



BALANCE & PERSPECTIVE

Establishing Priorities for UK Radio Audience Measurement for the next 3-5 years

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1. BACKGROUND

Today the UK radio industry has almost 300 commercial radio services and 56 stations belonging to the public service broadcaster – the BBC. These stations broadcast on FM, AM (including Long Wave), DAB, DTT, DSat and the Internet, where listeners can choose between live streaming, listen-again services, podcasts and personalised online radio.



This myriad of complexity feeds into a solitary and, at times, bewildering market, which we then measure as a single entity. I am going to talk to you today about how we at RAJAR are currently undertaking this measurement task, and how we plan to develop the service over the next few years.

The last time I spoke at this conference, the outlook was bright. Radio was buoyant, would-be investors were clambering over each other to climb on the digital bandwagon. RAJAR had just commenced its most ambitious test of an electronic meter. All seemed well. There was a well-defined road heading towards a very clear destination. After many trials and tribulations, we believed that we were on the verge of a solution.

UK Radio is still engaging very successfully with its audiences, and digital platforms are firmly established and showing inexorable growth.



However, compared to two years ago, the business of UK radio has changed beyond recognition. A little fiscal difficulty quickly became the financial crisis that engulfs us today, eroding advertising revenues and deterring investment. Furthermore, we failed to find a viable alternative to the diary as a data collection methodology in the UK.



Factors impacting on development

-The Financial Crisis (Investment + Revenues) Viable Methodologies

Consequently, the well-defined road is overgrown; there is now a narrow path through the woods. And it is both against this landscape, and because of it, that RAJAR must review its strategy for the next few years.

2. THE LACK OF A VIABLE ALTERNATIVE TO THE DIARY

As you know, until recently RAJAR had been trialling a PPM meter in London.



The London PPM meter test



We did this for almost 2 years, but we saw little in terms of tangible value for two reasons.

Firstly, there was the not insignificant matter of finance. We had been operating our PPM panel in conjunction with BARB (RAJAR's TV counterpart in the UK), and when BARB completed its involvement with the panel, the cost to RAJAR of maintaining it effectively doubled. Given the economic downturn that was gripping the industry, this could not have come at a worse time.

Secondly there were other issues - technical problems, data processing problems, panel composition problems, compliance problems - some expected, some surprising, and it's probably fair to say that while the experience added immeasurably to what we knew, it also added immeasurably to what we didn't know.



Factors affecting insight...

- Technical issues
- Data processing
- Panel composition
- Compliance

...it was not just about the numbers

With 18 months of data already in production, we did not feel that a further 6 months would add appreciably to our knowledge. It was already quite clear that this type of panel was not going to be suitable for UK deployment to measure radio, and so it made sense for us to draw a line there and then. We decided to decommission the panel.

I must stress that the UK experience is just that – a UK experience that may well be unique to just us. There is no doubt that much of the data that we collected from our UK meter tests was accurate, but what we really got was SOME very accurate information about SOME of the listening for SOME of our sample, who represented SOME of the universe that we were trying to measure.



Maybe accurate, but...

