

**GARB**

Audience  
Measurement  
Bulgaria

**GARB AUDIENCE MEASUREMENT BULGARIA**

# **GARB Audience Measurement Bulgaria**



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# Media Landscape Key Facts

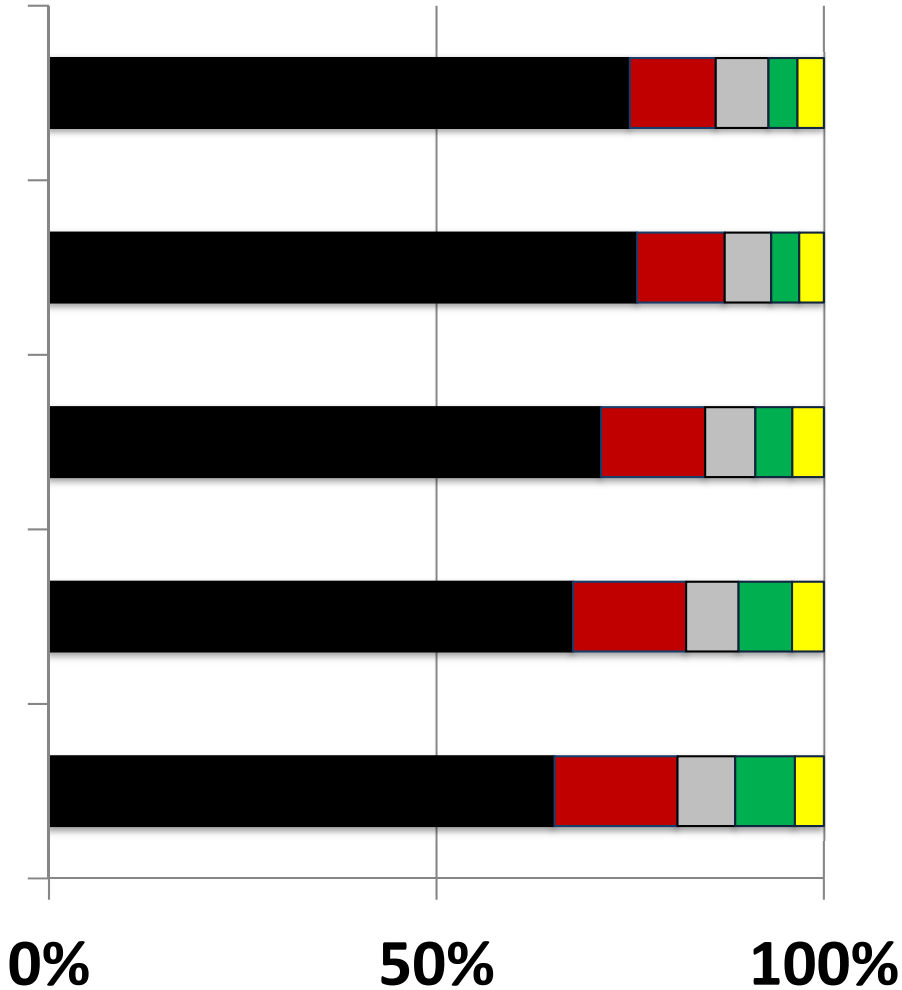


# Ad Spending Breakdown per Type of Media

✓ TV is leading the industry both by market share and ad spends.



