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INTRODUCING RATINGS IN TRANSITION

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Abstract

There is considerable ferment surrounding audience measurement systems in Australia and internationally (Balnaves, O'Regan and Sternberg, 2002). This article identifies the range and sources of this ferment. It pinpoints several pressure points such as the constitution of ratings panels and the problems of survey fatigue in a fragmenting media environment. Consideration is also given to 'next generation' ratings measurement technologies such as the personal people meter (PPM) and their likely impact upon the industry and its norms, and new media formats such as the personal video recorder (PVR) and the problems and opportunities they create for audience measurement systems.

The audience measurement industry - the industry devoted to measuring audience exposure to broadcasting and broadcasting-related media - is in productive ferment at several levels. There are broadcasting industry debates over the appropriate make-up and social representativeness of ratings panels; over the technologies for ratings measurement with the trialling of portable measurement devices as a replacement for diaries and people meters; over the impact on traditional measurement methodology of the new audiences delivered via personal video recorders and other online media; over the changing character of media buying and planning in the new media environment; and over the efficacy of media exposure as a unit of measure in the face of fragmented viewing experience. This issue is designed to capture this ferment in the industry's own words. It features interviews and articles from leading figures in the ratings industry in Australia and beyond, together with a number of academic discussions of the issues faced by audience measurement.

It would be fair to say that the discipline of media studies has not had a particularly good record on industry audience research. While embracing popular culture and celebrating the resourcefulness of media audiences, the discipline has been underpinned by scepticism about commercial media's knowledge of its audiences, and the research which informs that market intelligence (particularly quantitative research). Such disdain for 'commercial' knowledge is reminiscent of high/low culture divides and the disregard for popular culture that once characterised debates about media and culture. Academic critique of the commercial media requires some understanding of the actual practices and processes through which the commercial media as a whole constructs knowledge of its audiences.

Media studies has had, for many years, a standard 'critique' of the ratings. This critique has focused on the 'uses' of the ratings as a *de facto* evaluation and taste arbiter; on problems with using ratings as a measure of 'viewer engagement and attention'; and on the ratings' conventional nature - their 'currency' within the television system. Consequently, rather less attention has been paid to ratings specifically, and industry audience measurement more generally, in relation to:

- the technology of the ratings;
- the providers of the service;
- the data generated along with the know ledges they are linked with and the uncertainties attending them;
- the way the data are handled by various industry players.

Part of the problem here has been the lack of public and academic engagement with the audience measurement industry itself. This industry, pre-eminently a 'knowledge' industry and an employer of many of our university graduates, is in a state of considerable turmoil at this time, and all the more deserving of a more sustained engagement by those of us in media, communication and cultural studies. This issue of *MIA-C&P* was designed to address this problem. For us, it was important to engage with the issues *as they appeared to those in the industry*. To get at these perspectives, we have provided an edited transcript of a seminar held on the ratings. We have also invited industry representatives to contribute articles and, where this was not possible, we have undertaken interviews with key players in the audience measurement, media planning and buying, and media industries.

Through adopting this format, we hope to provide a resource for public commentary and media and communication studies' attention to the audience measurement industry. This issue also represents something of a return by *MIA-C&P* to the canvassing of industry perspectives that was a characteristic of the journal under its founder, Henry Mayer.

This issue of *MIA-C&P* had its origins in a seminar on the ratings which drew together the leading players in the ratings industry to discuss the public standing of the ratings in the wake of controversies over the ratings system in early 2001. The seminar (an edited transcript of which is included in this issue) discussed the implications for the industry of changes in the provision of ratings services in the metropolitan television markets in Australia. It brought together key players from the ratings companies, media planners and buyers, public broadcasters and leading academics. A particular focus for the speakers - Ian Garland, Ian Muir, Robert Chard, Abigail Thomas and John Hartley - was the different results emerging from the ACNielsen and OzTAM people meter panels in the first half of 2001. Their discussion illuminated the complex relationship among audience measurement industries, television companies, and media planners and buyers, and foreshadowed the challenges facing audience measurement in new media environments. While the immediate circumstances which generated the ratings controversies have changed, and the ratings are no longer making headline news, this controversy was instructive for what it revealed about the ratings as a form of syndicated research and the vicissitudes of industry research more generally.

Following the seminar in this issue are two afterwords from Ian Muir and Abigail Thomas respectively. Both provide updates to their presentations. Muir discusses developments within the Australian ratings system and more specifically at ATR - the provider of OzTAM's figures - where he now works. ATR was not represented in the seminar and has the ratings contract not only for the metropolitan television markets but also for the regional markets. Thomas updates the fast-changing situation within online media and reflects on the impact of improved tracking methodologies in the context of the ABC.

