

RESOLUTION NO. 194/21/CONS

GUIDELINES ON AUDIENCE MEASUREMENT SYSTEMS IN THE NEW DIGITAL ECOSYSTEM

THE AUTHORITY

In the Council meeting of 10 June 2021;

HAVING REGARD TO Law No. 249 of 31 July 1997, establishing the Authority for Communications Guarantees (*Autorità per le garanzie nelle comunicazioni*) and laying down rules on the communications and broadcasting systems, and in particular Article 1, paragraph 6, letter b), no. 11;

HAVING REGARD TO Legislative Decree No. 177 of 31 July 2005, as amended by Legislative Decree No. 44 of 15 March 2010, containing the Consolidated Act on Audiovisual and Radio Media Services;

HAVING REGARD TO Resolution No. 85/06/CSP of 16 May 2006, “Guidance on the measurement of audience and circulation of the media”, published in the *Gazzetta Ufficiale* of the Italian Republic No. 123 of 29 May 2006;

HAVING REGARD TO Resolution No. 130/06/CSP of 12 July 2006, “Implementing measures for the acquisition, processing and management of the information required in the Guidance on the measurement of audience and circulation of the media”, published in the *Gazzetta Ufficiale* of the Italian Republic No. 174 of 28 July 2006;

HAVING REGARD TO Resolution No. 236/17/CONS of 12 June 2017, “Closure of the sector inquiry on audience measurement systems for mass media”;

CONSIDERING the importance of audience measurement on mass media, the governance models adopted by the entities conducting the surveys, and the methodologies and techniques used for the proper functioning of the advertising system as a whole, given that contact-measurement services affect the valuation of advertising placements and the planning and optimisation of communication investments;

FURTHER CONSIDERING that, pursuant to Article 43(2) of Legislative Decree No. 177 of 31 July 2005, quantitative indices of dissemination of radio and television programmes are among the criteria which the Authority takes into account in order to verify that dominant positions do not arise in the Integrated Communications System and in its component markets;

CONSIDERING ALSO THE FOLLOWING:

1. Article 1, paragraph 6, letter b), no. 11, of Law No. 249/1997 provides that the Authority “shall oversee the measurement of audience and circulation for the various media as measured by other entities, by verifying the adequacy of the methodologies used and carrying out checks on the truthfulness of the data published, as well as on monitoring of broadcasts and on the conduct of the undertakings performing the surveys”. Over time, these statutory powers have been framed in terms of supervision over the conduct of undertakings that carry out measurements, with particular attention to governance and to the research methodologies adopted, and of control over the truthfulness and transparency of the data disseminated.
2. By Resolution No. 85/06/CSP, containing “Guidance on the measurement of audience and circulation of the media”, the Authority provided indications concerning the organisation of the companies conducting the surveys, setting the sectoral framework and laying down the general principles to which entities performing audience and circulation surveys for the various media must conform. In particular, the measure addresses:
 - a) the organisational-corporate profile of the relevant entities (Article 2), requiring those conducting the surveys to ensure effective access to their shareholding so as to achieve the widest possible representativeness of the respective markets within the company’s management bodies, with a view to ensuring the objectivity of the research already through the ownership and organisational structure of the survey entities, while also specifying the need to separate the administrative bodies from the technical-scientific committees, in order to guarantee the autonomy of the latter;
 - b) the transparency regime (Article 6), requiring publication of an “information notice” in accordance with the guidelines indicated by the Authority itself.
3. Subsequently, the Authority adopted Resolution No. 130/06/CSP, containing “Implementing measures for the acquisition, processing and management of the information required in the Guidance on the measurement of audience and circulation of the media”, which imposes on entities performing measurement activities the obligation to provide the Authority with a specific set of information, such as general corporate data, the composition of the ownership structure and the names of those sitting on the Board of Directors and on the Technical Committee. The Resolution provides that the measurement companies shall transmit an “information notice” on the methodology adopted and shall notify any change in the research design. The methodological notes of the surveys are regularly published on the Authority’s website.
4. In the sector inquiry (Resolution No. 236/17/CONS), which examined the audience-measurement activities for the different media subject to the Authority’s supervision,

account was taken of the numerous entities that offer web-analytics services based on different tracking techniques and methods. In particular, it was noted that the activities of international players which hold significant economic positions in the national online-advertising market and offer web-analytics services—yet do not participate in the surveys conducted by national systems recognised as the reference currency—raise issues insofar as they neither ensure independent certification by third parties of the data produced nor allow any other system to track (through tags or other techniques) the sites they own. The breadth of the offering makes it particularly difficult for users to satisfy, through a single service, their needs for both editorial as well as advertising-planning analysis. In the conclusions of the sector inquiry, the need was also identified to increase the level of transparency both as regards the measurement methodologies and the production of data and metrics for online-audience measurement, in order to avoid the risk of possible distortions in the downstream Internet markets and in the related online-advertising sector. At the same time, the need was highlighted for a precise perimeter of the activities of the JICs so as to avoid offering the market data that are not mutually comparable or measurements derived from metrics based on different conventions.

