AAAA/ANA STUDY EXPLORES COMMERCIAL VS. ALL-PROGRAM CONTENT VIEWING

For some time we have championed the concept that commercial audiences offer the advertiser a more realistic picture of the value of a TV buy than the time-honored practice of combining all content (programming, commercials, promotional announcements) together into an average minute audience tally. Clearly more people tune out during commercials than program content, and past analyses of Nielsen's meter panel data indicate that audience loss during commercials is not a constant across all dayparts of program genres. Avoidance by dial switching is much higher in programs that have been rerun too often and during ad breaks that are more heavily cluttered, for example.

Various advertisers and ad agencies have picked up on this issue in recent years, which prompted the American Association of Advertising Agencies (AAAA) to join forces with the Association of National Advertisers (ANA) to commission an analysis of Nielsen's national peoplemeter panel covering the periods of March 29th-April 25th and November 15th-December 12th, 2004. The goal was to investigate how audience levels during 30-second commercials varied from the established all-content average model, which has been in use since the 1950s. All told, 15,585 telecasts on the on-air, syndication and cable networks were scrutinized using three demographics: adults 18-49, women 25-54 and men 18-34.

Before turning to the AAAA/ANA study's findings, we should point out that Nielsen's national peoplemeter design does not offer any indication of audience attentiveness, let alone "commercial viewing." Respondents who turn on their TV sets, plus others who may be in the room, are supposed to note whether they are "watching" through special electronic recording devices. What "watching" means is up to the respondent to decide. In addition, although audiences are asked to note any variations in their viewing status (such as leaving the room) while the set remains tuned in to the same channel, it is obvious that such disruptive events are often not reported. As a result, during the duration of an uninterrupted single channel set usage period, many people initially counted at the outset as "viewing" continue to qualify as "viewers" simply because they failed to indicate otherwise.

Commercial avoidance includes many facets, most notably lack of attention as well as more obvious acts such as leaving the room or the ultimate overt response, changing the channel. However, the AAAA/ANA analysis is confined to the latter dimension, which in all likelihood is the least common avoidance response. Our best estimate (based on numerous studies described elsewhere in this volume) is that, of the viewers who were watching a program just before a commercial break begins, approximately 20% remain in the room but stop paying attention as the commercials appear. Another 15-20% pay only some attention, depending on whether they find a particular message interesting, while 10-5% may leave the room or be in the process of returning after a brief departure. Only about 5-10% actually change channels to avoid a particular commercial.

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AAAA/ANA Study Explores Commercial Vs. All-Program Content Viewing *Continued*

These caveats notwithstanding, the AAAA/ANA analysis remains a noteworthy contribution. The first table summarizes overall findings for adults 18-49 by dayparts and network types. As indicated, across all 15,585 telecasts, the researchers found 5.6% fewer adult 18-49 "viewers" during 30-second commercials than would be reported in an all-content average for all 30-second intervals during these telecasts. In line with past studies of this sort, early morning TV had the greatest drop off in per-commercial audiences (13%) while daytime TV had the least (3%). Interestingly, on-air network fare performed at the same levels as cable (6-7% drop off), but syndicated programs—including heavy doses of daytime entries—were far superior, with an average audience "loss" of only 2% (see first table).

More specifically, the AAAA/ANA study found only minor differences between the six on-air TV networks in commercial holding power, but it noted major variations between the cable channels. The second table compares the average commercial audience loss for 20 cable services compared to the six on-air network averages for all dayparts and primetime. Here we see some really eye-popping distinctions. For example, primetime fare on TV Land and Court TV performed very well, with an average commercial's audience only 5% lower than their all-content averages. Conversely, MTV's typical drop-off was nearly 18%, while A&E, AMC, CNN, Discovery Channel and the History Channel all fell into the 11-14% range (see second table).

