

iSpot.tv

EVERY SECOND COUNTS



The background of the slide features a teal gradient with a subtle grid pattern. A line chart with white data points and arrows is overlaid on the text. The data points are labeled with values: 3.571, 5.8537, 0.1738, and 7.5739. At the bottom, there is a bar chart with several vertical bars of varying heights.

THE CASE FOR PRECISION IN MODERN
SPORTS MEASUREMENT

Every Second Counts is the first in a new series of insightful, data-driven research reports from iSpot; authored by our Vice President of Sports Insights and Strategy, David Coletti. The series explores the evolution of media and measurement, as impacted by seismic shifts in audience behaviors, the fragmentation of content distribution, changes in how advertising is bought and sold, and the adoption of big data.

The Case for Precision in Modern Sports Measurement

This study examines important dynamics that brands and agencies should consider when buying sports media, and rights holders should consider when packaging inventory and sponsorships. This study uses iSpot data to shed light on potential new applications of modern measurement data and methodologies.

This research aims to help the media ecosystem transact in a more informed manner, particularly around sports, by better understanding the ways viewing patterns are evolving across distribution platforms – all derived from new insights enabled by previously non-existent measurement and data.

Live Sports Has Never Been More Valuable for Advertisers and Rights Holders

Live sports is the most powerful TV content genre for brands to deliver their message to an engaged and growing audience. Accurately measuring that commercial viewership is more critical than ever.

Despite major shifts in overall TV viewership, live sports continues to set ratings records. The Super Bowl, College Football Playoffs, NCAA Women's Basketball Final Four, NBA Playoffs, Thanksgiving NFL, WNBA Finals and a slew of other sporting events have reached audience highs in the past year.

At the same time, sports ad delivery is growing. In fact, iSpot data shows a 12% increase since 2023¹, with more than 900 billion ad impressions generated by sports content in the past year². In that period, sports accounted for 14% of all national linear TV ad impressions. Looking just at Q4 '23, that figure jumps to 19%.

In particular, sports has emerged as an important acquisition driver for direct-to-consumer streaming services. Millions of fans have subscribed to streaming platforms to have access to sports content from a wide variety of leagues and conferences.

Sports continues to attract a large, diverse, upscale and passionate audience, despite massive media fragmentation.

1. iSpot, April 2022 – March 2023

2. iSpot, April 2023 – March 2024

Measuring Live Sports is More Complicated than Ever

Once a mainstay of linear viewership, live sports distribution now occurs across a complex array of platforms. Rights holders telecast games on a mix of linear networks and streaming services. Consider the NFL's Super Bowl, Thursday Night Football, and Netflix's new Christmas Day rights deal as recent examples of this major shift. Understanding the full scope of sports audiences requires sophisticated, cross-platform measurement.

The transactional metric of televised sports has long been Average Commercial Minute Audience (ACM) – the average of all ad minutes that ran in a program. ACM has existed as a proxy for previously unattainable data – Spot-Level Impressions – due to technical and methodological limitations. However, those limitations no longer exist.

Big-data measurement solutions powered by ACR technology have enabled spot-level impressions metrics by allowing for second-by-second measurement – in other words at the sub-minute level. As such, advertisers can know the precise audience delivery of the commercial they paid for.

In the world of live sports programming, precision is everything. The minute-to-minute fluctuations that are unique to sports viewing behavior cause substantial volatility in commercial audience levels over the course of a game – something averages cannot take into account.

Sports programming is consumed in a much different manner than other video content.

Sports Distribution Changes Offer the Chance to Evaluate Transactional Metrics

As sports rapidly heads into an era where content will live across a multitude of platforms -- from traditional broadcast TV to exclusive streaming -- our industry has the unique opportunity to analyze and assess the metrics that the sports TV advertising business is conducted on.

iSpot took a deep dive into commercial impressions data for nationally telecast games in the most-recent regular seasons of the NFL, NBA and MLB to learn about Spot-Level Impressions and Average Commercial Minute Audience.

Now is the time to determine the differences between Spot-Level Impressions and Average Commercial Minute Audience.