5. Technological evolution and the digitisation of media present all countries with new challenges, both with regard to measuring the Internet medium and with regard to the need to conduct cross-media analyses that reflect the consumption of content enjoyed on traditional media also on new devices connected to the Internet. In Europe, from a governance standpoint, the prevailing form of entities dealing with audience measurement is the JIC and—albeit with different levels of advancement—the developments of the various measurement systems appear to be moving towards an integrated analysis of all media, as is occurring in various countries.
6. The process of multimedia convergence fostered by the digitisation of the production, distribution, marketing and consumption of content—and the related time spent—outlines a scenario of profound transformation for the entire communications system and significantly expands the potential pool of reachable audiences. The structural changes taking place in the consumption behaviours of multimedia content are also transforming audience-measurement systems. The extreme variability and volatility of the technological components used by consumers require profiling of the panel through broader schemes than traditional ones, and the evolution of measurement systems is inevitably destined towards consumer-centric convergence processes. Communication channels no longer coincide exclusively with traditionally understood media—to which the individual measurement companies currently correspond—and increasingly assume the role of “aggregators of multimedia content” (video, audio and text). Traditional systems are still organised vertically, by medium and in some cases by device, producing metrics that are not comparable with one another.

7. Consumer-centric measurements entail, from a methodological standpoint, the identification of uniform metrics to be used to render comparable consumption data across the various media, bearing in mind that the metrics currently used in single-medium surveys are characterised by parameters that are not easily harmonised. It is therefore necessary to initiate a shared process among the different market actors that leads the various components of the multimedia system to define—each within its own decision-making autonomy—methodologies (in all phases of activity, from the baseline research to the actual measurement of media consumption), technologies (active and, above all, passive) and metrics (uniform and shared) capable of providing information about consumer engagement with content and advertising disseminated across the different communication platforms, within a convergent measurement environment.
8. Current measurement systems tend towards fragmentation, following approaches, methodologies, conventions and measurements that are different and not always mutually reconcilable. It would therefore be desirable to achieve a gradual convergence of metrics on a cross-platform, cross-device and cross-media basis. The strategic importance of such an approach in audience measurement has also been reiterated by the UPA Council as a key element of market stewardship in all its expressions.
9. Advertising investors need a convergent system for measuring the various media. In this direction, the initiative taken by the World Federation of Advertisers (WFA)—to which UPA in Italy also adheres—with the “WFA Cross-Media Initiative” is relevant: the principal investors worldwide have requested the unification of current measurement systems, indicating the methodological and technical requirements that such unification should entail. The manifesto is based on shared principles and calls for flexibility in the approach in order to adapt to local specificities, but it identifies four main areas on which the advocated process should be based: governance; standards and metrics; privacy and process security; and a technological infrastructure (Pipework) capable of enabling data de-duplication and—like the methodology—calibrated and validated by means of an independent single-source panel. A hybrid approach (panel plus census) is indicated as the best way to acquire audience data in such a fragmented digital ecosystem. Publishers likewise need to extend the measurement carried out for traditional media to new digital media and platforms, ensuring continuity of measurement and comparability of metrics across different media and forms of communication. The convergence process of measurement systems must find forms of collaboration and integration while maintaining flexibility in the approach.
10. Some international practices show that, although complex from a methodological perspective, this path should be pursued. In addition to the established Médiamétrie model in France, convergent measurement systems can be found in the Dutch experience (NMO)—which has launched a cross-platform and cross-device system for measuring all

media, thereby superseding the previous JICs—and also in Canada—where a similar model has been replicated, also providing for the use, in aggregated form, of profiling data from the telecoms operators active in Canada, in order to further increase measurement accuracy, given the pre-eminent public and system function that the government has recognised in the JIC. The Swiss JIC Mediapulse is moving in the same direction. In other countries, although the traditional coexistence of JICs remains, processes of coordination and convergence have nevertheless begun.

