Understanding television audiences
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EXECUTIVE SUMMARY

According to ZenithOptimedia's July 2011 advertising expenditure forecasts, television is the dominant mass medium in the minds of major marketers and consumers. More than $189 billion will be spent on TV advertising in 2011, representing a 41% share of major media adspend globally. Ten years ago, in 2001 – with internet advertising still in its infancy – the medium's share stood at 38%.

Television therefore remains, for many marketers, the primary communications channel when launching a new brand or supporting an existing one. It offers impact through sound, pictures and motion, the ability to reach lots of people quickly, and 'talkability'.

This talkability, often referred to as the 'water cooler' effect (the water cooler being, legend has it, where people would stand around discussing the previous night's television programmes) has been enhanced by the growth of on-line social media outlets such as Twitter and Facebook.
ESSENTIALS: The Power of Television Advertising

Television plays to many strengths as an advertising medium. These include:

- Impact through audio-visual images and movement
- High and fast-building coverage of all target groups
- Traditional competitive battlefield for brands
- Talkability
- Interactivity

WHERE TO START: Measuring television audiences

Research into the television audience includes measurement of:

- Audience size, composition, flow and duration
- Audience interaction – how viewers react to programmes and advertising (e.g. fast forwarding of programmes played back on DVRs and ad avoidance)
- The impact of programme and advertising context on receptivity to advertising
- Talkability – the extent and duration of viewers’ on- and off-line conversations during and after a programme or ad has aired

TV audience measurement (TAM)

Since the early 1990s, most television markets have been measured electronically using people meters, which replaced the earlier system of paper diaries. By mid-2011, around 75 countries worldwide used electronic measurement of one sort or another.

Peoplemeters are household-based devices, automatically detecting whether sets are on or off and identifying the channels to which they are tuned. People in sample households press buttons to indicate when they are present in a room with the set on.

As measurement devices, they suffer from several key weaknesses:

- They cannot account for viewing that takes place out of the home
- They indicate the presence of a viewer, but not his or her attention to the screen
- Meters will not accurately represent the viewing of those who fail to press their buttons

The first and last of these have prompted much work into devices that attempt to measure individual (rather than household) viewing with minimal intervention from the respondent.

The Portable People Meter (PPM) was developed in the early 1990s and first tested by Arbitron as a radio measurement device in Manchester (UK) in 1998 and then in Philadelphia in the United States shortly afterwards.

It is based on embedding an inaudible code into the audio part of a broadcast stream. This is then detected by a panel of people carrying special pager-like devices whenever they are within earshot of the signal. PPMs were first used to track...
television audiences in 2003 in the Canadian province of Quebec

Respondents do not have to remember to press buttons when they enter and leave a room and, of course, exposure outside the home can be picked up. A disadvantage is that 'presence in the vicinity of an audio signal' (the PPM definition of a viewer) is not the same thing as actually watching television. Another is that many people may not want to carry a pager device with them all the time.

Arguably, of course, the basic peoplemeter definition of viewing ('people in a room with a TV set on', supplemented in some markets with 'and watching') may not accurately represent the number of people actually watching either. But the link between attentive viewing and measured exposure to an audio signal is likely to be weaker outside the home than it is inside, with viewers possibly just passing by locations that happen to have televisions switched on.

A challenge for the PPM has been to ensure that respondents actually carry their devices with them throughout the day and that they do so consistently and continuously. Newer devices such as Ipsos's MediaCell, also based on the idea of capturing exposure to encoded audio signals, have addressed the challenge of asking people to carry an extra device by simply uploading special software into the Smartphones of a panel of people. They are asked to keep these switched on and with them throughout the day – which, in the majority of cases, is what they do anyway.

The audience results generated by traditional Peoplemeters and newer passive devices vary – often considerably. The problem then becomes to decide which of them is closer to the 'truth' or, more realistically, is commercially acceptable to all sides of the buying and selling equation.

**Set-top boxes**

Another development in TAM is the use of set-top boxes to gather more detailed television tuning data. An increasing limitation of sample-based TV audience measurement (such as both people meter and PPM panels) is the growing fragmentation of audiences.

In the US, for example, the average household receives well over 100 channels. In the UK, as Shabbab pointed out as long ago as January 2005, of 166 channels measured by BARB, only 14 achieved an audience share exceeding 1%. Since then, more channels have been launched.

Set top box panels consist of large numbers of digital cable or satellite subscribers who agree to have their set top boxes tracked, with every set tuning action recorded – such as switching on or off, changing channel etc. Samples can run to several hundred thousand households. Viewing data can be examined right down to the second-by-second level with robust data for almost any sized channel or programme.

The drawback of these panels is that set-top boxes only measure the status of the television set (and may not be connected to all the sets in a household). We cannot be certain that anybody is actually watching (or, if they are watching, who is in the room) or even, in some cases, whether the box has simply been left on standby.

One possible solution is to model individuals' viewing from large household panels. This may become more popular as some of the large digital subscriber household panels around the world take root.
The viewing context

The context in which an ad is viewed (both the programme and the advertising surrounding the ad) is likely to influence the response to the message.

This can refer to a viewer's physical surroundings (are they watching at home or somewhere else?), the social environment (watching alone or with others) or other factors that might affect their attentiveness, such as interest in the product category being advertised, the time of day, the day of the week or the mood they are in.

A debate raged amongst academics in the 1980s between those who believed that high or low attention to programmes carried over directly to commercials and those who believed the opposite: that people paying high attention to a programme would have a negative reaction to commercials interrupting their viewing. The first view generally attracted more support than the second.