We used the following parameters in our exploratory analysis

NFL, NBA, MLB
Leagues

2023-24
Regular Season

**ABC, CBS, ESPN,
ESPN2, FOX, FS1,
NBC, TBS, TNT**
Rights Holders Included

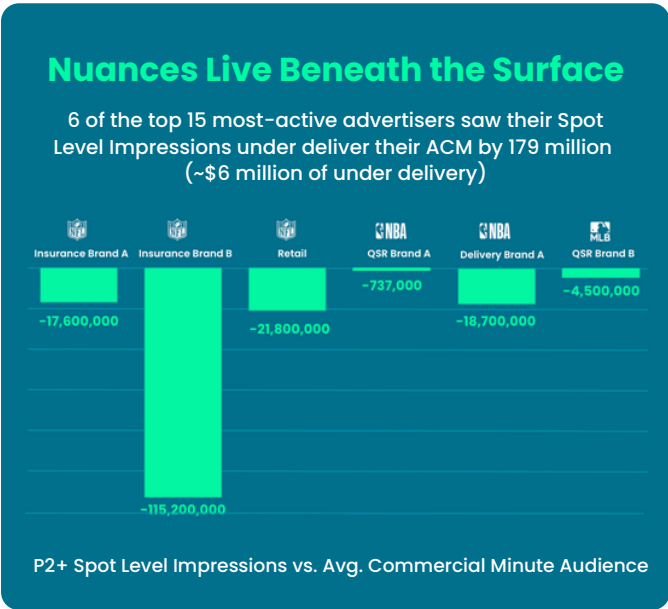
MVPDs, VMVPD
Platforms

Nationally Telecast
Game Windows

Person 2+
Demo

The Hypothesis

To begin, let's presume that if an advertiser were to buy every available ad unit, in every telecast, across every rights holder, for the entirety of a sports season, then their Spot-Level Impressions (SLI) and Average Commercial Minute Audience (ACM) would look largely similar at a high level. Of course, that doesn't reflect the realities of how sports programming is consumed.

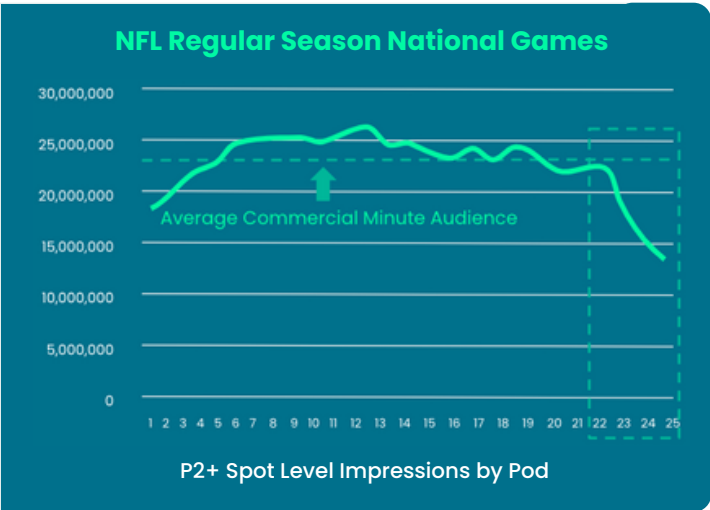


Furthermore, there's a ton of nuance that lives beneath the surface of those high-level telecast averages that warrants unpacking. So to test the hypothesis that SLI and AMA would be the same across all sports programming, we looked at the top 5 most-active advertisers across the NFL, NBA and MLB, and found much volatility. In fact, six of those 15 advertisers saw meaningful under-delivery of their SLI compared to the ACM metric, on which they likely transacted.

Take the second-leading NFL advertiser, which saw 31% of their spots run in pods 22-27 over the course of the season (versus an average of 15%). These pods, running late in the game, are among the least viewed. This advertiser saw a 169 million Spot-Level Impression discrepancy vs. ACM in pods 22-27, which offset a +53 million surplus in pods 1-21.

Given the massive delta between the Spot-Level Impressions and Average Commercial Minute Audience of the NFL's 2nd most active advertiser, we examined the drivers at play.

Pod placement was unequivocally the primary issue driving the difference between spot level impressions and average commercial audience.



