

TNS Response to TRAI Consultation paper on Policy Guidelines for Television Audience Measurement

Comments on specific questions from TRAI Consultation paper

5.1 Is there a need for Government regulation? There are approximately 75 countries around the world using electronic measurement, mainly fixed but now some Portable People Meters. To the best of TNS's knowledge there is no Government regulation regarding TV audience measurement in these countries.

In many cases the TV audience measurement system has been set up under the control of an Industry Committee. This is particularly the case in Europe and Asia. It is our opinion that the users of ratings services have the best view of the requirements of a TV audience measurement service to meet their programming and marketing needs and that these are best translated into a ratings specification which goes to tender from time to time. This includes both private and public service broadcasters whether commercial or not. Public service broadcasters do participate in ratings services as they need the information to be able to report to Government on their performance against different criteria.

At best Government departments would be distant from these needs, if not remote.

In the conditions of a tender process it would be unlikely that a ratings provider could profiteer from a TV audience measurement service so the public interest would not be jeopardised.

5.2 Light or compulsory supervision of TAM agencies or Oversight Bodies? We have commented that we do not believe there is a need for Government regulation. If there is to be regulation then at most there should be light regulation to encourage the industry to maintain its quality standards regarding the TV audience measurement service. There are already international standards for the operation of TAM services which the rating agency should be following and be monitored. Such a guideline document – Global Guidelines for Television Audience Measurement (GGTAM) was published some years ago by the European Broadcasting Union and others. (See Appendix I.)

5.2.1 Eligibility criterion? Virtually all TV audience measurement services around the world are provided by existing international ratings companies. The costs of Research and Development, particularly for Peplemeters and new approaches to measurement, can therefore be shared across many TAM services. Standardisation of approach is also important and many advertisers wish to be sure that audiences across countries are estimated on a common basis to help with their budget allocation.



Experience in already measuring TV audiences we would regard as an important criterion especially in today's changing TV world with digital bringing a range of new services.

5.2.2 Minimum Sample Size? There is no easy answer to this question. Typically around the world a reporting sample of 70 respondents would be regarded as a minimum and 100 as ideal. This would be for a specific demographic group to be examined for either programming or advertising purposes such as Men aged 18 to 24 years in a particular geography or platform.

Sample size is also a matter of economics. While broadcasters would always wish larger sample sizes there is a cost attached to this and it should be remembered that doubling a sample does not double the accuracy; it only increases the accuracy by about 40%. Looked at in another way the sample needs to be increased by a factor of four in order to double the accuracy.

Typically there is always a trade-off between demographic, geographic and platform reporting needs and the costs of sample increases.

As a guide the largest Peoplemeter systems in the world are typically no larger than 10,000 households.

5.2.3 Type of equipment? The (fixed) Peoplemeter is the current standard for TAM around the world. Digital television has brought changes to the way people consume television and TNS has invested heavily in new ways to measure audiences. These include the Portable People Meter (PPM) and Return Path Data (RPD) which can take TV tuning information from large numbers of digital Set Top Boxes (STB).

The fixed Peoplemeter is clearly the starting point for TV audience measurement in India but any future system to be commissioned should have the safeguard of being able to upgrade to new systems as the digital penetration grows. One advantage of a portable People Meter is that it can also measure Radio listening, as well as TV, from the same panel bringing shared costs across the broadcasters.

5.2.4 Real time reporting? We believe that only two countries around the world (Brazil & Chile) are reporting in (near) real time. TNS has this capability, collecting data from our meters via GPRS, but it has never been activated in any country.

The issue with real time reporting is not largely a technical one but is related to the use and "actionability" of the data produced. Having said that there are technical issues to do with the weighting of part day's data which may produce slightly different results to when the full days data are processed.



Turning to “actionability”, Primetime, the highest viewing period, falls in the evening, say, between 7:00 and 10:00 p.m. Few, if any, broadcasters would be able to make use of real time viewing data in the evening. Most TAM systems around the world report audiences overnight with, typically, viewing for the previous day up to 2:00 in the morning being available from 9:00 a.m. onwards.

We would recommend that overnight reporting became the standard in any future ratings service. However, it could also make sense to have the capability of near real time reporting for very special events. We are thinking here, for example, of the Commonwealth Games to be held in India in 2010 or the London Olympics in 2012.

5.2.5 Coverage? We believe that TV delivered by all **platforms** – digital or analogue via off-air, cable or satellite should be included in the measurement universe. We regard this as mandatory. In the future the internet/broadband will become an important delivery vehicle for television. Any specification for future TV audience measurement should include this possibility. Television can also be delivered on portable devices including mobile phones. When this is believed to have reached significant levels the industry may need this also to be measured.

Regarding **rural and urban** it is clear that the main focus of the private TV stations (and the advertisers who buy their commercial airtime) is within their own distribution areas which are concentrated in the cabled urban areas. It seems reasonable, therefore, that if the private broadcasters are to be asked to pay (the bulk of) the cost of TV audience measurement it should be relevant to their own market. The DTH, satellite broadcasters do have a wider distribution but, again we believe that as commercial broadcasters their focus must be in the urban areas where the economic power resides which attracts advertising to their channels.