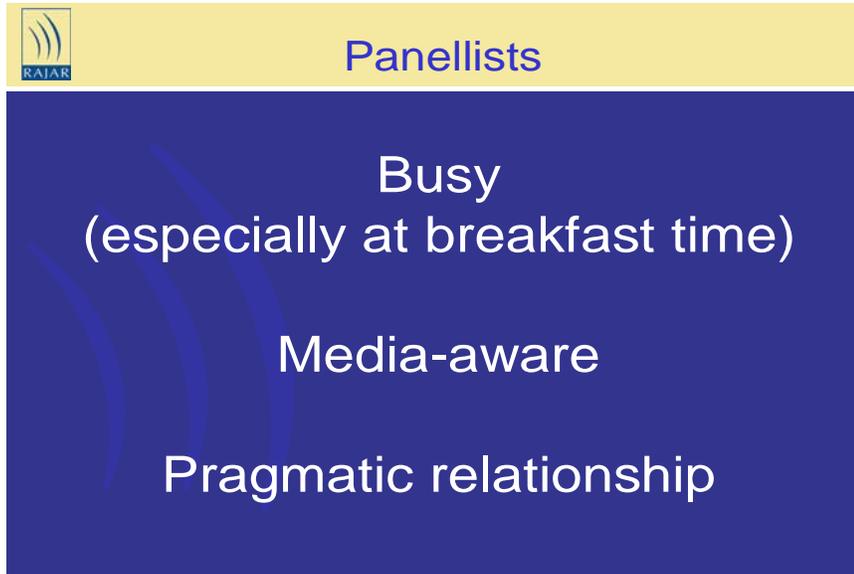


UNIVERSE

SAMPLE

LISTENING

It may well be that part of the underlying problem resides with the personality of the audience. It was the UK. Worse than that, it was London – one of the most media-savvy communities in Europe. Londoners are naturally cynical and they know perfectly well what research is for - that it is as much to do with the buying, selling and scheduling of advertising as it is to do with programming.



 Panellists

Busy
(especially at breakfast time)

Media-aware

Pragmatic relationship

Many of our tests have shown that meters, used properly, can provide reliable information about listening behaviour; however the same is true of the diary. Used properly, it is practically a perfect data-collection tool. The diary's weakness lies in the behaviour of the respondent but it is exactly the same with meters.

Sure, we had the truth. But we didn't have the whole truth. Or anything remotely approaching it. And there was very little we could do about it. Ultimately, we had to concede that the methodology was measuring people's interaction with the methodology itself, and not with the media we were supposed to be measuring. In short – our meters were measuring their own engagement, their own consumption.



- Meters were actually
monitoring people's meter-
carrying habits...

...they were measuring
themselves

We believe that electronic portable on-person measurement will only work when it matters to the person that they carry the device, and that is particularly true in a panel environment. Money and reminders can help, but the value of reminders is eroded over time, while you can never afford to give enough money, and by "enough" I mean, you can't afford to give people so much that it makes a tangible difference to their lives if they don't carry it.



Tackling Compliance

Money not enough

Reminders not enough

Needs to make a difference
to the respondent

It is RAJAR's belief that in the UK at least, and for now at least, a diary, kept to an average standard, will deliver at least as good an overall picture of a person's real listening behaviour as any other methodology used in an "average" fashion.

I should mention that TNS are still providing us with back-data from the panel, and we will continue to analyse that in the hope of learning for the next time. We have not abandoned electronic measurement – we have simply called time on tests until an affordable product comes along that cracks the compliance issue.

3. THE CONSULTATION

RAJAR's review process continued with a consultation of key people in UK radio to obtain a steer on what direction we should be heading. The main outcomes from that process were that RAJAR should be more pragmatic in its approach and focus on delivering a currency that services all stations, measured to an equal standard, regardless of size, ownership, format or means of delivery, with particular emphasis on maximising data robustness, data quality, survey representation and response rates, and turnaround times, all done as cost-effectively as possible.



Industry Consultation

Priorities:

- Quality
- Robustness
- Representation
- Turnaround time
- Cost-effective

There was no appetite for more frequent reporting (the industry is not geared up to cope with the data overload), and methodology was not an issue. The overriding imperative was to maintain the integrity and credibility of the currency while keeping an eye on digital developments that could impact on the consumption of radio.



Industry Consultation

- Not Methodology
- Not Frequency
- Focus on the Currency

4. PROVIDING A CURRENCY

In every corner of the radio industry the central role of the RAJAR service was seen to be about providing a currency, and one of the basic rules that govern any media currency is that a currency needs to be credible.

Having the best data collection tool is meaningless – what matters is having the research system that best fits the needs (and the means) of the marketplace as a whole, so that the market can get on with its business without worrying too much about the colour of its coinage. And it helps if that system is flexible enough to accommodate change and to bring new products, ideas and technologies on board as and when that is required.

Having spent many years, and many millions of pounds assessing alternative methodologies, we decided it was time to take a long hard look at where we were and where we wanted to be and draw the shortest straightest line we possibly could between those two points.

We realised that our needs were really rather simple, and that our obsession with data collection (which, in fairness, is not just OUR obsession) had taken us some way off track.

5. DEVELOPING A RESEARCH SYSTEM

All that what we really wanted was the simplest, most practical means of collecting usable data about people's radio listening habits in general - the most important thing being to register as much of their listening as possible so as to enable us to make reasonably accurate predictions about their listening in the future. And to allow us to ascribe those listening patterns and predictions to the general population safe in the knowledge that we wouldn't be a million miles away from the reality.

