

## **IAB Europe Position on the Draft Proposal for a European Media Freedom Act**

IAB Europe has a diverse membership that comprises of a variety of digital marketing and advertising companies, including media publishers and independent third-party measurement firms. We take note of the European Commission's proposal on establishing a common framework for media services in the internal market ('European Media Freedom Act') and appreciate the opportunity to share our views on provisions that focus on audience measurement, namely article 23.

### Context

Media independence and pluralism are key pillars of European democracies. Since media publishers have been experiencing a radical digital transformation, the ability of publishers to monetise their content via advertising is essential to preserve their independence and ensure a diverse media landscape. Digital advertising is key to achieving this.

Media publishers have significantly invested to measure their audience and ensure transparent pricing of their advertising services. These audience measurement systems enable publishers to monitor, enhance, and innovate their advertising services and ultimately serve new advertisers online. These tools are also crucial for European brands that need to assess how their advertising efforts help them sell their products and services to new customers, seize new opportunities and for growth.

Since not all publishers and advertisers have audience measurement capabilities or tools in-house, they are working with a wide range of research organisations and companies of various sizes to benefit from innovative and optimised measurement systems. This has led to the emergence of a vibrant and diverse audience measurement market in Europe.

### Recommendations

IAB Europe supports the principle-based approach to audience measurement (Article 23(1)). The implementation of these principles will be an important step towards increased transparency and objectivity of audience measurement systems. This could lead to a fairer allocation of advertising revenues across the media ecosystem if done correctly.

However, we urge policymakers to take into account the following aspects when considering proposals to regulate audience measurement:

## 1. Respect Self-Regulatory Initiatives

Today, well-established measurement frameworks, such as Joint Industry Committees (JICs), already exist in many member states. These are widely used and often based on self-regulation among media publishers, advertising agencies and independent audience measurement providers, including in some member states, national IAB member organisations. This cooperation between industries has become essential and played a major role in improving audience measurement systems. Therefore, the co-legislators should avoid unnecessary measures which would negatively impact these national frameworks that are specific to the needs at a national level. These frameworks are not easily replicated by formal regulation and inherently more flexible.

IAB Europe has been at the forefront of developing industry initiatives for the EU market. Together with partners, we established a [Digital Advertising Effectiveness Measurement Framework](#) launched in 2020. This is a tangible example of our commitment to working together. This coordinated industry approach has helped advertisers evaluate their advertising campaigns effectively and helped publishers attract investments more easily.

The European Commission is right to underline the importance of self-regulation and industry standards in audience measurement. But this is not reflected in the proposal. The legislation should ensure that the definition and implementation of audience measurement principles – including transparency, impartiality, inclusiveness, proportionality, non-discrimination, and verifiability (Article 23(1)) - should in the first instance be left to the industry (as per Article 23(3)), rather than adding an extra layer of complexity through additional Commission guidelines.

## 2. Target intervention

We believe that transparency around audience measurement methodologies (Article 23(2)) is important to fairly price digital advertising in the media ecosystem. However, we question whether the Commission's proposal - as currently drafted - will achieve this objective. This is partly due to the absence of a clear definition of "providers of proprietary audience measurement systems." The term is too broad and vague and could be interpreted to extend to third-party audience measurement providers, such as traditional research companies and JICs that already meet the principles in Article 23(3). The key concerns arise from audience-measurement systems which do not meet these principles. Co-legislators should therefore clarify the concept of "providers of proprietary audience measurement systems," ensuring that Article 23(2) is primarily targeted at "in-house" audience measurement services.

## 3. Make Sure That Transparency Does Not Harm Innovation

Transparency around audience methodology has always been a priority for audience measurement companies, as well as for associations representing these stakeholders. However, the disclosure of information on the audience methodology should not reach a level of granularity that would reveal proprietary methods and technology, which are often the result of significant investments in research and development. While increasing transparency, the future legislation should not hinder investments in research and innovation, which are key to developing new and evolved audience measurement systems.