

DELIVERING INCREMENTAL REACH

A GUIDE TO REACHING NEW AUDIENCES

FREOWHEEL
A COMCAST COMPANY

INTRODUCTION

Among advertisers and marketers, widely received wisdom states that content is king. However, the value of content is often determined not by the quality of the content itself, but by how effectively it reaches the audiences that matter most to advertisers and brands.

This means every successful campaign has three mandatory components:

- 1 The best possible content
- 2 The widest possible reach
- 3 Precise targeting

Incremental reach — viewership that extends beyond a clearly identified core audience — is the vehicle that can make the difference between the success or failure of any campaign.


In this guide, you'll learn the basics of incremental reach — what it is, why it matters and how FreeWheel calculates and helps advertisers reach incremental audiences at scale.


INCREMENTAL REACH: WHAT, WHY, AND HOW?


Incremental reach is the reporting that uses deterministic data to deduplicate audiences and determine the level of incremental ad campaign reach, either in general or at a target level of effective frequency.


Unlike much jargon, the term “incremental reach” is forthrightly self-explanatory. For every advertising campaign, there is a desired core audience of households and individuals. With the right data, marketers can identify, pursue, and accurately measure additional audiences who have yet to be exposed to a brand’s digital and TV advertisements. The total impressions from net-new viewers of a brand’s advertising outside of the linear TV ecosystem is considered incremental reach.

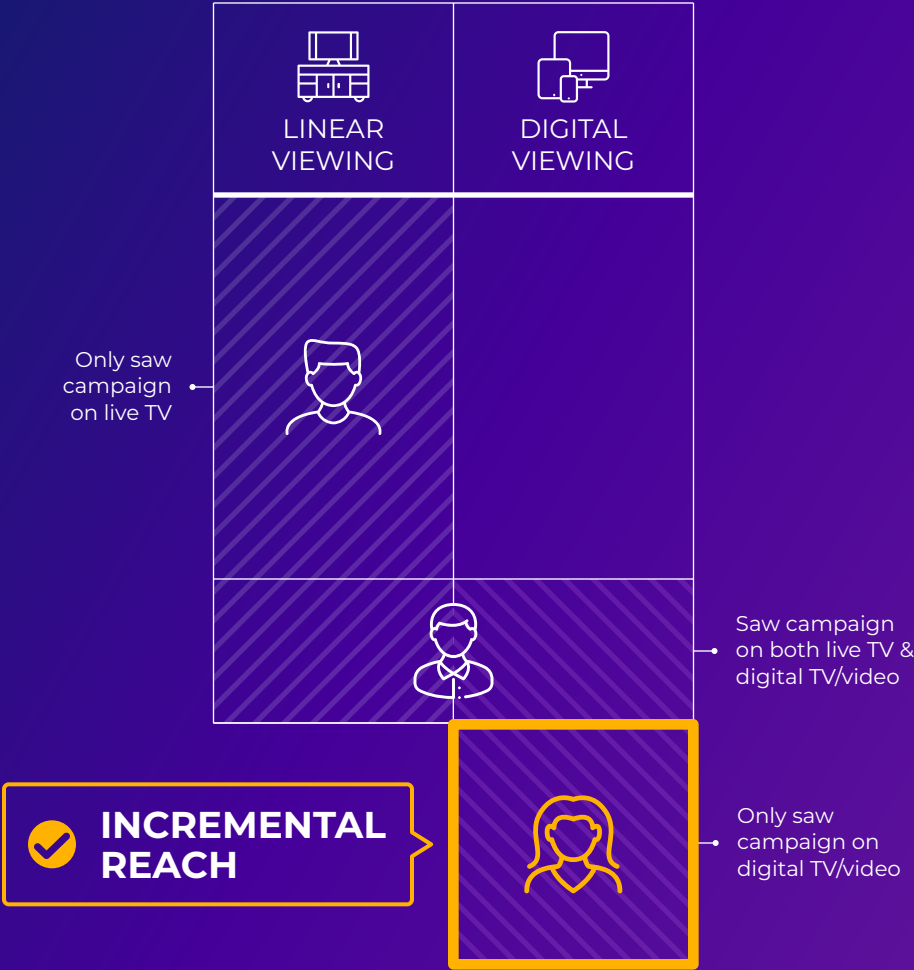
There are many terms and definitions associated with (and often mistakenly used interchangeably with) “incremental reach.” Here’s a concise guide to keep terms straight:

 **Deduplicated Reach**
Counting unique households (HH) or individuals reached

 **Finding Incremental Audiences**
Intelligently reaching households or individuals (using data) that have yet to be exposed (or exposed with enough frequency)