We Discovered Six Key Reasons Why Live Sports Viewing Behavior Impacts Ad Delivery

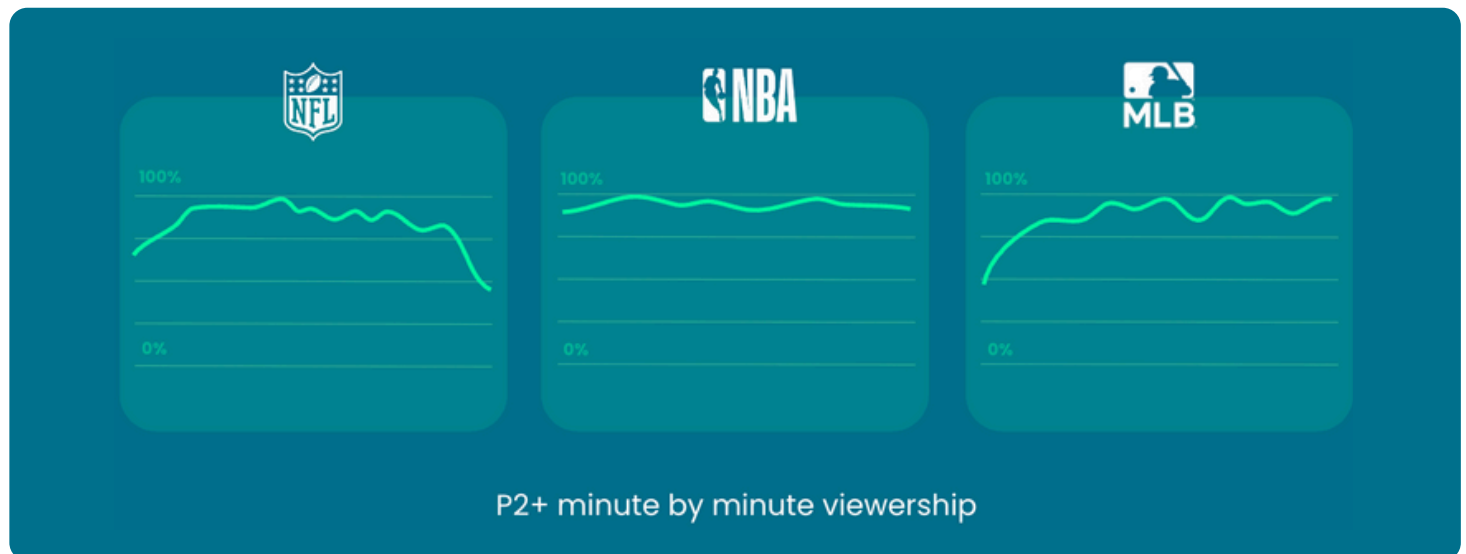


- **Audience Flow:** Minute-by-minute viewer behavior varies from the start of a game until the final whistle. Game competitiveness, injuries, halftime activities, length of game and other elements all play a role.
- **Telecast Circumstances:** The time of day and day of week that a game airs, plus storyline interest, game stakes, fan base sizes and player popularity for the teams involved all affect audience potential.
- **Time Spent Viewing:** Each sport sees varying levels of typical game engagement, which causes viewer “turnover” throughout a broadcast. That dynamic of viewers entering and exiting the telecast impacts ad reach.
- **Viewing Platform:** There are substantial behavioral differences by platform – such as linear set-top box and VMVPD streaming – due to the contrasting levels of ease in switching to other content.
- **Out of Home:** Live sports programming delivers meaningful levels of out of home audience, which adds substantial incremental lift to in-home viewership. OOH has a behavioral pattern distinct from in-home consumption.
- **Advertiser Investment Approach:** An advertiser may run spots at times when they know viewership is typically lower, or higher, than the average minute audience. An example is ad units that run in pods adjacent to in-game sponsorships or features, such as a halftime show..

Everything, Everywhere, All at Once?

Sports viewership is not a straight line; it has peaks and valleys – a “shape”. Spot-Level Impressions best represent that shape.

The Average Commercial Minute metric is a “straight line”. ACM homogenizes all spots into a singular audience number.



