

THE IMPLICATIONS OF LISTENER ENGAGEMENT AND AD RECEPTIVITY METRICS FOR RADIO

Although the concept has been well documented since the 1960s, advertisers concerned about spending their media dollars more effectively have recently jumped on the engagement bandwagon for their network TV buys. Now it is no longer enough to count the number of target group “eyeballs” watching the TV shows where ads are placed; specific measurements of commercial minute audiences as well as viewer attentiveness, ad recall and other metrics are being utilized in an attempt to improve the likelihood of commercial exposure and/or ad impact. In short, it is recognized that not all viewing experiences are the same and that “engaged” viewers are more likely to stay tuned when commercial breaks appear than those who are less interested in the programs.

Fortunately for TV, it has an abundance of measurements to aid advertisers and time buyers in their quest for engaged viewers. Nielsen now provides set usage estimates for all nationally televised shows by commercial minute, as well as program involvement and commercial recall from its IAG service. In addition, TVQ measures the likeability of national TV shows in numerous studies, and GfK MRI and Experian Simmons conduct ongoing viewer attentiveness surveys for most broadcast network and many syndicated and cable programs.

Sadly, nothing like this breadth of research is available for radio. However, once the agencies complete their recently initiated “upgrade” of magazine buying—incorporating TV-like engagement factors into the process—one wonders if radio will be their next target. If that is the case, it will certainly be a sign that radio is finally being taken more seriously by the agencies. The introduction of engagement metrics such as commercial exposure, attentiveness or ad recall should therefore be welcomed, not feared, by the medium, even though they will show certain formats, dayparts and ad clutter situations to greater advantage than others. The TV networks and cable channels have learned to adapt to such indicators; there’s no reason why radio can’t do the same.

Dating back to the 1960s, there is considerable evidence that radio listeners do not pay as much attention to that medium as TV viewers devote to the tube. The 1965 CBS “Mike + Mike” study produced the collective finding that approximately one-third of in-home radio listeners claimed to be attentive. Two experimental surveys by The American Research Bureau (now Arbitron) in 1966 and 1967 found that roughly 23% stated they could hear a radio station but weren’t actually “listening.” This finding matched the results of the All Radio Methodology Study (ARMS) conducted in Philadelphia in 1965. Here as well, approximately 25% of those contacted reported being within earshot of an operating radio (“hearing”), but denied that they were “listening.”

Because the early radio audience involvement studies utilized varying methods and metrics, it was difficult to compare them directly to TV. This situation changed when two diary studies, conducted in 1977 and 1990, employed the almost identical method used by Simmons for TV to define radio listener attentiveness. In the first of these, 450 respondents in a major market filled out weekly booklets, logging their listening for an average of 80

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quarter-hours across all dayparts. Whenever a station was listened to, respondents described their attentiveness using a three-point scale ranging from “very close attention” to “very little attention.” In the study, only 32% of the average quarter-hour (AQH) radio audience claimed to be paying very close attention while 15% reported very little attention. Virtually the same results were obtained in the four-market diary survey conducted in 1990. In this case, only 26% of the quarter-hour listening entries were described as “fully attentive,” whereas 8% were at the opposite extreme (“slightly attentive”).

Table I summarizes the AQH attentiveness finding from these studies. The full attention levels attained by radio were, on average, about half as high as TV viewers reported in similar diary studies.

TABLE I

AVERAGE ALL DAYPART ATTENTIVENESS FINDINGS IN FOUR RADIO STUDIES

1965-1990

	FULLY ATTENTIVE	PARTIALLY ATTENTIVE	LITTLE ATTENTION
Mike + Mike Study, 1965 (7 Markets)	35% ¹	52%	13% ²
American Research Bureau Studies, 1966 & 1967 (In-home Only)	22 ³	55	23 ⁴
Personal Diary Study, 1977 (1 Market)	32	53	15
Personal Diary Study, 1990 (4 Markets)	36	52	8

¹Counts all of those claiming 80-100% attentiveness and half of those claiming 60-80% attentiveness.