11. In this scenario of cross-platform, cross-device and cross-media measurement, against the backdrop of increasing and progressive attention to online privacy and the consequent regulatory restrictions on the use of personal data (GDPR and e-Privacy in Europe), the companies owning browsers have been prompted to abandon third-party-cookie-based tracking options. As from 2022, this type of tracking will also be discontinued by Chrome (Google's browser), which holds a significant market share. The inability to use third-party cookies is bound to have important impacts on the entire online-advertising value chain, removing a series of functionalities that guaranteed its effectiveness. While the elimination of third-party cookies seems likely to have very limited effects on OTTs, which will be able to rely on first-party-cookie data, the impact on digital-audience measurement systems risks being more significant. Cookies, by enabling the measurement of navigation across different sites, provide fundamental information for defining overlap matrices in the use of different devices. It follows that measurement methodologies must be updated: in order to ensure reliability and granularity, it will be advisable to use extended single-source panels, but also—and above all—to enrich census data with first-party data supplied directly by the measured entities.
12. Independent verification and transparency of processes are fundamental principles of any audience-measurement solution, to ensure that the activity is carried out in the interest of market operators. It is therefore necessary to provide for measures that ensure the absence of any potential conflicts of interest and that provide guarantees as to certification and replicability at every stage of the data-production process: it is thus desirable that the JIC entrust to a third, independent entity the audit activity aimed at certifying the data-production process at every stage. From a transparency perspective and to strengthen the role of the JIC, it is likewise desirable that, where possible, the intellectual property of the strategic research assets and of the data produced should be vested in the JIC itself.
13. Full transparency of production processes, post-evaluation checks and certification of the data provided to the market, together with the broadest representativeness of the entity entrusted with the survey, have now become indispensable requirements of measurement systems capable of ensuring the proper functioning of the demand and supply of advertising placements; on these the Authority has formulated guidance, governance measures and

methodological recommendations in accordance with the principles of fairness, independence and technological neutrality.

14. Consistent with the indications already formulated by the Authority since 2006 and taking into account the needs of the market as expressed by investors and publishers, the organisational model to be adopted by the companies conducting the surveys remains that of the JIC—a model in which the “market” component (advertising investors), by virtue of its super-partes role, assumes a specific prominence, guided by principles of independence, autonomy, fairness and non-discrimination. It is therefore desirable that the corporate bodies should be genuinely representative of the entire reference sector.

HAVING HEARD the report of Commissioner Laura Aria, rapporteur pursuant to Article 31 of the Regulation concerning the organisation and functioning of the Authority;

Article 1

1. In the exercise of the supervisory functions conferred upon it by law, the Authority encourages the adoption of the Joint Industry Committee (JIC) model by the entities that conduct audience-measurement surveys, in order to ensure effective representativeness of the entire reference sector.
2. To ensure transparency and methodological soundness for the benefit of market participants, JICs shall make every effort to provide for auditing and to render all stages of the collection and processing of measurements—both census-based and sample-based—replicable by an independent third-party certifier, in addition to ensuring full traceability of the stages of the process for transferring information among the different data sources that make up the overall measurement framework.
3. It is strongly desirable that the entities conducting audience-measurement surveys hold the intellectual-property rights over the strategic assets (software, databases, panels, technologies, algorithms) of the research. To this end, as provided in paragraph 2, they shall exercise control over all components of the data-production chain, with a guiding and steering role, providing for audits of all suppliers at every stage of the process.
4. The measurement shall be periodically reviewed, assessed and scrutinised, in the forms and according to the modalities chosen by the JICs, by independent technical committees acting in a transparent manner and reporting their assessments to the corporate bodies.
5. The review of the measurement infrastructures and of the methodologies adopted by the JICs, within their decision-making autonomy, shall lead to a progressive process of coordination and convergence of the current measurement systems, with a view to

achieving uniform metrics, interoperability of technologies and methodologies, and the sharing of measurement assets, in a system-wide logic and from a market perspective.

6. The measurement and the methodology adopted shall comply with principles of fairness, equal treatment and non-discrimination towards all parties involved, irrespective of the medium or platform whose consumption is being measured. In a convergence perspective, and in light of the imminent cookieless scenario, it is also desirable that JICs adopt shared systems for the management of first-party data.
7. The measurement survey shall ensure the protection of users' data and the management of consent requirements. Controls and checks shall be established to protect users' privacy (including the prevention of new user-identification systems).

Article 2

1. The Authority, through the monitoring of decisions and initiatives taken, shall verify that the entities conducting audience-measurement surveys comply with the provisions of Article 1.
2. Twelve months after publication of this measure, the Authority shall publish a report on the results of the monitoring and on the state of progress of the process for rationalising the systems in the sense set out in the recitals.

This Resolution shall be published on the Authority's website.

Naples, 10 June 2021

THE PRESIDENT
Giacomo Lasorella

THE COMMISSIONER-RAPPORTEUR
Laura Aria

For certification of conformity with the decision taken
THE SECRETARY-GENERAL
Giulietta Gamba