We then interview the independent auditor Peter Danaher, who was brought in to adjudicate and report on the differing results from the OzTAM and ACNielsen panels. Danaher focuses on the ratings panel methodology and outlines some of the problems for audience measurement created by a fragmenting media system, proliferating channels and the transition to digital. He identifies the challenges facing the measuring of audiences now there are so many screen technologies providing, or about to provide, an alternative to free-to-air television.

For his part, Ian Garland outlines developments in ACNielsen's global research agenda which are designed to take into account the emerging audience measurement issues for television as it enters an increasingly digital environment. Clearly the transition to digital is going to present particular challenges for audience measurement, and Garland outlines some of the strategies being developed to meet this transition. Of particular interest is the ACNielsen alliance with personal video recorder (PVR) developers to measure audiences for these technologies.

The revolution in audience research technology is likely to impact as much on radio as it has on television. Radio has persisted with a diary system because of radio's ubiquity - particularly the fact that so much listening happens outside the home in cars, in workplaces, in the garden, on the beach. On the face of it, the PPM appears to offer an elegant solution to the drawbacks identified with the diary system, such as the lack of fine-grained data and problems of compliance. It promises to measure in fine-grained ways people's radio listening, including station hopping, and promises to do for radio what the introduction of the people meter did for TV. David Rogerson and Mike McVay discuss results from PPM trials undertaken in the United States by Arbitron which suggest that it could have profoundly significant effects on radio practice and programming philosophy and potentially undo many established ways of doing things. Like previous innovations in the technology of audience measurement, the PPM was called for by the industry - in this case, to better report listening in multiple spaces inside and outside the home (in TV there is a much smaller proportion involved outside the home, anywhere between 5 and 10 per cent depending on the cohort). However, its introduction would be likely to create considerable uncertainty as all the players adjusted to and re-educated themselves about the PPM technology and the new know ledges it produces.

Australian commercial radio stations are currently investigating whether to adopt the PPM as the basis for their forthcoming radio tender. At the time of writing (October 2002), the radio industry is still to decide

whether personal people meters will be part of the terms under which it will conduct its tender for the radio ratings in Australia; however, as the interview with Joan Warner of Commercial Radio Australia makes clear, great care and caution need to be exercised by those making the decision. Not only would the introduction of a PPM system be more costly than simply continuing with the diary system, but it is also a new, largely untried technology. Like any technology of measurement, it will have drawbacks – only some of which are able to be seen at its inception. Because the system is in its infancy, taking it up in Australia carries risks - potentially Australia could be out of step with the rest of the world (if the rest of the world does not take it up on a widespread basis) and the Australian market might bear more than its share of the cost of developing the system for application globally. By holding back on adoption, Australia could instead get a tried and true system while sidestepping some of the teething problems likely to occur in the transition from diary to PPM.

Media planners and buyers play an important role in broadcasting and new media alike. Robert Chard's contribution to the seminar pinpointed the significance of media planners and buyers as important intermediaries in the handling – the interpretation and application - of ratings data. Situated between the advertisers and the media outlets, specialist media planners and buyers not only facilitate and coordinate the buying of media spots but, just as importantly, interpret and construct know ledges on the basis of the ratings and other surveys. Liz Ferrier's article, based as it is on interviews with several media planners and buyers, outlines how media planning and buying emerged as a specialist profession in its own right in Australia. She pays particular attention to their coupling of expertise in analysing ratings and other data for their clients with their expertise in buying media spots for advertisers. She paints a portrait of an industry under threat from cost pressures, competition rules, competitors in related sectors, and media fragmentation and convergence. Ferrier then interviews media planner and buyer John Ellen, who considers some of the trends in the sector over the last decade and outlines how various pressures are being handled by the media planners and buyers themselves.

Lelia Green and Martin Trevaskis continue this theme, exploring how the conservatism in the media planning and buying sector, and the entrenched interdependencies between media buyers and planners and their clients, are impeding the emergence of potentially more creative and informative ways of tracking audience response.

The potential of interactivity and the possibilities opened up by the personal video recorder (PVR), such as the TiVo system, present considerable opportunities for broadcasting, just as they generate significant threats to the nature and character of the free-to-air, advertiser-supported television. The issues they raise go to the heart of what advertising is and how it is used as a selling and awareness-raising tool. If people are able to more easily and readily zap or otherwise screen out ads, then the concept of exposure - so long the linchpin of TV industry ad-buying strategies - might become less salient and the industry may need to explore other mechanisms to capture and involve audiences for advertisers. Interactive advertising might be one solution. Mark Balnaves and Duane Varan consider some of the opportunities and threats associated with the widespread adoption of technologies such as the PVR and broadband roll-out.

Reference

Balnaves, M., O'Regan, T. and Sternberg, J. 20m, *Mobilising the Audience*, University of Queensland Press/Australian Key Centre for Cultural and Media Policy, Brisbane.