

# The Roy Morgan Research Centre Pty. Ltd.

Australia's Nation-wide Marketing Research Organisation

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M e d i a R e s e a r c h  
Paper presented to:  
Advertising Club of Victoria  
by Gary Morgan

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## Readership Research: Need for Australian Advertisers and Agencies to Act

At the AANA Conference last year, Harold Mitchell, of Merchant, Pettett & Mitchell, asked the AANA to examine the methods and results of media readership surveys, so that advertisers would understand why they are receiving conflicting information.

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The issue: In B & T October 16, 1980, Dennis Merchant, also of Merchant, Pettett & Mitchell, compared Morgan and McNair readers per copy, Oct '79-March '80, for four monthlies:

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### Estimated Adult Audience Coverage

	<u>Morgan: Specific issue method</u>	<u>McNair: Recent reading method</u>	<u>Difference</u>
	<u>%</u>	<u>%</u>	<u>%</u>
House & Garden	6.8	14.7	116
Home Beautiful	8.2	11.9	45
Home Journal	5.5	9.2	67
Better Homes & Gardens	2.9	4.0	38

These differences average 67% and must concern all advertisers and media men.

Last year at an Esomar Seminar in West Berlin, Ian Muir, of McNair Anderson, admitted criticism (by both publishers and agencies) that their "estimates of average issue readership, particularly for magazines, are higher than common sense would dictate". He also said that their readership survey "very closely followed the British NRS questioning techniques".

The Methods: We contend that the differences reflect the methods, and the Morgan Readership method is more likely to be correct (although less popular with some media because it usually produces lower figures).

McNair Anderson measures all magazine audiences by the "recent reading" methods, also referred to as the "recency-frequency" method.

Morgan Readership Surveys use a variant of "recent reading" for weeklies, but a variant of the "specific issues" method for monthlies. We believe our composite method is the only reliable way to measure readership of dailies, weeklies and monthlies. We have used it in our Morgan Readership Surveys without change for nine years.

McNair Anderson and the UK NRS ask people being surveyed, whether they have read any issue of the monthly publication in the last month, not a specific issue.

McNair Anderson and the NRS obtain inflated readership figures because of the following reasons:-

1) People can't accurately remember if they read a monthly publication in

the last month or whether it was two months ago.

.../2

2) There is the problem of replicated readership. Assume a person takes two months to read one particular issue of monthly Magazine "A". Also assume that person during those two months reads only that one issue of Magazine "A". If that person is interviewed at any time from the period when he started reading that issue of Magazine "A" until one month after he finished reading Magazine "A", then that person would say he had read Magazine "A" in the last month. If the whole population is like that person and all read only every third issue of the monthly Magazine "A", and take two months to read it, then all when interviewed would say they are readers of Magazine "A"! The results would show in this extreme example, that 100% of the population read Magazine "A" although the true average issue readership figure is 33<sup>1</sup>/<sub>3</sub>%!

To show that our methods obtain accurate results, in 1979 we conducted a series of experimental surveys using Reader's Digest.

The surveys covered interviewing different, but comparable, Australia-wide cross-sections of approximately 1,100 men and women aged 14 and over.

Respondents surveyed were shown one or more of the following:-

- (a) The actual front cover of a Reader's Digest,
- (b) A photograph in black and white of the front cover of a Reader's Digest, or
- (c) A specific issue of Reader's Digest.

The following are the results obtained:-

		Sample Base	Australia-wide		
			Total %	Men %	Women %
<u>July Issue</u> (Surveyed in September 1979)	Actual cover	(1,152)	16.4	15.4	17.3
	Specific Issue	(1,152)	14.8	13.9	15.7
<u>August Issue</u> (Surveyed in October 1979)	Actual cover	(2,475)	14.9	14.2	15.7
	Photographed cover (Black & White)	(2,344)	14.4	13.0	15.8
	Specific Issue	(1,201)	12.8	11.7	13.9
<u>September Issue</u> (Surveyed in November 1979)	Actual cover	(1,135)	16.0	17.4	14.7
	Photographed cover (Black & White)	(1,296)	15.5	15.5	15.5
<u>October Issue</u> (Surveyed in December 1979)	Photographed cover (Black & White)	(2,147)	16.4	17.1	15.9

The above table shows the readership levels we obtained were similar using either of the three methods. In the same period McNair Anderson estimated that Reader's Digest had a readership of 26.0% for all people, 27.1% for men and 24.9% for women.

ARF opinion: We are supported in our belief by the American Advertising Research Foundation (ARF), which, in 1979, conducted a survey to compare "average issue audiences" of weekly and monthly magazines as measured by:

- . The "through the book" (specific issue) method, used in U.S. by Simmons, and
- . The "recent reading" (any issue) method, used in UK by the National Readership Survey (NRS) and in Australia by McNair Anderson.

In January 1980 the ARF reported that very large increases in "recent reading" levels (compared with "through the book") heightened their concern about the "recent reading" technique.

The figures that concerned them are in the following table. It shows that audience coverage by "recent reading" are 29% higher for weekly magazines, 90% higher for larger circulation monthlies, and 138% higher for smaller circulation monthlies, i.e. the differences between the two methods increases as publication frequency decreases.

	<u>Estimated Adult Audience Coverage</u>		
	<u>Specific issues</u>	<u>Recent reading</u>	<u>Difference</u>
	<u>method</u>	<u>method</u>	
	<u>%</u>	<u>%</u>	<u>%</u>
12 Weekly Magazines	7.60	9.78	29
18 Larger Circulation Monthlies	7.70	14.65	90
36 Smaller Circulation Monthlies	1.64	3.91	138

Differences for monthlies in the third column above are even greater than those in the first table.