With regard to **States** it is difficult for us to comment. We understand that there are disturbed States in the North East and in J&K which make market research difficult to conduct and may also affect compliance from households and people. In an ideal world all TV households are represented in a TV panel but it is acknowledged worldwide that some homes are more difficult to recruit. TNS has had similar experience in Spain where the Basque region is represented in the viewing panel. Extra incentives may be needed to ensure co-operation if the decision to include these States is adopted. Equally TV viewing could be measured on an ad hoc basis using diary sweeps.

In connection with **Prasar Barathi** the issue, as we understand it, is that the distribution is much wider than the private TV stations. To measure the whole country would require a much larger sample and by implication a much higher cost which the whole industry may not be prepared to fund. We would propose that diary sweeps could be used



to measure these channels especially as the number of channels is fewer and confusion as to channel tuned would be less.

5.2.6 Crossholding? Any ratings service has to be seen to be completely independent of any vested interests – be they those of broadcasters, advertisers or advertising agencies. That is any company that has an (economic) interest in the levels of audiences and ratings for programmes and commercials.

For any ratings service to have credibility it must be transparent and accepted by all sides of the industry and the measurement of TV audiences should be conducted, independently.

5.2.7 Sample safeguards? Preserving the anonymity of the panel is paramount. Outside influence on a few panel households' viewing can distort the true viewing levels and shift audience shares for broadcasters.

In our TNS services we take many precautions to preserve the anonymity of the panel. Names and addresses of the panel can only be accessed by limited staff members on a strict need to know basis and access is controlled by password. Panel managers and field technicians can only access the parts of the panel database for which they are responsible.

We also maintain a series of checks on the viewing of panel households to detect and sudden changes in viewing patterns which might result from “tampering” with the panel.

In most countries our panel members sign a commitment document with us. This brings a degree of formality to our relationship with the panel members committing to do their best to record their viewing accurately but also to notify us if they are contacted by outsiders interested in their membership of a TV ratings panel.

5.2.8 Standards/norms? There are standards and norms for processing ratings data, editing the data and publishing the final audiences for programmes, commercials and time periods.

Some of these standards which have been adopted internationally can be found in the GGTAM document referred to in 5.2 above.

5.2.9 Audits? It is our firm view that all ratings services should be subject to regular audits by independent qualified auditors. Having regular audits maintains the credence in the service and the audience estimates produced. It acts as an incentive to the ratings provider to maintain the high quality of the service and it reinforces to the broadcasters, advertisers and advertising agencies the objectivity of the results.



There are a number of individual ratings auditors around the world. There are also a couple of companies, Ernst & Young, the financial auditor, for example who also provide ratings audits.

The scope of the audit should cover the whole service from Establishment Service to panel selection and representation to meter performance (typically auditors visit some panel households to tune TV sets) to data processing.

We believe that the auditor should report to the industry body commissioning the ratings service.

5.3 Framework? As we have said earlier we believe that ratings services should be awarded and controlled by a Joint Industry body with funding fairly shared between the members. The framework for such a structure can be specified by the Joint Industry body and input from the Government or a regulatory body could be welcome.

There are several models around the world for the organisation of TAM services and some of these are described in the GGTAM document.

One of the most respected ratings service in the world is the UK BARB service which could serve as a model for India.

5.4 Competition? Competition brings the best services at the best prices. In the TV ratings world, however, we do not recommend multiple ratings services. This is because:

- Two different services in the market cause confusion when different audience sizes to programmes and commercials are published. This is inevitable given that audience estimates are based on samples.
- Two services dilute the amount of money going into each service which would be better spent maintaining a single service.
- Ratings services require large capital investments, principally Peplemeters. Typically these investments are depreciated across a five year period. Having the certainty of a business for a period of time allows the ratings provider to invest in the quality of the service.

Of the approximately 75 Peplemeter countries around the world very few, we believe five at most, have more than one ratings provider. The goal in most countries is to establish a single and acceptable (to the industry) currency.

Having said that we still support competition and a periodic tender process supports that competition. If ratings providers are to be awarded a long-term, say five to eight year, contract then they will submit their best proposal at the best price like any other tenders in both the commercial and Governmental worlds.

One addition to this is that large TAM contracts, like BARB in the UK, have been split into two or three natural parts. This adds to the competition at the



point of the tender as several companies and not just a ratings specialist can tender for e.g. an Establishment Survey.

There may be a concern that appointing a single supplier also appoints a monopoly. The price competition happens at the time of the tender and typically the RFP, Request For Proposals, has defined the service required.

Independent audits of the service then act to ensure that the quality of the service is maintained against pre-defined Key Performance Indicators (KPIs) such as daily reporting sample size.

Additional comments

- BARB in the UK is regarded worldwide as a good model of a Joint Industry Committee. TRAI may wish to contact BARB and other JICs to seek input.
- One concern that may arise is whether a competitor could still enter the market even though the JIC had appointed a single ratings provider. BARB in the UK is a not-for-profit company owned by the major broadcasters and the trade association representing the advertising agencies. In this way the commitment of the industry to use the JIC service as the currency is guaranteed, preventing outsiders (commercially) from being able to enter the market.

The structure of the industry body and the contractual position with its members is clearly important here. This would be an area where the Government could provide advice and guidance.

Appendix I

TOWARDS GLOBAL GUIDELINES for TELEVISION AUDIENCE MEASUREMENT

Produced by

Audience Research Methods (ARM) Group

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