Looking at an aggregate of minute-by-minute data reveals how every sport has a typical viewing pattern, and the patterns differ by league. These patterns drive ad delivery, and deviations from these patterns trigger differing ad impression levels.

- **NFL:** The typical game sees audiences ramp up in the early portion of a game, then level off, before declining in the later portion.
- **NBA:** Viewership has a much shorter build, then stays largely consistent throughout a game, with a modest decline late.
- **MLB:** Viewing is low to start and builds steadily throughout the first third of a game. From there viewing stabilizes and remains largely consistent until the end.

Viewers Tend to Flee from Blowouts

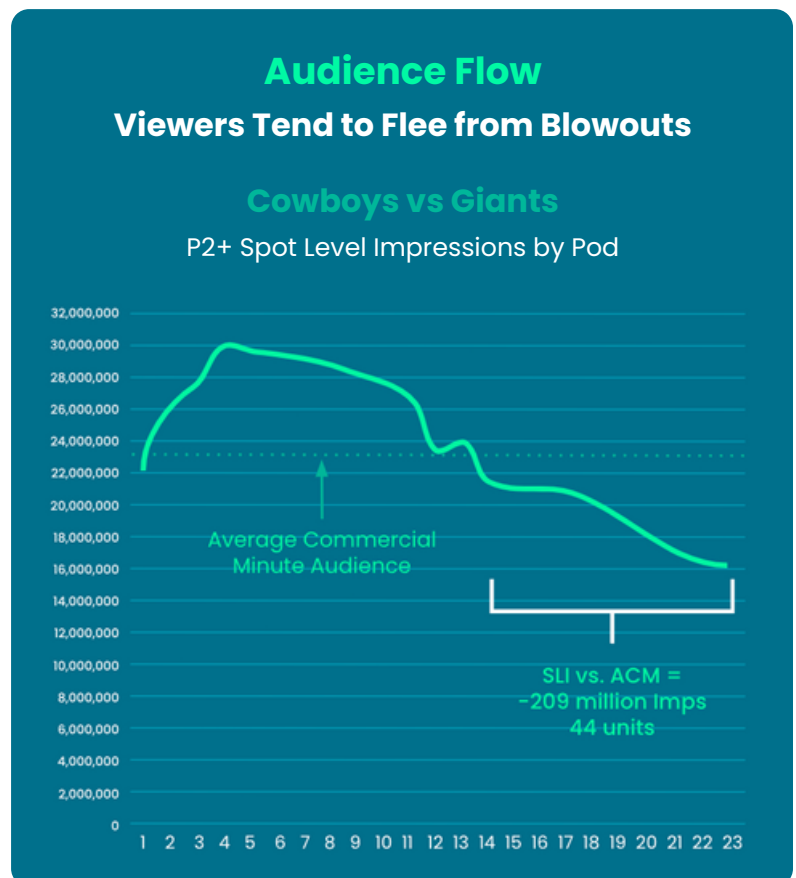
Game competitiveness matters for audience delivery, even when hugely popular teams are playing.

September 10 of this past season, the Dallas Cowboys and the New York Giants matched up on a Sunday night. Dallas is the most-popular team in the NFL, while the Giants are in the top 10. As we'd expect, viewership for the game started very strong, and early ad pods delivered larger than usual audiences.

However, the game turned into a rout and viewing declined. By the end of the 3rd quarter the Cowboys led 33-0 and the audience cratered.

18 brands had ads that ran only from pod 14 through the end of the game – 36% of all game advertisers. Those ads dramatically underperformed the game's Average Commercial Minute Audience.

All ads that ran in pod 14 onward under-delivered the ACM audience by an aggregate 209 million impressions.