There is something almost absurd about recording information in painstaking exact detail when all you are going to do with it is multiply it by several thousands and then amalgamate it with hundreds of other similarly multiplied individuals before presenting the aggregate of their sums as fact. We tend to obsess about accuracy, but the real fact is that all we really need is relative accuracy on a consistent basis.

As researchers, we already know that to get good output, you must first get good input, From the work we had done with diary respondents, we realised that to get good input, our research system must connect with the respondent on three key aspects, those being – Inclusivity, Simplicity and Satisfaction.

Inclusivity:

It should be as inclusive as possible, insofar as it is of interest to the majority of the survey universe. If our data collection (or our survey system, or subject matter) excludes more people than it includes, then we have a problem.

Relative Simplicity:

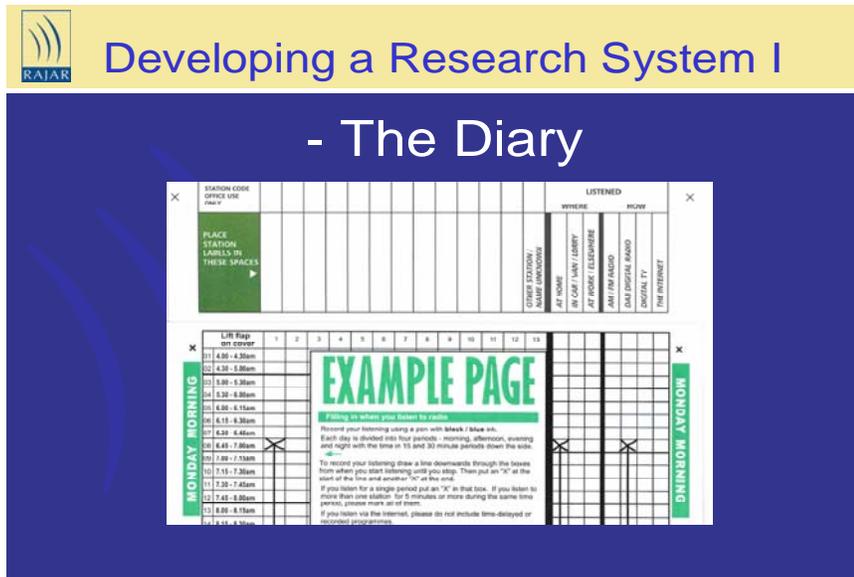
Ideally, research participants should be able to complete the task after a short briefing after which intuition alone should be sufficient to see them through. Anything more complex that involves coaxing, reminders, bribes, threats or re-education introduces an outside influence that may itself impact on the consistency of the outcomes.

Personal Satisfaction:

It is a well-documented fact that people perform tasks in a set order – first they do the things they enjoy doing, then they do the things they are good at, then they do the things they have to do. The satisfaction from doing a job well and feeling appreciated for it is the biggest incentive possible. The trick for researchers is to make the task enjoyable so that the respondent feels that their time has been worthwhile and that their contribution is genuinely valued. A financial incentive is well and good but only if used as part of an overall philosophy that respects the contribution of the respondent.

6. THE PAPER DIARY

Having left meters to one side, at least until they are more affordable and elicit a better level of compliance, RAJAR is very much tying its immediate future to the diary. We have no great concern about that. Over time the diary has proved itself to be a highly effective means of capturing the basic information that we require, and it ticks all three of the respondent boxes that I've just mentioned – inclusivity, simplicity and satisfaction.



It is true that at time the diary gets a bad press, but as a data collection tool it is virtually perfect. It collects station, date, time and duration of listening, as well as location and platform.

Contrary to popular misconception, diaries do not really use a recall-based registration system – they use what I would call “Precall”, in that the respondent is asked to make a note of events that have not yet happened.

Let me explain. If I ask you to tell me how many public telephones you have seen over the past 24 hours, you will trawl your memory and give me a number. Which may or may not be accurate. However, if I say – starting tomorrow, I would like you to keep a record of every public telephone that you see, then it stands to reason that your record will actually be a lot more accurate.



Recall v Precall

Recall = remembering things that have happened

Precall = remembering to record things that have yet to happen

For the task in hand, a well kept diary is as good as any other methodology, and when one factors in other variables such as component price and maintenance, it is an outstanding candidate. For these reasons, RAJAR is more than happy to commit to an immediate future based on a diary, and the only issue for us is whether the diary can be improved or transformed to make it any better.