²Counts all listeners reporting 0-20% attentiveness and half of those claiming 20-40% attentiveness.

³“Concentrated listening.”

⁴“Hearing.”

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Various ad recall studies conducted in the 1960s and 1970s also showed that radio :60s performed about 30-35% below their 30-second counterparts in memorability—a disparity that still applies today. Radio Recall Research uses a 24-hour recall technique to evaluate the effectiveness of radio ad messages, which is partly patterned after the old Burke studies in vogue for TV until the 1980s. Typically only 17-19% of those exposed to a radio :60 could “prove” they heard it a day later, even with various cuing aids to stimulate their memories. Burke is no longer in this business, but its normative 30-second TV commercial scores were about 23-24% using similar cuing reminders.

Daypart variations were also noted in some of the research. As shown in Table II, the 1977 and 1980 diary studies indicated higher levels claimed by AM drive and evening listeners, whereas daytime audiences scored themselves as the lowest in full attentiveness.

TABLE II

ADULT LISTENERS FULLY ATTENTIVE BY DAYPART IN TWO DIARY STUDIES

	1977 STUDY	1990 STUDY	2-STUDY AVERAGE
Monday-Friday			
6am-10am	37%	44%	41%
10am-3pm	23	25	24
3-7pm	27	36	32
7pm-Midnight	36	44	40
Total Week (Mon.-Sun.)	32	36	34

The old ad recall studies also offered some support for the superiority of morning drive in capturing more attentive audiences. A 1969 Hooper telephone coincidental survey of 31,134 in-home listeners in 39 metro areas reported that AM drive audiences were 17% above the all-daypart norm when it came to correctly naming the last commercial, while the lowest recall rates were attained by Saturday daytime listeners. Paralleling these findings, a 1973 Simmons telephone survey of 3,582 past hour radio listeners in Los Angeles found that morning drive audiences were better able to name at least one commercial they might have heard, compared to daytime and nighttime listeners. Unfortunately, neither of these ad recall studies accounted for the commercial

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load differentials between radio dayparts (AM drive is much heavier), which could have played a role in the results. Finally, what little data were available on demographics suggested that, like TV, older adults were more inclined than those aged 18-34 to devote their full attention to radio while listening.

On one count, the radio attentiveness and ad recall studies were fairly definitive. Almost unanimously, they revealed that the most decisive factor affecting listener involvement was station format. Invariably, stations relying on mostly talk and news, as well as “middle-of-the-road” formats (in which well known local personalities acted as hosts who chatted with guests, along with occasional music and news interludes) garnered far higher attentiveness claims than predominantly musical outlets, particularly those featuring “easy listening” or classical content. These findings are summarized in Table III, followed by Table IV, which provides more detail from a 1990 diary study with interesting breakdowns for a number of formats.

TABLE III

SUMMARY OF FOUR STUDIES ON LISTENER ATTENTIVENESS BY STATION FORMAT

1965	CBS “Mike + Mike” Study (CBS O&O Markets)	65% of news/talk stations claimed to be attentive more than 60% of the time when listening; only 39% of music stations made similar claims.
1966-67	Arbitron Experimental Studies (2 Markets)	22% of talk/news/MOR station listeners claimed “concentrated” exposure; only 11% of music listeners made similar claims.
1977	Unpublished Listener Diary Study (1 Major Market)	All-news and MOR stations scored 42% AQH full attention claims; music formats averaged only 25%.
1990	Unpublished Listener Diary Study (4 Major Markets)	Talk/news/MOR stations earned 46% fully attentive listener grades per quarter-hour; music stations averaged only 28%.

Source: Media Dynamics, Inc.