The third table provides a major genre comparison for the on-air networks in six dayparts. As expected, the champion—in terms of holding power—was daytime serials, which drew commercial audiences only 2% lower than their all-content averages. Early evening newscasts and primetime comedy/variety shows also fared well, but this was hardly the case for the networks' early AM newscasts (21% drop off) or late night general varieties, which had a 12% drop off (see third table).

The fourth table continues this analysis for 15 cable program genres across six dayparts. Not surprisingly, in view of MTV's relatively weak overall showing, popular music channels fared badly in all dayparts. Similar high levels of attrition were also evident for talk shows ("conversations/colloquies") and sports commentaries. As with on-air network fare, cable sitcoms compared favorably to other genres, as did general and sci-fi dramas and—perhaps unexpectedly—feature films (see fourth table).

The Media Research Committee, which helmed this project, made every effort to mine the best insights from the data. In one of its analyses, a hypothetical application of the findings simulated 12 cases where time buyers selected not only those shows that indexed above par in reaching the client's target group, but also those shows that scored the highest in commercial holding power. The resulting comparisons noted that the application of commercial audience data yielded "very modest improvements of a couple of percents or so."

While the AAAA/ANA report finds this level of improvement "disappointing," we must disagree. To begin with, the whole analysis was based on a single aspect of commercial avoidance: dial switching. As noted earlier, this is the most overt but, statistically speaking,

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least significant manifestation of this phenomenon in qualitative terms. Suppose we are correct in our projection that upwards of 60% of the reported audience of an average TV show engages in various forms of avoidance (total lack of attention, partial attention, leaving the room and dial switching) during an average commercial. Suppose TV Show A has a 5% dial switching loss per commercial while Show B loses 10% of its audience in this manner. Isn't it likely that the other manifestations would fall somewhat in line with the dial switching distinctions? In other words, if 20% of all viewers stay in the room, but pay no attention during an average commercial, might this factor be only 15% for Show A—which obviously captures more attentive viewers, but 25% for Show B? Indeed, if we take all forms of avoidance and/or indifference, isn't it possible that Show A "delivers" 65% of its viewers to an average commercial while the corresponding figure for Show B is only 40-50%? If so, that's a pretty big difference.

The problem is that agency time buyers need a source that measures commercial avoidance in its totality, and no such animal exists. "Commercial audience" tabulations using Nielsen's peoplemeter panel cannot be expected to fill this need, since at best they deal with a mere fraction of the problem—the tip of the iceberg, as it were. To get at the issue, the solution may be to employ Nielsen data in conjunction with a more ad-specific indicator such as commercial recall. It would be worthwhile to explore the possibility of an ongoing, Internet-based design that tracks commercial recall initially by network and cable channel, then, as a broader database is developed over time, by individual dayparts, program genres and ultimately specific shows. Certainly the advertising industry would be doing itself a great disservice if it interpreted the AAAA/ANA "Study Of Commercial Audiences" as a justification of the incumbent TV audience tabulating system. This is obviously a case where one must look beyond Nielsen's peoplemeter, if getting a better return-on-investment is really the goal.

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AVERAGE PERCENT DROP-OFF IN 30-SECOND COMMERCIAL AUDIENCE RELATIVE TO ALL PROGRAM CONTENT AVERAGE AUDIENCE[1]

	NO. OF TCs STUDIED	AVERAGE DROP-OFF	RELATIVE INDEX
All-Daypart Average	15,585	5.6%	100
Dayparts			
Early AM	861	13.0	232
Daytime	2,438	3.1	55
Early Fringe	1,567	4.6	82
Primetime	3,716	7.4	132
Late Fringe	2,481	8.5	152
Sat./Sun. Daytime	1,979	4.6	82
Network Type[2]			
Broadcast Networks	2,457	6.6	118
Cable[3]	10,585	6.8	121
Syndication	2,543	2.3	41

[1]Base is adults 18-49.
[2]All-daypart average.
[3]Cable channels averaging less than a persons 2+ .3% rating were omitted.

Source: AAAA/ANA Study Of Commercial Audiences, August 2005.