Consequently, the cornerstone of RAJAR's future strategy is based upon maintaining the diary, but developing it to make it available online to anyone who expresses a preference to complete it in that way.

7. THE ONLINE DIARY

Development of the online diary is well underway. Part of that development process involved interviewing ex-diary respondents about their experience of keeping the diary and what shone through all of those interviews was how seriously they approached the task. Many were flattered that their radio listening was being used to help calculate the national ratings, and even a couple of months later, in an environment that encouraged them to be frank and honest about their diaries, they insisted that they had provided an accurate assessment of their listening. There was not a single suggestion of listening being inflated, or guessed at, or of certain stations being ticked because of some perceived merit – for example, classical music stations.

The exit interviews identified five key considerations that were considered critical to compliance.



Online Diary

-Learnings from Paper Diary

- Reputation counts
- Feeling of “specialness”
 - Personal contact
 - Ability to review
 - Incentive is symbolic

Need to feed this into development

The reputation of the contractor/organisation (i.e. It must be “official”)

The feeling of specialness – of being the one person chosen to represent thousands.

Personal contact - the fact that there is a human being that is directly acting as their agent, and who will be disappointed (and personally affected) if they fail was a very powerful motivator.

The ability to review listening and see their own patterns spread over an entire week cropped up again and again – many said it was the first time they had ever truly considered their listening habits and were surprised at how predictable or unpredictable they were. Contrary to popular misconception, for many people interest in the task increased as the week progressed and they saw their own behavioural patterns emerging.

The incentive is not that important – they participate mainly because they believe in the significance of the task. Payment is largely symbolic.

Taking these messages on board, RAJAR has spent the last few months working with a R&D specialist to produce an online version of its diary, and development has reached an advanced stage.

Central to the idea of implementing an online diary is that it should capture data in a way that is broadly similar to the paper diary. RAJAR has already conducted experiments with PDAs, which showed that ease of entry was a primary consideration affecting data collection. The more complex the data-entry task, the less data was entered.



Online Diary

- Ease of data-entry a priority
- An Online community tests concepts
- Very much an iterative process
- Beta version nearing completion

A specially recruited online community has been set up to help to develop the diary. Members play with different formats and ideas and discuss them in a chatroom. This part of the project is nearing completion and it is anticipated that the beta version will be ready for field testing early next year, but it is an iterative process, which is why I have no screenshots to show you yet.

8. MIDAS

In addition to the online diary, RAJAR is pursuing a further complimentary project called MIDAS, which is about developing of a scalable approach to measuring internet-delivered audio services. This survey is conducted approximately every 6 months and collects information about consumption of all types of internet-delivered audio.



Developing a Research System III

- MIDAS

Measurement Of
Internet-Delivered
Audio Services

The plan is to scale up the frequency of the survey as consumption increases, ideally moving to a panel.

We very much see online interaction as a key to introducing more people to the survey, but also to introducing more survey content to the people. Online allows us to get away from the obsession with methodology and back to the core of the service we offer. More importantly, it offers us choice.

We currently collect email addresses from our diary respondents and these are used to provide sample for the MIDAS services, but as online participation increases, so will the proportion of people available for online surveys and we are already close to being able to operate MIDAS as a continuous panel.

Objectives:

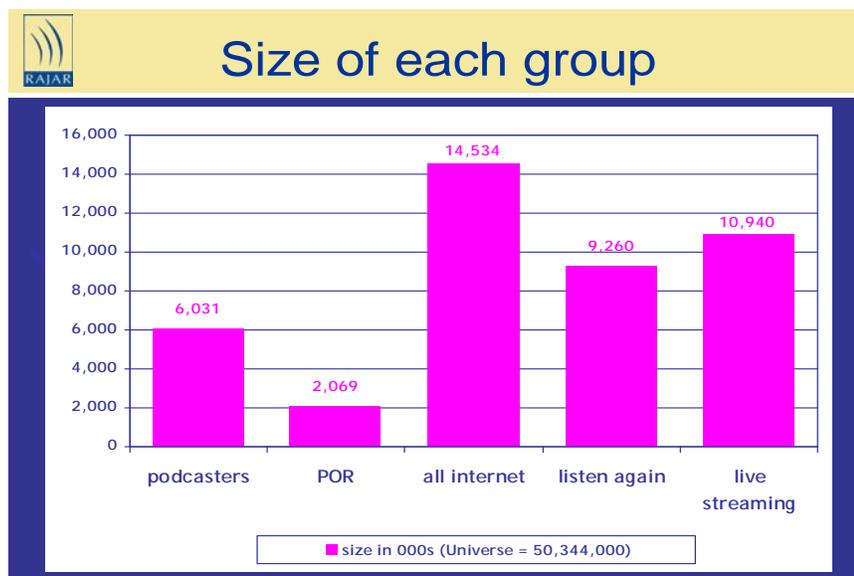
The main purpose of MIDAS is to measure when, where and how do people consume online audio and Podcasts, and whether it is affecting their consumption of traditional radio.