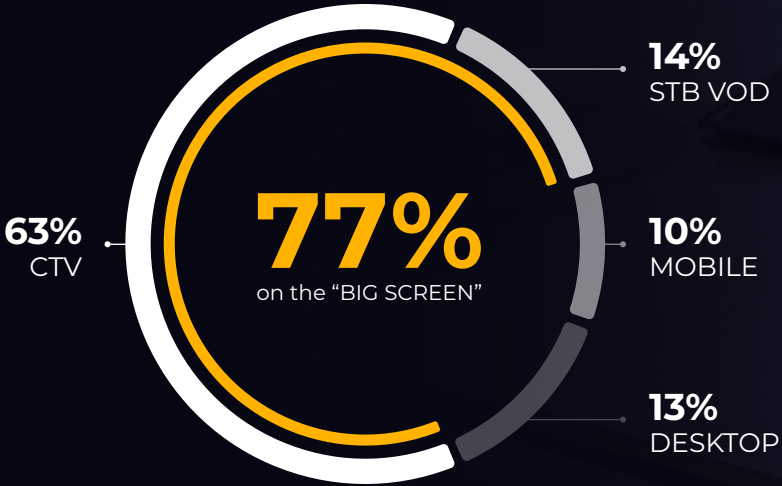
 **Managing Reach & Frequency**
Optimizing based on deduplicated and incremental reach

 **Incremental Reach**
Reporting that uses deterministic data to deduplicate audiences and determine the level of incremental ad campaign reach (in general or at a target-level of effective frequency)



Incremental reach can enhance the results of almost any campaign and becomes even more important as content consumption options and video viewer behaviors evolve. Streaming is growing in both popularity and diversity, with new options appearing frequently. FreeWheel research shows in many households, streaming is primarily consumed via the same TV that delivers traditional linear content.

AD VIEW COMPOSITION BY DEVICE



Source: FreeWheel U.S. Video Marketplace Report 2H 2021. The Digital Video Landscape Expands.

Research also finds the number of “light-” and “no-TV” viewing households are more prone to view advertising messages on streaming platforms. These individuals represent potential net new viewers and incremental reach opportunities for advertising buyers and sellers.

STREAMING ENHANCES EXPOSURE TO LIGHT- AND NO-TV VIEWERS

Streaming Impressions Were

3.4X | more likely to be seen within light- or no-TV viewing HHs

Impressions to “Light” or “No-TV” Viewing HHs

TV ONLY
13%

STREAMING
43%

Note: What are light-TV and no-TV viewing HHs? “No-TV” HHs are defined as those with no TV service or TV viewing from July through December, 2021. Comcast HHs with a pay TV service that spent, on average, less than about one hour per day viewing were defined as “light-TV” viewing HHs.

Source: Effectv TV Viewership Report 2H 2021.

COMMON INDUSTRY CALCULATIONS

What buyers and sellers need are tools that can accurately assess and forecast the numbers behind incremental reach opportunities. Accurate, timely data about incremental audiences can enable maximum efficiency of every campaign and advertising dollar.

The two most common data sources used for incremental reach forecasting are automatic content recognition (ACR) and modeled households. Each has advantages and drawbacks.

Today, many premium video suppliers use modeling and other techniques to provide guidance to advertisers about how much budget to allocate towards each media channel. Eventually, there will be standards for the data, definitions, functions, and methodologies that enable consistently effective incremental reach. For now, deterministic data, which is based on actual households exposed to specific ads, is the most reliable foundation for accurate incremental reach measurement and optimal frequency decisions.



ACR SOLUTIONS

ACR solutions estimate incremental viewership by attempting to match samples of content playing on a consumer's smart TV with monitored feeds of a set of TV channels running simultaneously. While ACR solutions provide data in real time, because TVs must be turned on to be monitored, that data may represent a small portion of an entire household's actual TV viewing. For example, ACR data collected may only come from a single television in a multi-TV household, and the channels monitored may not include all locally available cable and broadcast options. These limitations make content matching and determining viewership metrics difficult and perhaps less accurate than when using set-top box (STB) data.



HOUSEHOLD MODELING

Household modeling uses set-top box, broadband-only, and third-party panel data to estimate incremental viewership. The scale offered by this combination of sources enables more accurate modeling for both in and out-of-footprint forecasting and more stable reach and ratings measurement, particularly for smaller localities. However, coverage and data providers' methodologies can vary widely from market to market.

THE FREEWHEEL DIFFERENCE

FreeWheel’s methodology is unique as it does not rely solely on smaller, third-party panels or ACR to extrapolate viewership data. Instead, FreeWheel uses aggregated viewership data from Comcast households’ set-top boxes to determine viewership by network, day and time.

10M

Comcast subscriber households

6M

Comcast “broadband-only” subscribers

12 mo.

Aggregated Comcast viewership data

The FreeWheel forecasting model includes aggregated data from approximately 10 million Comcast subscriber households, 6 million Comcast “broadband-only” subscribers not exposed to ads on linear TV, and 12 months of aggregated Comcast viewership data. When campaign targeting requires an increased footprint, FreeWheel will use lookalike modeling to find households similar to Comcast households within a household dataset supplied by a 3rd party such as Experian.

Use of modeled data, lookalike modeling, and the aggregated Comcast STB data creates accurate, comprehensive, and timely incremental reach estimates and forecasts for advertisers. This approach continues to evolve to keep pace with the changes in how viewers watch premium content.



CONCLUSION

The path to true incremental reach across multiple channels has been a multistage journey for the past several years. FreeWheel's marketplace enables consistently effective incremental reach for buyers and sellers alike.

FreeWheel's forecasting approach continues to evolve to keep pace with changes in viewership patterns and behaviors. The approach is being actively implemented across FreeWheel's newest [audience-based buying technology](#) enabling media buyers to plan and place linear campaigns in addition to crafting and placing connected TV (CTV) schedules within FreeWheel's premium video marketplace today.



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