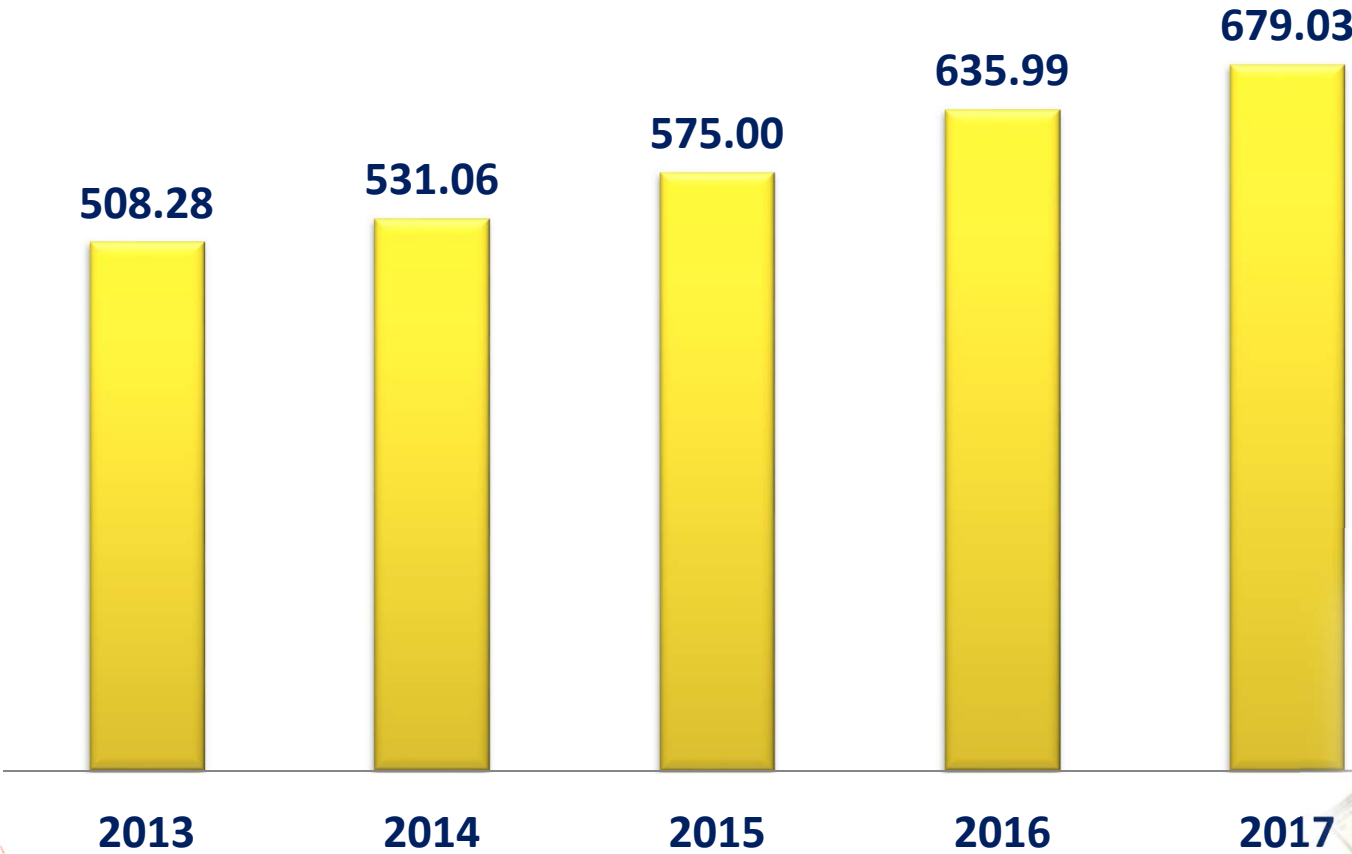
2017  
2016  
2015  
2014  
2013



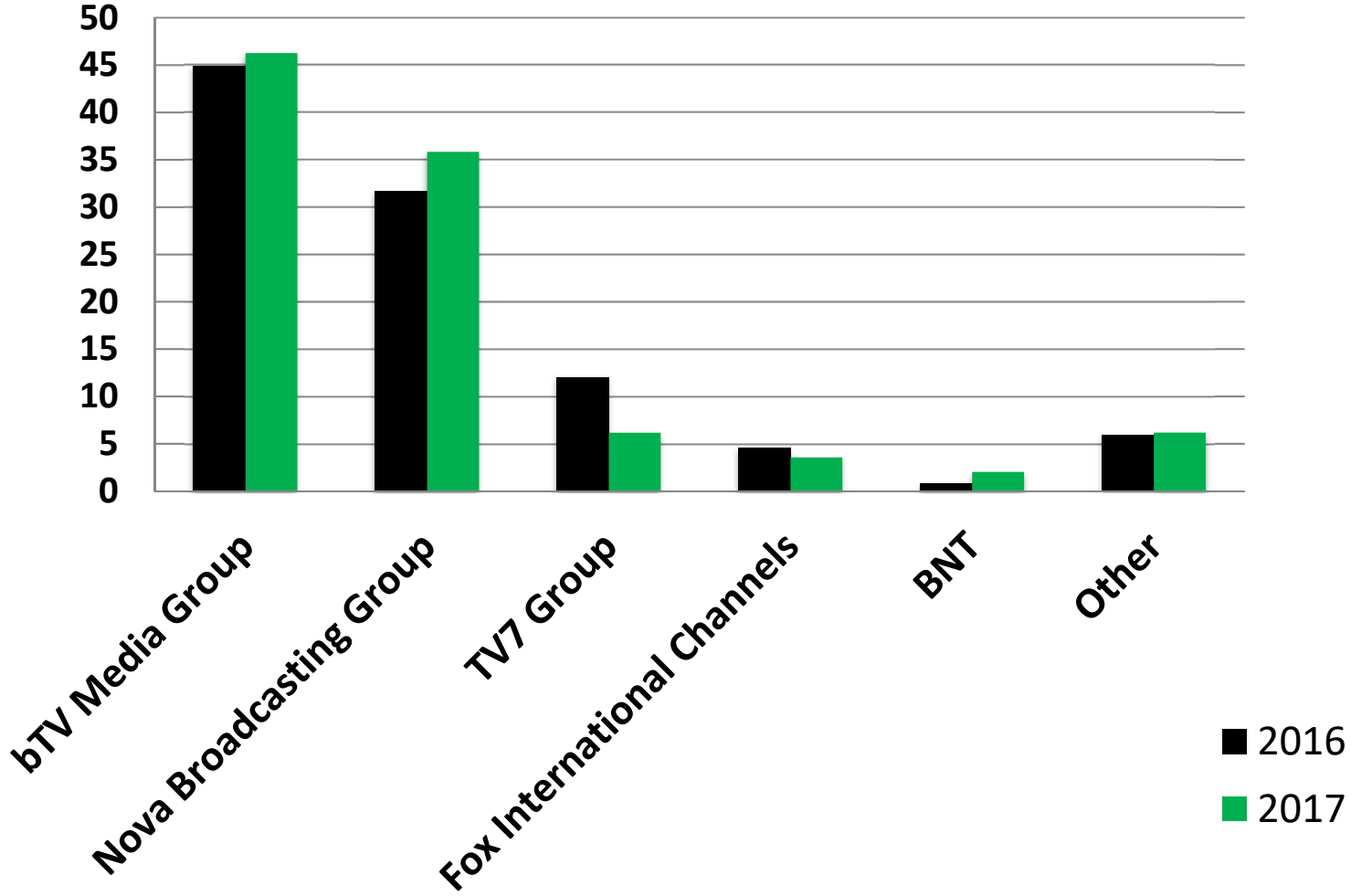
■ TV  
■ Press

# Total Revenue of the Advertising Market in Bulgaria

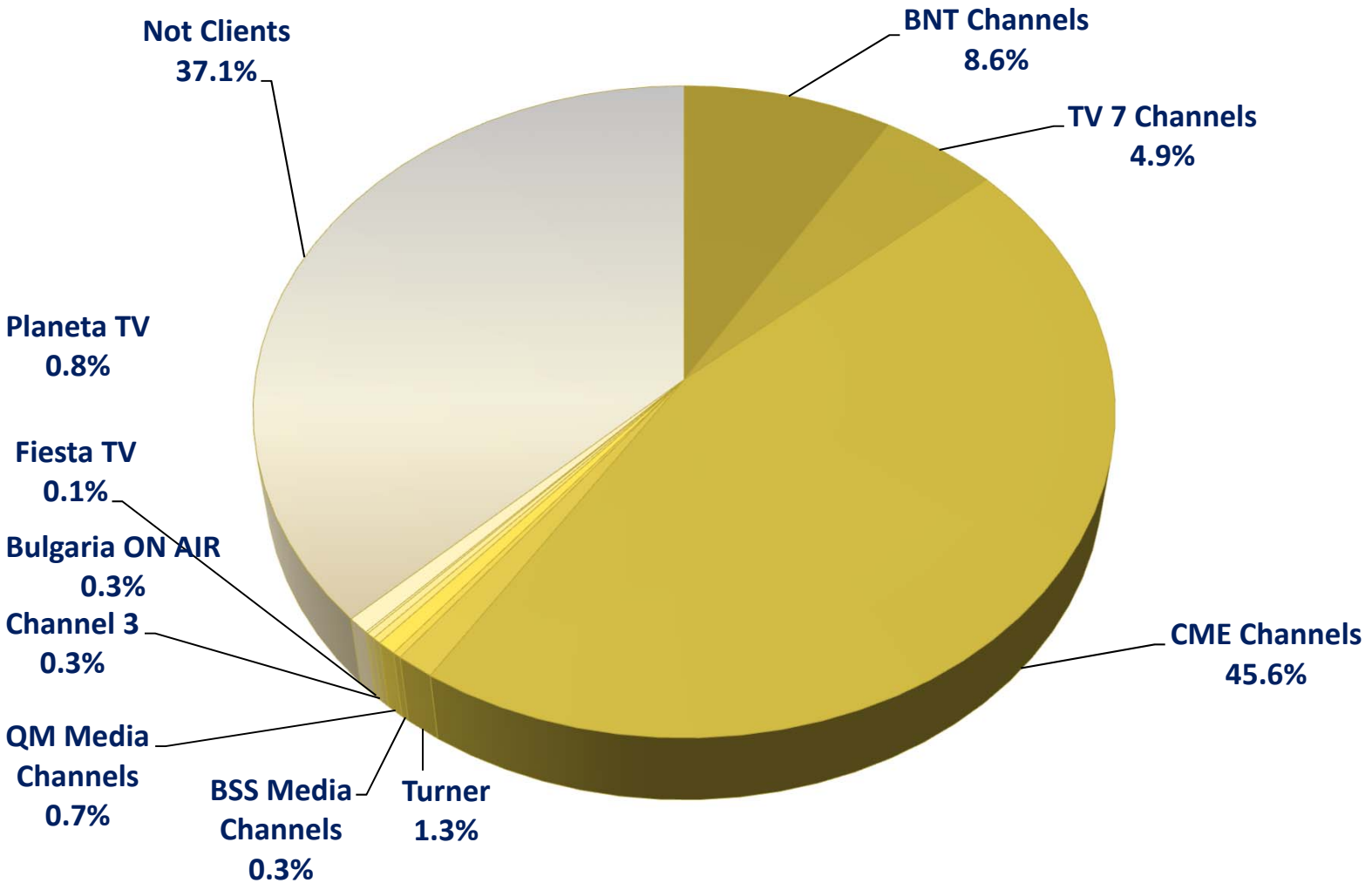
## Total Ad Spending in Euros



# TV Ad Spending Breakdown by Media Groups



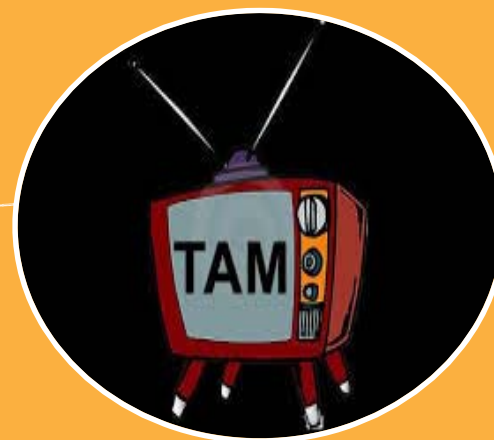
# GARB Clients' Market Share in 2017



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# Key Parameters of GARB TV Audience Measurement System



# Television Audience Measurement Panel

- **As of today, GARB's gross panel size is 1045 HHs, representing the entire Bulgarian population aged 4+ living in a HH with at least one TV set.**
- **The panel is structured based on household and individual criteria defined and approved by the Technical Committee of the overseeing body set by the industry: UCPDTA (Users Committee).**
- **The criteria used are: type of settlement, household membership, gender and age of the individuals and type of TV signal received, based on the nationally representative ES.**
- **All changes in the panel, including the control and update of the panel structure are always coordinated and approved by the Technical Committee of the UCPDTA.**
  - In the beginning of each month GARB provides the current structure of the panel to the TC of the UC
  - Even the annual rotation of the panel is completely pursuant to the requirements and recommendations of the TC of the UC, including the rotation size and criteria



# Services Provided by GARB

- **GARB provides to its clients the following services:**

- ⇒ Rating data for over 45 individual TV channels - The number of reported channels does not have any technical or other limitation but is based purely on active contractual obligations.
- ⇒ Program monitoring for 35 TV channels.
- ⇒ Advertising monitoring for 33 TV channels.
- ⇒ Radio, Press and Magazines Audience Data.