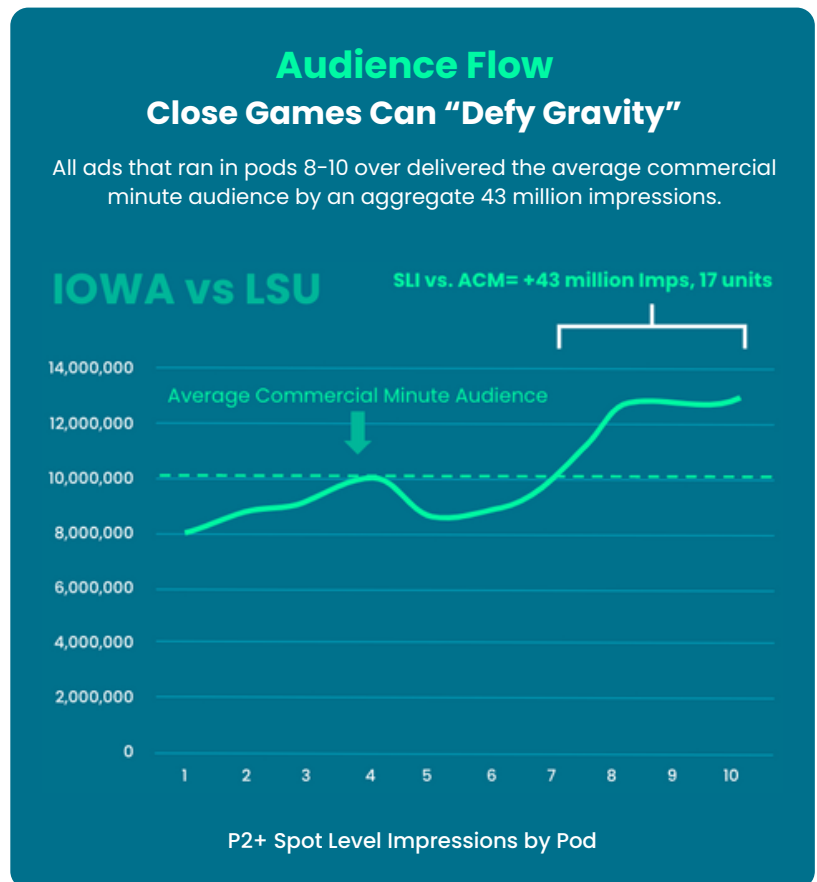
Close Games Can Defy Gravity

Competitive games can upend the norm of losing viewers late in the contest and instead can hold a strong audience longer than usual.

Monday, April 1st, Iowa and LSU squared off in one of the most anticipated women's college basketball matchups ever.

Viewership steadily climbed throughout, aside from the usual dip at halftime, peaking in the game's final minute as viewers flocked to their TV set to see the conclusion.

Advertisers who saw spots run in the last several pods were the beneficiaries of dramatically larger Spot Level Impressions than the game's ACM.