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AVERAGE PERCENT DROP-OFF IN 30-SECOND COMMERCIAL AUDIENCE RELATIVE TO ALL-PROGRAM CONTENT AVERAGE AUDIENCE FOR SELECT CABLE CHANNELS[1]

	ALL DAYPART AVERAGE	PRIMETIME AVERAGE
Six Broadcast Networks	-6.6%	-6.1%
Cable Networks		
A&E	8.8	11.3
AMC	9.5	12.9
Animal Planet	7.2	7.5
Comedy Central	8.1	7.5
CNN	13.8	13.6
Court TV	4.7	5.1
Discovery Channel	11.5	12.3
ESPN	9.6	9.4
Fox News Channel	5.8	9.6
History Channel	10.3	11.4
Lifetime	5.0	5.8
MTV	15.4	17.5
Nick At Nite	5.2	7.7
Nickelodeon	2.4	5.6
Sci-Fi Channel	7.6	8.5
TBS	6.2	9.6
TLC	7.7	9.3
TNT	5.8	7.8
TV Land	6.6	4.5
USA	7.4	8.5

[1]*Base is adults 18-49.*

Source: AAAA/ANA Study Of Commercial Audiences, August 2005.

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AVERAGE PERCENT DROP-OFF IN 30-SECOND COMMERCIAL AUDIENCE RELATIVE TO ALL-PROGRAM CONTENT AVERAGE AUDIENCE FOR BROADCAST NETWORK PROGRAM GENRES[1]

	NO. OF TCs	DROP-OFF
Early AM News	262	20.6%
Daytime Serials	339	1.7
Early News	144	2.8
Primetime		
Comedy/Variety	25	2.8
Animated	19	5.3
Feature Film	24	7.2
General Drama	223	6.5
General Variety	31	7.0
News Documentary	45	8.0
Police	8	7.0
Participation Variety	69	6.6
Science Fiction	9	5.5
Situation Comedy	224	4.9
Sports Event	11	6.0
Late Night		
Comedy Variety	8	7.4
General Variety	311	11.6
Weekend Day		
Sports Events	26	6.2

[1]*Base is adults 18-49.*

Source: AAAA/ANA Study Of Commercial Audiences, August 2005.

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AAAA/ANA Study Explores Commercial Vs. All-Program Content Viewing Continued

AVERAGE PERCENT DROP-OFF IN 30-SECOND COMMERCIAL AUDIENCE RELATIVE TO ALL-PROGRAM CONTENT AVERAGE AUDIENCE FOR CABLE GENRES BY DAYPART[1]

	MORNING	DAY	EARLY FRINGE	PRIME-TIME	LATE FRINGE	SAT./SUN. DAY
Comedy/Variety	*	*	*	-10.0%	-8.5%	-5.5%
Conversations/Colloquies	—	—	—	14.1	28.8	—
Animation	—	—	7.1	5.1	10.5	—
Feature Film	—	6.1	7.6	9.3	8.6	5.8
Gen. Documentary	—	*	7.3	10.9	7.9	6.5
Gen. Drama	4.2	3.9	6.4	6.9	6.3	6.1
Gen. Variety	—	—	—	8.4	*	—
Instruction/Advice	*	*	6.6	6.7	7.8	2.8
News	9.0	4.1	3.9	9.2	8.8	4.9
Popular Music	—	13.0	13.4	17.0	16.3	11.2
Science Fiction	—	6.4	7.3	8.7	3.9	—
Sit. Comedy	—	3.5	3.3	7.3	4.8	2.1
Sports Commentary	—	8.1	7.2	10.8	15.2	4.9
Sports Event	—	*	11.3	10.3	—	6.7
Western Drama	—	*	1.7	9.2	—	2.6

Note: "—" signifies that this genre was not reported on in this daypart. "" indicates that data were reported, but for fewer than 10 telecasts.*

[1]Base is adults 18-49.

Source: AAAA/ANA Study Of Commercial Audiences, August 2005.