The Sample is drawn from those who listen online via live streaming, listen again, Personalised Online Radio and Podcasts.

Methodology

Email contact of ex-RAJAR respondents who claimed to “ever listen via the internet” and / or “ever listen to podcasts”. MIDAS 3 is currently in the field. MIDAS 2, which was conducted in April/May, interviewed 860 respondents.

Some Results from MIDAS:



FREQUENCY:

Almost 1 in 5 adults listen via the internet at least once a week, while 5% listen via the Internet every day or most days – that's 2.5 million people.

Most listeners do so at home, but almost a quarter listen to radio via the internet at work.

LISTEN AGAIN:

9.3 million adults have used Listen Again facilities, while half of these have done so in the past week.

Interestingly, almost 80% claimed their live radio habits haven't changed since starting using Listen Again, while almost half claim to have discovered new programmes in the course of using Listen Again.

POR

Two million adults have used a Personalised Online Radio such as Last fm, and 1 million use POR at least once a week. Almost 70% claimed their live radio habits haven't changed from using POR.

Podcasts

6 million adults have used Podcasts (12% of the UK adult 15+ population). 3.7 million do so at least once a week. Comedy and Music are the most popular formats, while the biggest supplier of Podcasts is the BBC with a 4 million reach. 72% said their podcasting had no effect on their traditional radio listening, while 15% said they now listened to more radio with only 10% listening to less. 40% discovered new radio programmes thanks to Podcasts.

HOW: 80% listen on their home computer, 66% on an mp3 player

WHERE: mainly at home (80%) but also in transport (44%), while walking (21%), at work (19%), while exercising (11%)

WHEN: late afternoon and evenings

Finally, the average UK adult spends 26 minutes a week listening to online-delivered audio. That may not seem like a lot, but it is a strong foothold, and it probably compares favourably to non-broadcast media.



How much time spent "in the last week"

<u>Average minutes</u> in the last week for each type of internet listening activity	
Base (000s): All Adults 15+	50,344
Listen Live	12.5 mins
Listen Again	6.3 mins
Personalised Online Radio	0.8 mins
Podcasts	5.6 mins

10. THE FUTURE

It is not inconceivable that in the future, a Digital and Mobile Radio Users Panel could be developed to cover areas of interest other than online-delivered audio. Nor is it inconceivable that the choice, flexibility and immediacy offered by online will allow us to re-use respondents to boost

under-represented demographic sub-groups, or even to boost the overall survey to enhance robustness and provide cost-efficiencies.



Online gives us options for the Future

- Digital and Mobile Radio Users Panel
- Re-use of prior respondents
- Access to younger demographics
- Faster turnaround
- Flexible
- But not without flaws so we must be mindful

The advantages of online are obvious – it attracts a younger profile, which is precisely the area where the standard survey is coming under pressure; turnaround times are much improved – data is virtually immediate; and it affords us a flexibility that traditional methods can only dream of.

Of course, it is by no means a flawless concept – there are significant issues regarding representation; however, we are not promoting an online survey – we are promoting a radio survey that can be completed online. If online is used to complement what we already have rather than replace it, then we believe it is a useful addition to our arsenal.



The next few years...

- Paper diary is the cornerstone
- Introduce an online alternative
- Gradually encourage online over paper (but pending testing)
- Use MIDAS to monitor non-currency elements

In summary, the paper diary will remain the cornerstone of our measurement system but, subject to successful development, an online diary will be introduced and offered as an alternative. Eventually we hope to promote the online diary ahead of the paper version, but that depends on

testing. Non-currency measurement will be conducted off-survey using tracking surveys like MIDAS. RAJAR's approach to the next 3-5 years is very much shaped by pragmatism.