17% of all game advertisers had ads run only in pod 8 through the conclusion

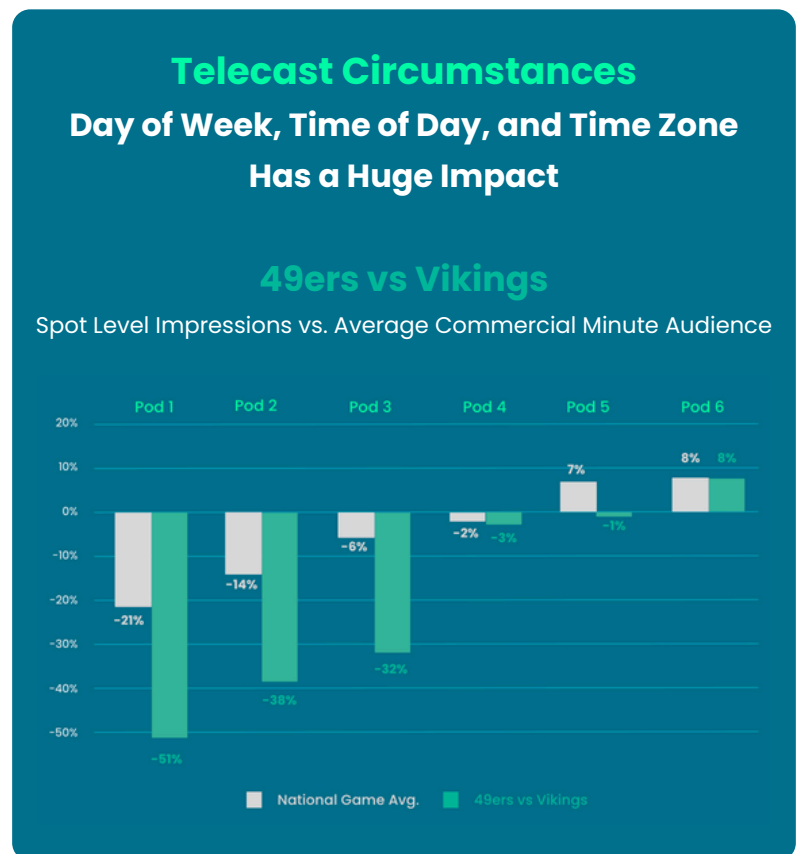
Timing Has a Huge Impact

Rightsholders meticulously schedule games to maximize the available audience. The day and time a game airs are major factors in audience delivery, as is the time zone of the markets that are playing.

In Fall 2023, the 49ers and Vikings played on a Monday night. While kickoff was in primetime in the eastern and central time zones, the game was a weekday late afternoon start on the west coast. That start time created a time zone-driven conflict for many Bay Area-based 49ers fans.

Not surprisingly, the game's viewership started abnormally low. Ads in the first several pods received much smaller than normal audiences. In fact, the game's ACM was dramatically overvalued relative to actual spot delivery in those early pods.

Despite the game featuring two of the more popular NFL teams -- and being close and competitive (the Niners were driving for a potentially winning score with under 1 minute to play) -- the very slow audience start harmed the overall average delivery.



SF-MIN was also a middle of the pack performer for the Monday franchise. In contrast, the 49ers played in 2 of the top 4 most-viewed games on Sunday night last season, when more Bay Area viewers were available for that weekend late afternoon kickoff

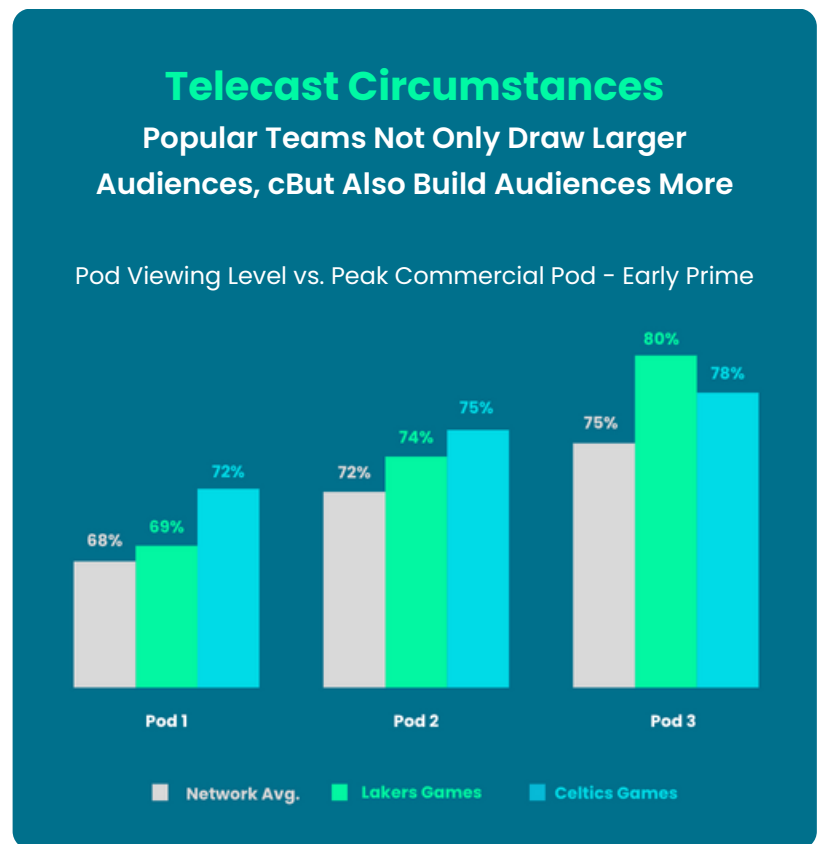
Popular Teams Build Audiences Quicker

It's no surprise that certain teams are more popular than others and thus have bigger fan bases and larger TV viewership. The dynamics of team popularity differ by league. NFL and MLB popularity tends to be more consistent and based on history, while NBA is often more fluid and driven by star players and recent team success.