Much work has been done over the years by media agencies and television stations on the subject of programme involvement and its relationship to commercial recall. A popular measure of likely engagement with a programme has been to look at viewer loyalty to particular shows (e.g. whether people watch every episode of a series or programme or just tune in occasionally) and how much of a broadcast they actually stay tuned for (for example, do they watch all of it, or only part?)

Syndicated services like IAG evaluate programmes according to their level of viewer appeal or engagement in the United States; in the case of this company, hundreds of thousands of viewers are polled daily and asked to answer a series of trivia questions about programmes they claim to have watched the previous day. The number of these questions that are correctly answered indicates how 'engaged' the viewers were – with a similar exercise undertaken for commercials.

Probing more deeply

It is now possible to monitor audience behaviour in considerable detail, using data from set-top boxes or personal video recorders. The latter have given viewers much more control over what they watch. Programmes are recorded onto a hard drive with a simple click and then played back later – with commercials often fast-forwarded over.

Work by TiVo in the US television environment of the 1990s suggested that commercials were likely to be fast-forwarded in the programmes people liked most – because it was these programmes that tended to be recorded for later playback in the first place.

In a study of prime-time programmes there, around two-thirds of prime-time shows were watched in playback mode. The average commercial break was skipped in 54% of cases, and avoidance was particularly marked in the most highly involving programmes.

This work was based on early adopters to the personal video recorder, a technology now present in a far greater number of households. Arguably, the increasing ease with which viewers can flip between what they want to watch and what they don't using PVRs and other emerging technologies may mean that all viewing will, by definition, be attentive viewing. After all, if people don't like what they are watching, they will simply switch to something else or fast-forward.

Interactive TV
Little has been written to date on interactive television, which remains at an early stage in its evolution. But it offers up the potential for viewers to play along with game shows, vote in live polls, get statistics on sports players and, of course, to research and buy things by pushing a button on their remote control devices. It also takes us to the questions raised back in the 1980s about the relationship between programme attention and involvement on the one hand and advertising receptivity. Early, experimental data suggests that viewers are more likely to interact with ads in programmes they have less interest in, which adds to the story being told by early PVR users – that programmes people particularly like may not be the best places to place advertising.

FUTURE DEVELOPMENTS: Towards Perfect Television Measurement

Passive audience measurement faces a number of barriers to adoption – for television as it does for radio. The first is cost – although this is less of an issue for television, which has a far greater share of advertising dollars than radio.

The second is fear of change – nobody likes to alter an existing audience measurement approach, especially if there is any danger it will show lower audiences for some or all of the channels paying for the study.

The PPM and MediaCell approaches demand that TV stations embed special codes into their broadcast stream – which they may refuse to do. So station co-operation is vital to paint a complete picture of the audience.

Perhaps most important of all, the very definition of viewing is different with passive, electronic measurement. Instead of relying on people pushing buttons to indicate presence in a room with a television set switched on, the new approaches simply measures their presence in the vicinity of an audio signal, with no information on how intently – if at all – they might be viewing the associated television broadcast.

But passive measurement offers advantages too:

- Continuous viewing data over long periods for very low incremental cost
- Possible combination with set-top box ‘census’ data
- All viewing occasions measured, however brief
- Low dropout, due to low respondent burden
- Ability to measure radio and other audio-based media
- Potential for further Smartphone applications to be integrated with the TV tracking

The whole area of interactive television is being transformed by direct linkage of television sets to the internet, meaning that viewers can watch television and surf the net on the same device at the same time, possibly minimising the television picture at certain points. This will be something audience measurement will have to capture and help to assess.

CONCLUSION & CHECKLIST

Most other media define themselves and their research objectives in relation to television. Numerous studies funded by radio, print or Out of Home industry bodies focus on how these media can compete with or add value to a television campaign.
The internet has been making giant strides against other media over the past ten years or so – but television's share, overall, is even higher than it was ten years ago. So the medium is healthy, but this does not mean it can stand still.

Over the next few years the industry's key challenges will be to:

- Adopt electronic measurement to overcome weaknesses in peoplemeters
- Gain greater understanding of audience engagement with ads in PVR-recorded content
- Measure audience interaction with online content via their television sets

FURTHER READING

Articles on warc.com

The March to Reliable Metrics: A Half-Century of Coming Closer to the Truth

From Prime Time to My Time - Measuring television audiences
Andrew Green, Warc Exclusive, From Prime Time to My Time, 2010, pp. 82-124

The Future Arrived Yesterday
Nigel Walley, Warc Exclusive, MRG conference, November 2010

A serious examination of the myth of TV viewing
Tim Jones and Tom Baxter, Market Leader, Quarter 1, 2010, pp. 26-29

Empirical Evidence of TV Advertising Effectiveness

Books

Green, Andrew (2009). From Primetime to My Time: Audience Measurement in the Digital Age (Warc)


Websites

www.thinkbox.tv

www.slideshare.net/joelrubinson/tv-effectiveness-webcast-rubinson

www.tvb.ca (PDF)

FOOTNOTES & REFERENCES

1. www.zenithoptimedia.com – Adspend forecasts July 2011


ABOUT THE AUTHOR

Andrew Green is Chief Marketing Officer at Ipsos MediaCT and the author of the book, *From Prime to My Time: Audience Measurement in the Digital Age*. He has held senior research positions at Zenith Optimedia, Billetts, OMD, Nielsen and Carat.

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