- **GARB Audience Measurement Bulgaria provides licensed software platform for rating, ad monitoring and program monitoring data visualization and analysis.**

- **GARB personnel also provides full support to all clients, including software installation and training, as well as level 1 customer service.**

- ⇒ Historic rating, ad monitoring and program monitoring data is provided for more than 10 years.
- ⇒ All GARB clients use the software visualization platform (MMW5 currently licensed by MarkData) completely free of charge as this is the business model in Bulgaria since TAM services were first introduced.

# Services Provided by GARB

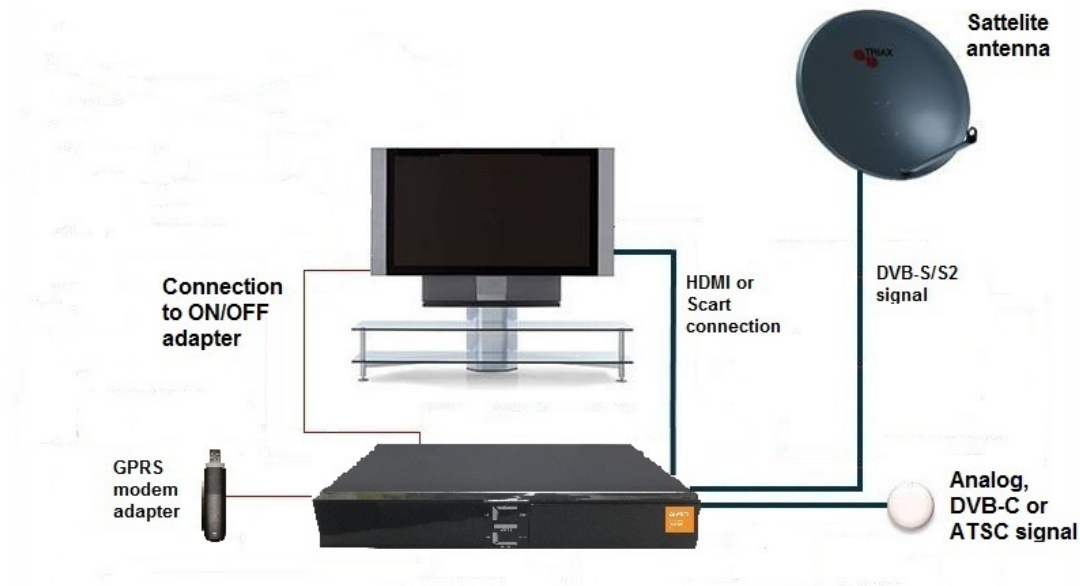
- **The services GARB offers to its clients are a wide range of quantitative and qualitative analysis of all media consumption in Bulgaria as well as ad investment planning and ROI analysis.**
- **Starting in 2012 GARB also offers data for radio and print audiences based on a survey representative on national level.**
- **GARB customers are all industry shareholders including most of the leading media agencies, advertisers, all major TV groups with the exception of Nova (who has a package sales agreement with FIC, Discovery and Disney), publishers and many others.**
- **In the past 3 years GARB successfully fulfilled its obligations on more than 120 contracts with various customers.**

# Peplemetric Devices Installed in GARB's Panel

- **GARB's proprietary hardware technology allows precise measurement of each channel watched in a household, at 1 second intervals.**
- **The peplemetric technology utilized by GARB allows for the following:**
  - ⇒ automatic channel recognition for all TV channels received in the households in the panel.
  - ⇒ measurement of all types of TV signal received in the panel member households.
  - ⇒ logging of up to 16 people per household: members and guests. Guest login becomes valid after input of basic demography: gender and age, and this information is available together with the viewing data.
  - ⇒ measurement of all TV sets in a household.
  - ⇒ measurement of all activities on the TV set, such as the use of gaming consoles, DVD players, etc., and the exclusion of such activities from the TV rating data.
  - ⇒ automated data quality control system.