However, it may be a surprise to learn that the most popular teams often deliver larger audiences earlier in a game. This is likely due to these teams having highly engaged fanbases and playing in high stakes matchups.

The L.A. Lakers and Boston Celtics are two of the most popular, and most viewed, NBA teams. Not only does this lead to an expected larger viewership overall, but it also leads to a larger commercial audience from the early stages of each game. That dynamic runs counter to typical NBA viewing patterns and benefits brands who see their ads run in early game pods.

Pods 1, 2 and 3 of the typical Early Prime game deliver impressions that are 68%, 72% and 75% of the most-viewed commercial pod in the average game, respectively. However, Lakers and Celtics games see their 1st, 2nd and 3rd pods out-deliver that average.



Since advertisers can't choose the games in their league investment, they must be conscious of delivery differences between more and less popular teams for planning and forecasting purposes.

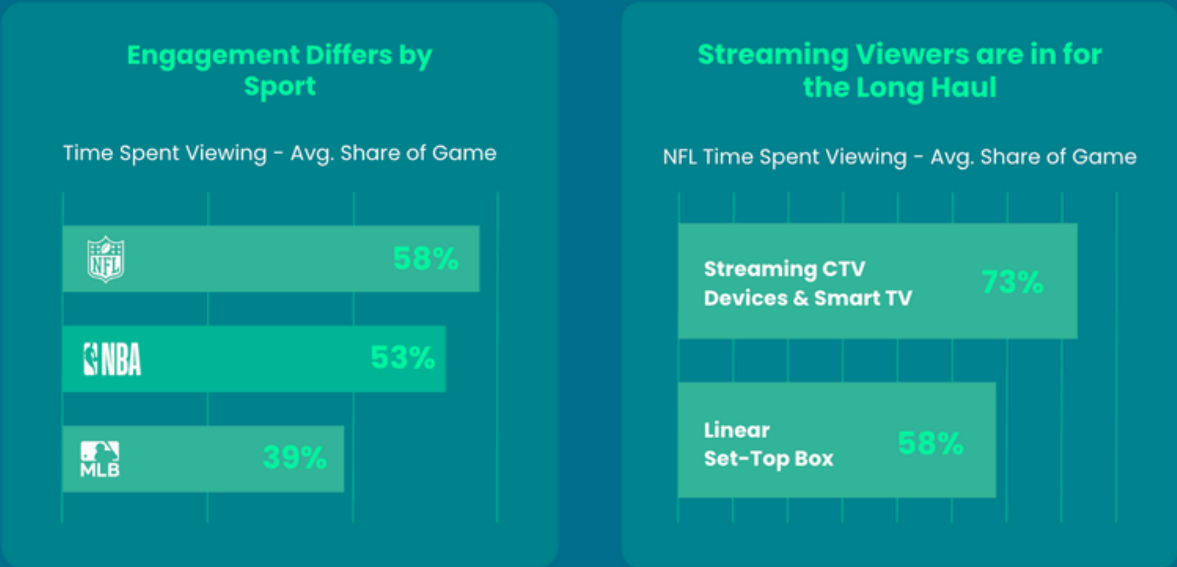
Streaming Viewers Are in for the Long Haul

Few fans tune in right at the start of a game and stay tuned in until its conclusion. Every sport exhibits differing patterns of Time Spent Viewing and “audience turnover” during a game. In fact, there is a tremendous amount of viewer churn throughout a telecast. This tumultuous pattern impacts ad reach and frequency.

For example, viewers watch 58% of NFL game minutes on average. The typical NFL game lasted 3 hours, 12 minutes last season, which means viewers spent roughly 111 minutes with each telecast they watched.

Based on differing Time Spent Viewing patterns across sports, advertisers should take a data-driven approach to determine the volume of ad placement per game and align that with a desired reach and frequency.

Time Spent Viewing & Viewing Platform



The time that viewers spend with a game varies greatly depending on the platform they're watching on. This difference also impacts the amount of ad consumption that occurs. Time Spent Viewing for games on streaming platforms is substantially longer than on linear platforms. A major driver is navigational factors – it is simply more difficult for a viewer to exit and re-enter a streaming app experience than it is to flip channels on a set-top box.

