

The Future

Requirements of

RADIO AUDIENCE MEASUREMENT



Radio Joint
Audience
Research
Limited

The Future Requirements of RADIO AUDIENCE MEASUREMENT

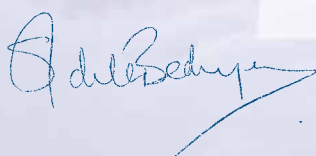
In April 2004, RAJAR announced it was to undertake an industry-wide consultation on the issues facing radio audience measurement, as part of its roadmap to a new specification.

The consultation follows on from the first phase of audiometer testing of the first generation Arbitron Portable People Meter and GfK Radiocontrol watch. These tests identified shortcomings in the meters then available and a second phase of testing with second generation meters is currently underway, now additionally including a third meter, the Eurisko Media Monitor.

With the programme of testing audiometers about to enter a new phase, it was important to evaluate the requirements of the industry and embrace changes in radio broadcasting that would create a new specification for the whole industry.

This was a comprehensive industry review and involved several hundred respondents from BBC and Commercial Radio, advertisers, agencies and system providers. It elicited a wide range of comments from stakeholders and there was an overwhelming sense that a single audience measurement system across BBC and Commercial Radio had been valuable to the industry in the past and would continue to be essential in the future.

Thank you to all those who took part. This has been an important step in ensuring that the data RAJAR will collect and the service we will provide in the future will continue to be of the highest quality.



Managing Director
RAJAR

January 2005

CONSULTATION FINDINGS

BROAD ATTITUDES AND OPINIONS

1. What do people think of RAJAR?

- RAJAR was seen to have coped well, although constraints were recognised.
- Concerns exist over the ability of the current survey to cope with industry change and the multi-channel radio future.
- Dissatisfaction, whether it is with the results, sample, fieldwork or service from the fieldwork contractor, is generally attributed to RAJAR.
- There is a thirst for greater information and understanding.
- There is greater tolerance and understanding from those closer to the structures.

2. Views on the current methodology

- This varies amongst the various stakeholders reflecting a broad spread of satisfaction and dissatisfaction.
- Many expressed a growing belief that the survey needs to improve, through sampling and/or methodology, to meet the needs of the digital age.

3. Views on electronic measurement

- Advertisers and media planners were particularly keen on the idea of audiometers.
- There were many concerns with audiometers and the impact of change.
- There was a general expectation that audiometers will be introduced at some point in the future when the diary may be unable to cope with station choice and platform multiplication.
- Despite this, there is awareness of significant issues on compliance, cost and change, which prompt caution.

4. Beliefs about RAJAR's testing approach

- Most constituencies shared the view that the non-disclosure agreements from the previous audiometer tests had created a damaging information vacuum and left many feeling ill-equipped to form crucial decisions.
- The majority support a thorough testing process and the careful introduction of audiometers.

5. Transition to a new system

- There is widespread unease about the transition and there are many questions about how re-calibration can be achieved.
- There is wide recognition that it will not be easy and there is a need for a sensible and choreographed transition.
- There was a wide range of expectations regarding the timetable and introduction.

6. Future remit

- People believe that the future task is harder.
- There are broad variances on what RAJAR should measure and deliver.
- Stakeholders require simplicity and excellence.
- But some, at the same time, want comprehensive and in-depth planning and analysis.
- It is expected that RAJAR's role will need to be re-clarified and re-defined.

SURVEY REQUIREMENTS

We asked our customers what they wished to measure in the changing world of radio. Were the requirements as they had been previously or were the needs very different? In contemplating measurement by audiometer there may be significant impacts on what we currently measure and report. Across BBC, Commercial Radio, advertisers and agencies there was complete consensus that radio's research should be credible and robust.

Definition of Listening

The current definition of a listener is someone who records listening for 5 minutes or more. The future definition could be based on passive exposure (being present when a radio is nearby) for a period as short as one or two minutes. The difference can be summarised as listening versus hearing. Views of stakeholders were widely divergent on this issue. Many advertisers and agencies in particular were keen to include all exposure to radio as valid impacts. Others were concerned with the robustness and whether this would dilute the traditional value of engagement which has been attributed to radio. There was concern within Commercial Radio and the BBC that this would make the data less useful for marketing and programming purposes. The overwhelming view was that accuracy and robustness was key. There remain divergent opinions on what definitions might lead to this.

Platform Measurement

For a very large majority it is an absolute essential requirement that RAJAR reads platforms and reflects the different listening patterns in the next specification. However, there were different priorities reflected by stakeholder and interest. The BBC and those Commercial Radio Groups with multi-platform distribution are keener to establish the detail broken out by platform, than those with analogue only signals. The advertisers and agencies would like to see more than is currently available, although they would be happy to see detail increase in line with market impact. The current belief is that the value for strategic and marketing purposes would be higher than for trading. However, this was recognised as something likely to change and thus platform measurement was a requirement that would only grow and become more important in the future.

The Radio Map

The current radio map is complex with stations able to report on the Total Survey Areas they define. This leads to a complex sampling structure. There was virtual uniformity on the need to change, albeit with concerns and caveats that the USP of local and community radio should be protected and preserved. Whilst the smaller commercial stations were among the most dissatisfied with the current sampling and service, they also expressed the highest concerns here. Different ideas and suggestions were given to how a more macro approach might work, and there is a clear need for a way forward to be more developed and an assessment of its likely impact on the radio industry.

Frequency of Data

There was a general assumption that audiometers would increase the speed and frequency of data availability. Although, in practice, this depends on the sample sizes and methodology employed by a new system. There was no consensus on how frequently the data should be produced with opinions ranging

from weekly to maintaining the status quo. Whilst the drive from advertisers was more towards the greatest possible frequency, this was tempered by the agencies and stations expressing considerable concerns over the practical realities of trading and costs.

Other stakeholders, in particular the BBC, were more focussed on sample building and maintaining robustness. They were concerned that increasing frequency might destabilise the research.

Location of Listening (home, car, office etc.)

This was considered to have a marginal relevance in trading but is highly valued as an occasional resource for marketing and strategy. It is used most by programmers. It was generally considered useful, occasional information rather than an essential part of every data release.

Depth of Data

Whilst the opportunity for supplementary additional information or added value was considered attractive, there was no demand for more within the regular RAJAR survey. It was also considered worthy of simplification for greater frequency and robustness, with more depth, less often.

Event Listening

For most parties this was a nice-to-have and a secondary consideration. It was viewed as of occasional importance and desirable as an added value, bespoke service.

Time-shifted Listening

This is generally seen as an effect that needs to be part of the figures, rather than examined separately, particularly to ensure inclusion of listening to the BBC's Radio Player.

Affordability

The potential costs of new measurement systems are an area of major concern to both BBC and Commercial Radio.

Consensus

There is a shared aim to see RAJAR continue to provide a single audience measurement survey which embraces all BBC and Commercial Radio.

All stakeholders agree that at some point this is likely to embrace audiometer methodology at least in part but that a period of introduction, education, information and careful management is vital.

All parties want an effective RAJAR that continues to evolve with the changing nature of the radio market and radio listening.

A new specification and methodology should be credible and robust and with improvements that make the service demonstrably better than that which currently exists.



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