# Peplemetric Devices Installed in GARB's Panel

- **TV consumption is measured automatically with devices attached to each and every TV set in the panel member households.**
  - ⇒ The rating data are saved on the device internal memory and collected and processed by a dedicated server each night between the hours of 2am to 6am.
  - ⇒ Data are further processed (validated and weighted by the system) based on 30 seconds intervals of the TV day.
  - ⇒ Data are automatically updated and become available to all clients at 9.30am on the next day.



## Final Conclusions of CESP's Audit (Nov. 2013)

- **GARB's TAM system is the only system operating on the Bulgarian market that has been fully audited and accredited by an independent auditor.**
- **The audit was initiated, procured, and paid for, by the entire media industry in 2013. The audit was completed by the leading auditor in the world, CESP and was the most comprehensive in terms of elements of the system being audited.**
- **The CESP auditors are also the ones creating and maintaining the comprehensive set peoplemetric standards adhered to around the world: GGTAM.**

# Final Conclusions of CESP's Audit (Nov. 2013)

- According to CESP auditors data provided by GARB is reliable and representative

**because:**

- ⇒ The panel is balanced with respect to the individual parameters gender and age for all members aged 4+ (~2500 individuals) living in the panel households.
- ⇒ The sample is well balanced with respect to the annual Establishment Survey and all individual weight coefficients are in the optimal ranges.
- ⇒ The sample is well balanced with respect to the deficient target groups: people of most active age (18-49) and children (4-17).
- ⇒ GARB utilizes technology, software and measuring devices as components of an integrated automated system, in which the human factor is set to a minimum.
- ⇒ All TV sets in all households have peplemetric devices installed for a total of close to 1400 installed devices measuring the viewing of more than 2400 people.
- ⇒ GARB's devices (TCDB v.1.0) are the only devices that passed field measurement stress tests and the success rate was 100%.
- ⇒ All definitions of TV audience viewership are correct with respect to the international standards.

# Final Conclusions of CESP's Audit (Nov. 2013)

- **GARB key personnel obtained the highest scores for the maintenance of the panel**

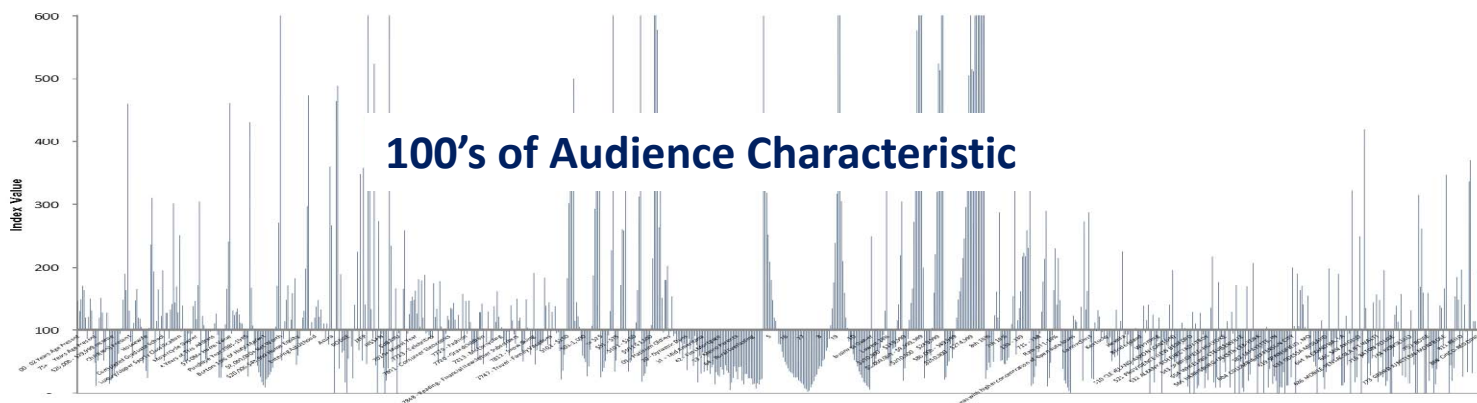
**including:**

- ⇒ Availability of technical equipment and peplemeters in each panel member household.
- ⇒ Servicing and maintenance of the peplemeters
- ⇒ Training of the household members in working with the installed equipment.
- ⇒ Control over the correct behavior of the panel members.
- ⇒ Parallel checks of the TV viewership.
- ⇒ Update of the socio-economic characteristics of the panel members.
- ⇒ Adhering to the confidentiality procedures.

