adverse effect on the provision of such services, with a resulting similar adverse effect on the Australian media marketplace.

Nielsen is committed to supporting the ACCC with its inquiry and would be happy to discuss our views as outlined in this submission.

Your sincerely,



Monique Perry
Director, The Nielsen Company (Holdings) Limited