Why we are dropping our BPA audit
and why our audience data has never been better

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In April 2020, we decided to discontinue our circulation audit by BPA Worldwide. Some advertisers may view this decision as a cause for concern. We believe, however, that the rationale for a BPA audit no longer exists, in light of how dramatically the B2B media landscape has changed. This document explains our decision and offers a look at how we have built a database and audience development strategy that not only exceeds the standards required by traditional auditing firms, but – arguably – renders them obsolete. We invite you to contact the PMMI audience leadership team with any questions you might have.

We are a data business now.

The stakes for accurate and current audience data are higher than ever. BPA and other third-party audience audits were designed decades ago for print media, where visibility into audience data was opaque at best, and the cost of inaccurate data low to the publisher. At that time, a third-party audit made sense to keep publishers honest.

With the growth of digital media, the cost to the publisher of inaccurate audience data is extremely high. There are two reasons for this. First, as publishers begin to map their audience data onto programmatic and self-service platforms by Google, Facebook and LinkedIn, accurate data is key to optimizing match rates. Second, targeting the wrong people with the wrong message is a poor business decision. When marketers are literally paying several dollars per click, both the advertiser and the media company's interests are highly aligned at reaching only the right people. And accurate targeting begins with an internal culture driven by a relentless pursuit of accurate data.

Our data quality standards *exceed* BPA audit guidelines – by a lot.

With data being so integral to our ability to serve customers across a variety of programmatic channels and platforms, PMMI Media Group launched an audience data department in 2018, led Elizabeth Kachoris, who also leads our audience development department. The audience data department is charged with finding not only the right *companies*, but individuals who hold the right job *titles* at those companies.

In the past, we would rent lists based on industry and job selects; this approach remains common among most media companies today. If the contacts on those lists had inaccurately indicated their industry or job duty, these inaccuracies would become part of the media company's database. BPA approves this practice because *primacy is given to what the reader indicates on their subscription form*, **whether or not other sources could identify inaccuracies** in their stated industry or job duty. For example, if a supplier indicates they are a buyer when completing a registration or a subscription form (either intentionally or by accident), BPA's practice would result in a publisher having to accept that incorrectly identified audience. This historical practice is anathema to running a modern audience data targeting operation.

Today we employ a two-step process to identify and vet potential audience. First, we use modern social media targeting techniques to identify individuals who are likely buyers of our advertisers' products. (We supplement this effort by occasionally renting lists.) The second step is a QC process. When a name comes in, either from a social campaign, list rental or a form on our website, we *verify that name* against an approved list of industries and job duties that we have established for each of our media brands. We use a combination of automated tools and manual review to manage the volume. Regardless of what an individual indicates on a subscription form, we ensure accuracy by reviewing the company they work for. This process results in much more accurate industry and job duty data, which is vital for any sort of targeting.

Not only are we much more precise about going after the *right* companies, we are now doing everything we can to filter out the *wrong* companies from getting on our lists. We take the same approach to job duties. The right companies are important, but only if we are targeting the right *job duties and levels* at those companies. Since we've adopted this two-step process, our "reject" rate of potential audience has increased. Translation: We are getting more selective about who we want in our audience. Those who are a poor fit for our advertisers are left on the cutting room floor. This elaborate process is time-consuming and expensive. It's worth every penny, however, and none of this required by BPA. We do it because it results in better targeting for our advertisers.

PMMI trade shows are an important source of names in our database, and we developed a process for ensuring quality registration data. In 2016, we developed custom software that uses a sophisticated algorithm to flag suppliers who sign up to attend the show as buyers; PMMI refers to this attendee group as **non-exhibiting suppliers**. We recognize that suppliers very often buy from other suppliers owing to the complexity of the modern packaging, processing and automation supply chain. However, accurate identification of suppliers is essential to keeping our data reliable. The software we developed to separate buyer from supplier at scale has resulted in the most accurate trade show (and media) audience classification in PMMI's 85+ year history. And yet, there is no place to document this activity on a BPA audit!

The processes we developed to collect and verify data are more sophisticated and transparent than even three years ago. This obsession with accuracy far exceeds BPA's requirements, as well as that of most B2B media companies. We know this because when we reject names furnished by one of our audience data partners as a result of our rigorous QC process, we are routinely told, "Wow, none of our other publishers look nearly as closely at the names we're providing as PMMI Media Group does!"

Audience freshness matters today more than ever.

Audience is a dynamic asset. Every month a percentage of the database becomes inaccurate as people move to new jobs and companies or leave the industry. This is true for every media company in the world. With BPA's audit framework, there was incentive for publishers to ignore their database for 8 months and then do 3 months' worth of intensive work to remove obsolete contacts to make the audited issue look good. We believe that's a backwards way of looking at audience. Since we rely on accurate data 12 months of the year, we reach out to our audience throughout the year to keep pace with the moves they're making. When we upload a list to Facebook, or send out an email, having the freshest names results in higher match rates and more deliveries. Our customer's success is a far more compelling incentive to keeping our database fresh versus a BPA audit that is backwards looking by upwards of 18 months.

