

MEDIA & MARKETING

ADVERTISING | By Stephanie Kang

Couch to Supermarket: Connecting Dots

New Firm Will Match Data From Cable Boxes, Frequent-Shopper Cards

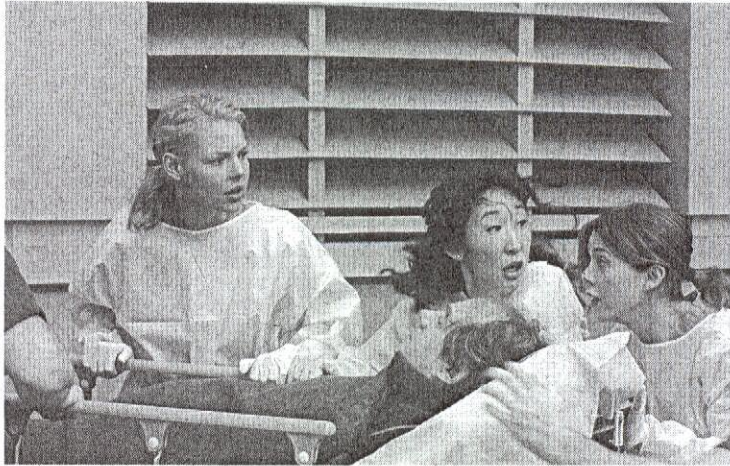
Web marketers can easily tell whether a particular consumer visited a specific site, when she visited, and whether she bought something. But despite a decades-long head start, television advertisers haven't been as successful connecting the shows people watch to the products they buy.

Now a new media research company, **TRA**—for “True ROI Accountability for Media”—is taking another crack at the problem. It merges data from people's cable set-top boxes with consumer-purchase databases, such as the information stores gather from frequent-shopper cards. For instance, a company could see whether households that watched an ad for its toothpaste later bought that brand of toothpaste.

As the Web's ability to target specific consumers races ahead, TV advertisers, who collectively spend about \$70 billion a year in the U.S. alone, are under increasing pressure to demonstrate that their money is well-spent. For years, the industry has searched for ways to better measure the results of ad campaigns. Some services offer estimates of how many people see an ad and are affected by it, but efforts to get more detailed data have been stymied because of the costs of such research, which often includes developing panels and paying households to participate.

TRA is using data from cable boxes to measure second-by-second viewership of TV programs and commercials in 300,000 households in Southern California. The company says it expects to have more than one million households across the country by the end of this year. The company will match that information with data from seven grocery-store chains, with information about more than 12 million households' grocery-store purchases based on frequent-shopper-card data. Those cards track what a consumer buys on each trip, including the brand, specific product, price paid and date and time bought. The information is anonymous—that is, TRA says it doesn't see the identities of the people in the household.

TRA's clients include networks such as **CBS**, media agencies such as **WPP's Group M** and a handful of advertisers. Senior agency executives such as Group M Chief Executive Irwin Gotlieb say they welcome additional media measurements. But it's unclear how many research companies the TV



Marketers hope to get a clearer picture of who is watching shows such as “Grey's Anatomy”—and what those viewers might buy.

ad industry will ultimately support.

TRA is rolling out its service nationwide at the same time that a higher-profile venture tackling the same challenge is reaching a crossroads. For the past several years, **Nielsen** and **Arbitron** have been testing a research service called Project Apollo. The venture merges purchasing data from Nielsen with Arbitron's portable people meters, which track TV-watching and radio-listening habits.

Consumer-goods companies including **Procter & Gamble** and **Johnson & Johnson** have helped fund the project. But people familiar with Project Apollo say the companies that are

keeping the project afloat will decide in the next few weeks whether to continue testing or to scrap the endeavor. At issue is whether advertisers will want to purchase the service, which likely would be very expensive, according to these people.

TRA says its research service is more affordable because it uses existing databases and doesn't rely on individual households to participate in a panel. The company says its approach, merging databases using its unique algorithms, differentiates it from earlier efforts. TRA's technology includes some algorithms developed over ten years at a cost of \$6 million.

TRA says its service will help an advertiser tweak its media buy based on insights gleaned from its data. For instance, an advertiser could find out which networks' viewers are most likely to watch its ad. It could decide to air most of its ads on Thursdays or Fridays, knowing that shopping data show that consumers typically purchase its product on Saturdays.

The service can also merge a company's proprietary research about its customers into TRA's existing databases. The next step, TRA says, will be accumulating more databases from sectors such as autos, consumer electronics and financial services.

While TRA is small, with about 25 employees, it has some big backers, including former TV, cable and ad executives. Its investors include venture-capital firm **Kodiak Venture Partners** and **Kantar**, a research unit of **WPP**.

TRA was conceived two years ago by media-measurement researcher **Bill Harvey** and **Mark Lieberman**, a media executive who has helped oversee publications such as **Variety** and **Broadcasting & Cable** and who in the 1990s founded a video-server company that offered early versions of video on demand. He is TRA's chief executive. Mr. Harvey, TRA's president, has worked in media research for more than 35 years, including stints as the strategy head of the **American Research Bureau**, which later became **Arbitron**. He says he has been pushing for this kind of accountability for decades.

“We're filling a gap in the marketplace,” says Mr. Lieberman.