



# BBO HOME INCLUSION AND IMPRESSION-BASED BUYING: WHAT YOU NEED TO KNOW

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## BBO HOME INCLUSION AND IMPRESSION-BASED BUYING: WHAT YOU NEED TO KNOW

As our media landscape continues to expand and evolve, measurement is becoming increasingly more complicated and local video viewership is no exception. Nielsen's latest change to the space is the inclusion of Broadband-Only (BBO) homes in the largest markets across the US. In this document we share details about this shift, the impact it's having on local TV markets, and what you should consider in your local TV plans.



### BBO homes now included in LPM and Set Meter markets

As of January 2022, Nielsen is now accounting for all BBO homes in the data they provide for all 56 Local People Meter (LPM) and Set Meter markets.

- ▶ According to Nielsen, As of January 2022, BBO homes represent an average of 28% of local TV homes across the US, with some individual markets as high as 36%.
- ▶ Including BBO homes in their reporting gives a more complete view of local TV viewership.

### Impressions have replaced GRPs as the primary data reported by Nielsen

- ▶ Impressions are a more precise and accurate measure of viewership as they account for all viewers as opposed to GRPs which typically round to a tenth or hundredth of a point leaving out a small portion of the audience.
- ▶ By transacting on impressions and CPMs it's easier to incorporate into non-traditional media formats for an overall idea of reach and impact.

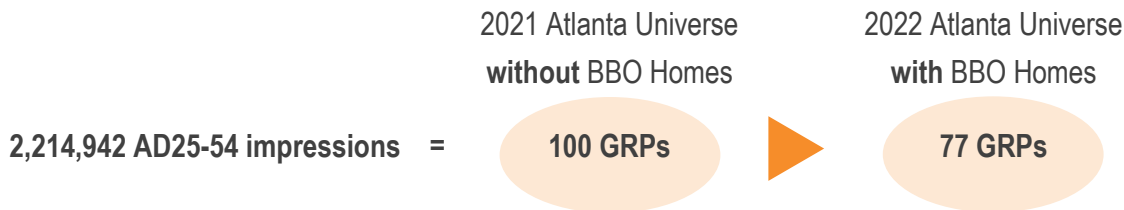
Active joins many publishers and agencies in advocating for the move to impression-based buying, knowing that content is increasingly displayed across screens and formats.

### Ratings decrease as more TV homes added to market universe

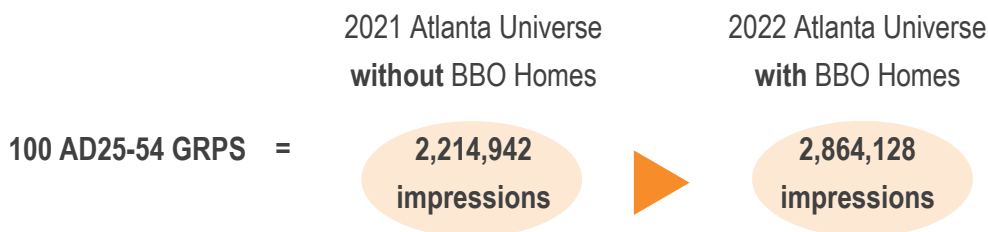
- ▶ GRPs (or ratings) express the percentage of an audience based on its universe.
- ▶ In the case of local TV, adding BBO homes increases each market's universe size.
- ▶ If the viewership (impressions) remains consistent, they now represent a smaller percentage of the measured market resulting in a decrease in GRPs.
- ▶ This impact varies by market and station.

## Atlanta: An Example

Using the Atlanta market as an example, if you were tasked to buy 2.2 million impressions (give or take) against AD25-54 in 2021, due to the smaller universe size, your buy would amount to 100 GRPs. However, because of the larger universe in 2022, purchasing the same number of impressions would only equate to 77 GRPs.



Looking at this example another way, if you were to buy 100 AD25-54 GRPs in 2021, before BBO viewership was included, your commercials would have accumulated just over 2.2 million impressions in the demo. However, with the addition of BBO only homes in 2022, the number of 25–54 year-olds in Atlanta have increased roughly 30%, bringing your impression count to nearly 2.9 million for those same 100 GRPs.



## Impact on CPPs and CPMs

- ▶ As ratings decrease, CPPs are increasing as it now generally takes more inventory than it did before BBO inclusion to fulfill the same amount of GRPs.
- ▶ CPMs may increase or decrease due to market demand but are generally not impacted by the BBO inclusion as the impressions still exist within the market.

## Capturing BBO Viewership

Many of those “lost” GRPs can be found through CTV which now accounts for viewership in BBO homes that hadn’t previously been measured. If a brand is looking to maintain similar GRP levels to those that were planned prior to BBO inclusion, CTV can and should be included along with the historical broadcast and cable stations in the market. If CTV is not being incorporated in the plan for some reason, then a consideration should be made to adjust the GRP levels to be equivalent to the impression delivery among the portion of the audience outside the BBO homes.

## Planning Considerations

Regardless of whether you're building your plans by starting with GRPs or impressions, the inclusion of new BBO homes into the market universes requires a benchmark review.

- ▶ Assess the impact this change has on ratings and impressions in your markets
- ▶ Gain consensus on pricing expectations to account for any changes in CPP/CPM
- ▶ Explore the inclusion of CTV along with linear channels to maintain historical GRP levels

Considering CTV in a TV plan is a good idea regardless of the plan benchmarks as viewership continues to grow and complement linear to build incremental reach.

## Questions? Ask us!

Our team of local media professionals is ready to help you navigate these changes to build efficient and effective plans. We look forward to hearing from you!