# Final Conclusions of CESP's Audit (Nov. 2013)

## ○ Data provided by GARB are:

- ⇒ Final, based on 30 seconds intervals.
- ⇒ Daily, published every day by 9.30am on all days of the year, including weekends and national holidays.
- ⇒ Validated by the system, with audited results of the implemented validation procedures for data quality.
- ⇒ Formatted for compatibility for all software platforms, such as Techedge, Xpert, etc.
- ⇒ Accessible: available after update to every registered staff member of the customers.





# Key Outlines of GARB TAM System

- ✓ **GARBs operations are transparent and controlled by the Technical Committee of the Users Committee affirming coordination of all parameters and changes with all major industry shareholders.**
- ✓ **GARB is the company on the Bulgarian market that is fully compliant with all of the internationally accepted standards for audience measurement.**
- ✓ **GARB is ISO 9001, ISO 27001, ISO 20252, and ISO 26362 certified, a guarantee of the quality and security of the services provided.**
- ✓ **This is proved by the final report of the independent auditors from CESP and paid for the entire industry.**
- ✓ **Data provided by GARB is the official currency of the Bulgarian market.**

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# Brief Overview of GARB History and Background



# Timeline and History of GARB

- ✓ In 2005 Telecontrol entered the market by invitation by Nova TV as a second provider to the existing TAM provider TV Plan.
- ✓ From 2006 Nova TV began to work exclusively with data provided by GfK/Telecontrol under the name GfK Audience Research Bulgaria JSC.
- ✓ In 2010 GfK decided to exit the market and sold all shares to the management.
- ✓ Consequently the company started operating under the name GARB Audience Research Bulgaria JSC and under licensing contracts from GfK.
- ✓ In 2011 the TAM market was consolidated through TNS Bulgaria buyout from GARB.
- ✓ As part of the TV Plan deal, the ad monitoring services were kept as part of GARB's portfolio of services with a TV Plan spin-off company as a supplier of this service.

# Timeline and History of GARB

- ✓ Also in 2011 the annual ES demonstrated the drastic increase of DTV penetration on the market.
- ✓ Following the results from the ES in 2011 GARB Management entered negotiations with GfK as a possible alternative source of digital measurement technology. The negotiations were unsuccessful due to the prohibitive cost and licensing fees offered by GfK, combined with the fact that the technology offered by GfK was not backward compatible with the technology already implemented in the panel.
- ✓ Thus a long term strategy to invest in the development of new digital measurement technology and device was outlined and implemented.
- ✓ In 2011, we successfully tested our new device, TCDB v1.0, based on our knowhow and developed together with a Bulgarian technology partner. The hardware platform of TCDB v.1.0 was based on a modified set top box (STB).

# Timeline and History of GARB

- ✓ In 2011/2012 we also started developing a panel management software to ensure compatibility with the new measurement technology.
- ✓ In 2011 GARB discontinued its use of GfK reporting tool and introduced the locally developed tool Reporter5 .
- ✓ In 2012 a final attempt at renegotiating the licensing terms with GfK was made in a meeting with their CEO, however an agreement could not be reached. Thus a financial settlement was reached, as part of which it was agreed that by the end of 2013 all GfK licensing agreements will be gradually phased out.
- ✓ In 2012 we began to invest in the development of innovative admonitoring technology, based in parts of the previous scientific research made by us.

# Timeline and History of GARB

- ✓ In 2011 GARB requested an independent audit to be procured by the TAM overseeing and governing body, the Users Committee (UCPDTA). The industry/UCPDTA agreed on the audit and procured CESP as independent auditor.
- ✓ In 2013/14 the Audit of GARB TAM system and panel was successfully completed by CESP, and in November 2013 the results were presented to the entire industry. During his presentation, Mr. Hugues Chavenon rated GARB as one of the top companies audited by CESP in the last 10 years, and in the report CESP stated that “the satisfactory level of the panel performance is among the top levels observed in Europe”.
- ✓ By June 2014 all recommendations by CESP were implemented by GARB in close cooperation and after a final review and approval by all bodies of the Users Committee (Technical Committee and the Board of Directors).

