



AN UNCOMMON SENSE
OF THE CONSUMER™

JUST FOR PROGRAMMERS

April 2, 2014

Looking Forward With Nielsen

Nielsen's acquisition of Arbitron last year created a great deal of potential new initiatives and synergies that the radio industry has never seen before. At the same time, understandably, there can be fears about continuity and change.

To provide some insights on how Nielsen views radio, digital and the future, SVP of Local Media Product Leadership Farshad Family recently did an interview with [All Access](#). Since not everybody saw that piece here are some highlights of his most radio-relevant comments:

On Radio: We're strong believers in radio -- and more broadly, audio -- as a media platform that we want to measure. Radio listening takes up about two hours of a consumer's day; TV captures about four to four-and-a-half hours, with online getting roughly another hour or so. We're getting better and better about putting together a comprehensive picture of what consumers are consuming, and what media they're exposed to and are interacting with.

On the previously announced PPM Sample Increase: The good news is the PPM sample increases that we announced in November have begun. We're making investments in the audio business by increasing the total aggregate PPM panel size by about 6% across all markets. However most of those increases will be concentrated in markets 31-48, where the need for a larger sample size is the greatest. In a lot of these markets, that's an average increase closer to 20%, which is fairly meaningful. We expect the total increase to be wrapped up in the middle of 2014.

On the impact of the sample increase: The main reason we're doing this is for stability. The larger the sample size, the more stable the ratings we produce. You will be seeing less bounce in the numbers because a bigger sample size stabilizes the reading on audience behavior.

On other improvements: We've made a couple of other announcements regarding increasing sample size in certain demo segments, so we can offer a better analysis for clients. A larger pool of Hispanics and African-Americans will enable us to get a better granular sample. Both of those segments are over-indexed on radio consumption compared to the general population, so it's very important to provide clients of those custom segments with oversampling.

On the Diary: We are continuing our effort to develop an electronic diary -- a web-based diary -- to keep up with the migration from a paper to a digital world. Previous tests on an electronic diary have gone fairly well; we're scaling up with a bigger test this spring and assuming that goes well, you could see electronic diaries play a much bigger role over time in markets where PPM measurements are not economically viable.

On Measuring Consumers: Nielsen has done a lot of work connecting what people watch with what people buy. We want bring same the capabilities to the audio side. We have access to third parties for categories such as retail or quick service restaurants, movie theaters and wherever you use your credit card. We want to help make the link between a radio's audience and local business purchases; doing so would provide a stronger case on why audio is a strong platform.

On the future: What we do know is that without question for both video and audio, digital platforms will become much more important simply because consumers are embracing them much more than they used to for seeking out content. We want to be with our clients every step of way as they figure out their strategy on platforms; we'll be there with measurement tools that are relevant.

Hopefully this sheds some light on the priorities and thought processes going on here at Nielsen. You can always follow our main insights blog, [Nielsen Newswire](#) where we share daily examples of the power of the company's global view of media and consumers. Also, follow our [press room](#) for new and exciting announcements about products for our clients.