U.K. opinion: In 1979 and 1980 \$35,000 and a lot of expert time was spent in UK trying (without success) to correct the weaknesses in the recency-frequency method used in UK for the British National Readership Survey (NRS) and in Australia by McNair Anderson. The investigation was called the "Cumberland Lodge Test". The following comments on it are on Page 431 of "Admap" of September:

Neil Shepherd-Smith: "The basic frequency-recency NRS model should itself be investigated".

Geoff Burton: "What is needed is to establish a new NRS model for the next 25 years. The most important thing is to think out what respondents do and think when they are replying to questions".

John Billett: "Future development should concentrate on developing a new readership technique".

Brian Roberts: "The Cumberland Lodge test . . . throws up disturbing implications about the frequency-recency method. I feel that in the following months we may see the industry coalescing into 'fundamentalist' and 'radical change' schools."

New Orleans: A symposium on Readership Research was held in New Orleans, USA, on February 11-18. Discussion was to centre on the recency-frequency method.

In theory, recency-frequency is an excellent and economical way of measuring readership, reach and frequency; but (as shown in the above tables) it exaggerates magazine audiences because of replication, prestige (halo) and elastic memories.

As stated above, we believe our "composite method" is, at present, the only viable way to measure readership.

### Television Ratings: It's Time to Act

Our aim is to supply, as quickly as possible, in all capital cities of Australia, a daily TV rating service, with demographics of who is watching.

There has been, and there will be, much debate and discussion before this aim is achieved.

There are probably only four organisations in the world who can supply Australia with a TV rating service using meters.

There are, of course, McNair/AGB and ourselves. AGB of the UK is the second largest market research company in the world, and now conduct the UK TV ratings. There is A.C. Nielsen, who is the largest market research company in the world. They now conduct the US TV ratings. Finally there are the TV stations themselves, either working in conjunction with one of the previously mentioned organisations or another party.

I expect that later this year the TV stations will start floating the idea of either establishing their own TV rating service based on meters, or having a third party, such as McNair/AGB or ourselves, establish a service for them.

There are, of course, many advantages for the TV stations to own and control the method used to measure themselves. But will the National advertisers or the large independent advertising agencies accept such a situation?

### Outline of Specifications of the Roy Morgan Demographic TV Meter

1. The TV Meter is attached to the TV set. It consumes only 17 watts, which is less than a small lamp bulb. The TV Meter will record up to 14 TV channels on one set. The demonstration model is set for the 5 TV channels in Melbourne.
2. Up to 4 TV sets in the one building can be monitored by one TV meter.
3. Changes in TV channels are recorded at 1 minute intervals.
4. Demographic details can be recorded for up to 8 members of a family.
5. Demographic data is recorded every 5 minutes.

6. Demographics

- (a) When a TV set is first switched on, all 8 lamps flash slowly on the Meter until at least one viewer presses his button on an infra-red, cordless, remote control unit.
- (b) Every half hour the lamps on the TV meter flash urgently to remind viewers to check the demographic details are up-to-date.
- (c) Each time a button is pressed on the cordless remote control unit, the corresponding demographic lamp on the Meter displays changes i.e. either to "on" or "off".

Transmission to our Central Computer

- 7. In addition to the TV meter, there is a small Transmitter Unit which is used to automatically transmit the data by telephone to a central computer in head office.
- 8. The clock in the Transmitter Unit is crystal-controlled and is checked every day by the central computer located at head office, so timing is held within ten seconds at all times. In the event of a power failure, the clock keeps running on a battery.
- 9. The central computer can also change the time of the day when transmission of data to the central computer takes place.
- 10. Average time taken to transmit the data via a telephone to the central computer is only 30 seconds per household. The time varies according to the number of sets in the household and the number of channel changes in the preceding 24 hours.
- 11. The householder's telephone is not available for their normal use for only  $\frac{1}{4}$  hour each day - very early in the morning.
- 12. The TV Meter and the Transmitter Unit do not require a separate MODEM.
- 13. If a standard infra-red control unit is used in a household for TV channel selection, our infra-red cordless remote control unit for demographics will not interfere with the channel selector and vice versa. This is because different codes are used by the two cordless remote control units.

#### 14. General

There is no need for wiring between the Transmitter Unit and the TV Meter. This is done automatically through the household mains wiring. Thus, the domestic TV set may be moved to any room in the house - or any position within a room. Plugged into any mains socket, it will automatically connect to the Transmitter Unit.

The Transmitter Unit contains:-

- (1) The memory with capacity for Channel Selection at 1 minute intervals throughout a 23 $\frac{3}{4}$  hour period (1,425 entries). It also has enough capacity for recording demographic data every 5 minutes (285 entries). There is provision to record a similar amount of information from 3 other TV receivers in any given household. i.e. 4 TV receivers can be covered.
- (2) The telephone control circuits for automatically transmitting information over the telephone network back to the central computer, and
- (3) Intercom circuits to communicate with up to 4 TV sets in the household without interference between TV sets.

#### Radio Ratings: It's Now a Waste of Time

Over the years, I've mentioned that the existing method of using a diary to measure radio listening is not satisfactory. This is because:-

- (i) The type of person who will participate in such a survey is not representative of the population, and
- (2) Today, a lot of radio listening is outside the home, either out doors or in a car.

The most accurate way of measuring radio listening is using a method known as one-day aided recall. If used continuously, this method is more expensive than a diary.

My advice is to disregard the existing survey data and periodically conduct aided recall surveys.