Recent data proves this out. According to data released publicly for certain NFL games on streaming platforms, viewers consumed 73% of minutes. That is meaningfully more Time Spent Viewing than the average 58% of minutes consumed largely via linear TV set-top boxes.

The migration of live sporting events from linear to streaming is altering viewing behavior. Both advertisers and rights holders must be keenly aware of these changes.

Out of Home Behavior Cannot Be Overlooked

Out of Home viewing is vitally important to measure for live sports. Out of Home adds meaningful incrementality to in-home audiences.

OOH viewing patterns differ from in-home behavior, and they differ by day and time. It is important to take those patterns into account when forecasting the OOH impact on ad delivery.

Weeknight Prime Time games often see “frontloaded” OOH viewership, with audiences decreasing later in the evening. In the case of a 10/23/23 49ers-Vikings game specifically, a 5pm PT kickoff led many Bay Area fans to leave work and find OOH locations to watch.

Weekend afternoon games typically see more consistent OOH viewing from start to finish. A 10/7/23 Texas Longhorns-Oklahoma Sooners game that was decided in the final 15 seconds delivered viewership that added an incremental +23% to the in-home audience.

Out of Home

Critical to Measure, Exhibits Different Behavior than -Home & by Day/Time

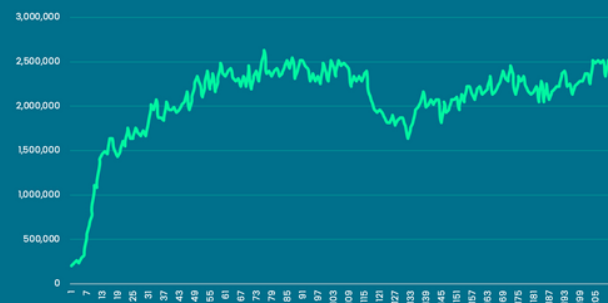
49ers vs Vikings

Monday 10/23/23, 5pm PT



Texas vs Oklahoma

Saturday 10/07/23, 12pm ET



P2+ minute by minute viewership

The Implications for Advertisers, Rights Holders, and Leagues



Our findings prove that averages don't always tell the whole story when it comes to effectively and accurately measuring live sports viewership. More so, there are a defined set of scalable and evergreen circumstances that lend themselves to more accurate measurement through spot level impressions rather than average level.

Advertisers and rights holders must be conscious of these viewing dynamics in order to best plan, forecast and optimize campaigns, track promo delivery, manage inventory and establish reasonable guarantees. Measuring on the spot level enables advertisers to get exactly what they paid for and enables rights holders to more precisely monetize their inventory.

Want to learn more?

To schedule a meeting with the iSpot team, or request a presentation of this material at your brand, agency, league, or media company,

Connect with us at ispot.tv/contact-us

About the Author

David Coletti is the Vice President of Sports Research & Insights at iSpot, where he spearheads advancement in sports measurement capabilities. With over two decades of related experience at Disney/ESPN, Mr. Coletti is a distinguished figure in the media research community. As Vice President of Research and Insights at Disney, he established the Media Distribution Insights group to improve negotiation strategies with distributors. At ESPN, he was instrumental in incorporating streaming audiences into viewership metrics and helped establish the ESPN+ consumer research unit. His expertise in storytelling and delivering actionable insights make him a pivotal figure in sports media innovation.



About iSpot.tv

iSpot helps advertisers drive ad effectiveness with unified TV and video measurement, from creative to audience to outcomes. Our fast, accurate and actionable measurement solutions enable advertisers to assess creative effectiveness, improve media plans and drive business outcomes from TV and streaming advertising. Only iSpot is purpose-built to measure the performance of every ad on TV with digital-like precision and granularity.

iSpot helps advertisers drive ad effectiveness with unified TV and video measurement, from creative to audience to outcomes. Our fast, accurate and actionable measurement solutions enable advertisers to assess creative effectiveness, improve media plans and drive business outcomes from TV and streaming advertising. Only iSpot is purpose-built to measure the performance of every ad on TV with digital-like precision and granularity.