# Timeline and History of GARB

- ✓ In April 2014 GARB officially began using its own AdMonitor software platform, providing the industry with a significant technology innovation.
- ✓ In late 2014 GARB was restructured and is now wholly owned by its equal shareholders, Ms. Iva Gamari, who is also the CEO of the company, and Dr. Vesselin Shaoulov as a Chairman of the Board.
- ✓ In 2015 GARB made a strategic decision to phase out the use of the locally developed analysis tool used for legacy reasons, and began using one of the major software platforms, Techedge, that is also used on more than 50 other international markets. The decision was made with the long term goal of expanding GARB's services beyond Bulgaria.
- ✓ In 2015 GARB's proprietary cloud based AdSpot analysis platform was introduced to the market with great success, providing a complex analytics and metrics combining data from Admonitoring and ratings into a simplified visual interfaces.

# GARB International Experience and Alliances

- ✓ From 2012 until the end of 2013 GARB provided expertise and consulting services in establishing and building a fully operational panel of 300 households in Mexico City.
- ✓ GARB formed a strategic alliance with companies and consultants in the US, Russia and elsewhere to transfer its experience and expertise in Audience Measurement to develop proprietary algorithms and software and hardware platforms. Additionally, the alliance was broadened to include a major hardware manufacturing facility in China, with extensive experience in developing TV related hardware.
- ✓ In 2016 GARB, as a result of deepening collaboration on the international service providers, gained the exclusive rights to offer MarkData MMW5 and other solutions, thus further expanding its portfolio of services offered to the market.
- ✓ In 2016 GARB signed a two year contract with the Bulgarian National Television, after winning the only official tender in the industry, and thus further solidifying the position of its ratings as official currency of the Bulgarian market.



# GARB Technology Benefits

- ✓ **GARB hardware (peplemeters) is possibly the most cutting edge on the market, even surpassing the hardware developed by some of the major players, such as GfK. One of the most important benefits of GARB's peplemeter is that it can be simply sent to a household by mail, where it only needs to be plugged to the TV set, and connected to the internet via a supplied USB GPRS/3G adapter. Once installed it can be fully configured remotely. This is exceptionally valuable feature on markets with strong local customs, such as the Arab countries, where the presence of a technician in the HH is impossible for religious reasons.**
- ✓ **GARB's proprietary Admonitoring platform is one of the most advanced on the market and allows for near-real time monitoring of any number of channels for content, etc. Furthermore this platform can be expanded to monitor any video stream for content.**
- ✓ **The Adspot platform developed by GARB is without major analog as it combines ratings and monitoring data in a simplified interface, something that created extremely positive feedback from the major advertisers operating on international level.**

# GARB Technology Benefits

- ✓ **GARB has also developed advanced semantic engines allowing the parsing and analytics of any sources available in electronic format. The platform can furthermore detect opinion formation trends to such a granular level where it can for example pinpoint the exact comment in a forum that sets the mood for the entire article and comments. It can measure the influence level on a topic or a broad range of topics and connect the advertisers to the most important trendsetters and opinion makers. The intellectual property and the platform are proprietary to GARB and as such can be fully customized to the desired use case and needs to our customers.**
- ✓ **The hardware platform developed by GARB also has the unique feature that it can be used to research and measure opinion in near-real time. Thus we can easily use our hardware and know how not only for TV audience measuring services, but for any kind of sociology studies, to measure public opinion on any topic and push any question we desire to the panelists. For example we can ask the panelists what they think on a topic that is discussed in a political debate, their opinion of a movie or a product they view, etc.**

# GARB Vision for the Future

- ✓ In 2015 Data Ocean Ltd., a spin-off company was created to consolidate all GARB's proprietary platforms, and started offering all products under the brand Media Tech. This was done to completely decouple the further development of the technology business for the international markets from the ratings provided on the Bulgarian market.
- ✓ Through the unique set of proprietary technologies we have created over the years, we believe that in future they can blend in an all-around service including measuring any sort of opinions, ranging from the basic TAM services, through marketing and political research and into any other desired use case. Furthermore, the data obtained from these studies can be tremendously enhanced by the data obtained from the semantic engines analyzing data from multitude of sources, such as online news agencies, forums, social networks, etc.

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# Thank You