Another issue: BPA tracks subscriber age using an arbitrary cut-off, unrelated to the actual age of a subscriber's last known interaction. For example, for a May audit cycle, someone who subscribes or renews on May 30, 2020 becomes a two-year-old name at the stroke of midnight, starting June 1, 2020. Although that's how it's been done for decades, it's an obsolete approach based on a print paradigm.

We track subscriber age as accurately as possible, using real-time dates of last renewal/subscription, versus an arbitrary May cut-off.

Additionally, we do not email readers who have not opened, clicked or visited one of our websites in the last six months, to ensure that we are only communicating with audiences that are engaged and present. BPA does not require proof of engagement – *but we do*. Another example of how our own quality standards exceed BPA's.

Lead generation = audience transparency

Packaging World has been providing lead-generation e-mail marketing since 2004, furnishing contact information of people who click. When providing audience contact information to customers, the quality of those responses is immediately apparent to both the advertiser and PMMI Media Group. This transparency is akin to an "instant audit" – only the customer is the one doing the audit. We deploy 2,000+ email campaigns each year across all brands for 700+ clients and the results of every one of those campaigns are a measure of our database quality.

We recently introduced targeted eblasts within our packaging and food e-database. These campaigns filter out suppliers and are limited to specific SICs – targeting small, precisely defined groups, where it would be immediately apparent if the resulting leads were from outside of the requested SIC.

Similarly, we are targeting our audiences on Facebook. When audience members like or share the advertiser's post, we share the contact information with advertisers.

These products demand a level of transparency that's a high-wire act for any media company. If we don't have our audience data house in order, the repercussions will be immediate.

For website advertising, we use industry-standard reporting platforms that are universally used and trusted: Google Analytics for website traffic and Google Ad Manager (GAM) (formerly DoubleClick for Publishers) for serving banner ad campaigns. What additional value could BPA or any third-party auditing firm add to what's provided by these leading platforms?

Reporting recency is paramount.

In 2017, we launched our Zigma audience dashboard, displaying multi-channel metrics for each of our brands, with audience demographics and totals updated at the beginning of each and every month.

In 2019, we launched our PMMI Audience Network dashboard to reveal even more granular audience data, in some cases down to the SIC level, across several major channels including print/direct mail, email, Facebook and programmatic. These counts are also updated monthly.

Compare these dashboards with the timeline of a traditional BPA audit, which is consistently 12 to 18 months behind. By the time the audit is released, it's old news. A print-centric audit model cannot compete with the monthly update cycle that we employ.

Our vendors bake audit-grade guardrails into their processes.

We use leading audience relationship management platform Omeda as our database vendor. The choice of hundreds of B2B magazines, associations and trade shows, their platform is one of the most sophisticated and successful in the marketplace. In fact, they've acquired a number of their competitors over the years. Omeda has built their systems—and their reputation—around the idea of protecting data integrity for publishers. Since many magazines choose to remain BPA audited, all of Omeda's systems and processes are built to comply with BPA, regardless of whether an individual magazine is audited by BPA. In other words, audited and non-audited publications all adhere to the same rigorous processes that Omeda has built.

The same is true for our telemarketers. All publishers use the same group of telemarketing vendors for subscriber outreach. And all of them are accustomed to collecting data and transmitting it to Omeda in a way that is fully compliant with BPA audit standards – again, regardless of whether an individual title is actually audited by BPA.

Complying with BPA audits consumes valuable time and resources.

Each BPA audit cycle requires compliance work for publishers in three phases: issue close, BPA audit file completion and document retrieval. For PMMI Media Group, this work consumes time and resources that add no benefit to our magazine, our readers or our advertisers.

Several years ago we implemented a process to ensure that each month we prioritize the newest records and remove any older or unwanted circulation from the file. Therefore, BPA's twice yearly audit issue adds extra pressure and stress to a system that is already working at a high level of data integrity and accuracy.

When it's time to complete the BPA audit reports, data that is months old must be manually rekeyed into BPA's reporting system. This process is time consuming and prone to error. Additional time is spent ensuring the counts are copied correctly. BPA also requires that we be able to document individual subscriber answers; this involves manual searches through up to four years of data.

In summary, discontinuing our BPA audit saves us resources that we can put to far better use: identifying and qualifying new audience members or our advertisers.

Conclusion

Third-party audience audits made sense when B2B media was mostly about print. Today, with the shift to digital, programmatic, and multi-channel, the various platforms, processes and systems that make up the modern B2B media company's audience eco-system must be designed with transparency and data quality at the core. Publishers who take liberties with their data won't last, because the inferior performance of digital products will be punishing.

In short, we live and die by the results of our audience development efforts every single day, in plain view of every advertiser who runs a digital campaign with us. Our results *are* the audit, and they always have been.

Sincerely,

The PMMI Audience Team

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