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TABLE IV

ADULT LISTENERS CLAIMING VARIOUS LEVELS OF ATTENTIVENESS BY STATION FORMAT

	FULLY ATTENTIVE	PARTIALLY ATTENTIVE	SLIGHTLY ATTENTIVE
Talk	53%	41%	1%
News	47	45	6
Middle-Of-The-Road	38	42	9
Nostalgia/Big Band	36	59	5
AOR Rock	36	46	18
Adult/Classic Rock	35	53	12
Country	28	65	6
Classical Music	27	65	7
Contemporary Hits	22	70	5
Urban Contemporary	22	70	9
Adult Contemp./Soft Rock	20	60	16
All Station Average	36	52	8

Note: Base is average quarter-hour audience, total daypart average. Percentages do not add to 100% due to "no answers."

Source: *An unpublished personal diary study in four major markets in 1990.*

While "old" studies are often dismissed as not being relevant to current applications, their findings remain logical. It made sense to find that listeners with a set tuned to a soft music or classical format were most likely to use such programming as a soothing background presence while they engaged in other activities. At the opposite extreme, it was perfectly acceptable to note considerably higher attentiveness levels attained by stations with well defined personalities who interviewed interesting guests and, in many cases, took calls from listeners, often engaging in debates or arguments with them. Much the same distinctions apply in television, with high intensity dramatic fare usually topping lighter or frothy entertainment formats such as animated sitcoms or reality programs by considerable margins in attentiveness or audience involvement studies. The message is simple: people tend to pay more attention when they are being talked to. In this respect, radio is no different from TV.

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It's always welcome to have new data to ponder, and Arbitron's electronic PPM rating measurements offer this opportunity. Arbitron (in conjunction with Coleman Insights and MediaMonitors) conducted a major analysis of PPM findings for 17.9 million local commercial breaks airing between October 2010-September 2011 in 48 major markets. The object was to determine the degree of audience loss between program content just prior to commercial breaks and an average minute during these breaks.

Before reviewing the 2010-11 Arbitron findings, we should note that the PPM system recruits panelists who agree to wear or otherwise carry their PPMs with them whenever possible. The PPMs are calibrated to register special audio signals embedded within radio station programs and commercials. It is assumed that the respondent is "listening" whenever a PPM picks up such signals.

To be fair to Arbitron, the question of whether or not its PPM carriers are actually listening—and to what degree of intensity—when the device picks up an encoded audio signal is almost impossible to answer using mechanical means. And the same thing is true for Nielsen's peoplemeter TV ratings. These employ meters to record household set usage second-by-second, channel-by-channel, but "viewing" is determined by asking respondents to indicate whether or not they are "watching" whenever the set is turned on, and whenever the channel is changed. Such entries are made using a pager-like device, and respondents are asked to record any change in their status whenever it occurs. That's all fine and dandy, but in reality, viewers rarely make such entries when they leave the room while a show is on or when they engage in distracting activities. As a result, the system counts any self-described program viewer as "watching" for every second of the telecast's content, unless the channel is changed, at which point the viewer is asked to reaffirm his/her viewing status.

Nielsen tabulations indicate that TV program viewers "watch" commercials about 90% of the time—a finding that no thinking person can accept. In like manner, the 2010-11 Arbitron PPM analysis that we are about to review noted that, on average, a one-minute radio commercial loses only 7% of the lead-in program audience when it is aired. In other words, radio listeners "listen" to 93% of all radio commercials. Clearly this, like Nielsen's TV findings, can't be the case. What the PPMs are primarily measuring is dial switching avoidance, which is undoubtedly also the case with Nielsen's TV commercial exposure data. Dial switching is only the most overt form of commercial avoidance; a far greater proportion of the audience avoids commercials by absenting themselves or not paying attention.

Nevertheless, Arbitron's all-electronic PPM data provide a very precise, albeit "tip of the iceberg" indicator of radio commercial holding power capabilities, and this allows us to examine variables like dayparts, demographics, ad clutter and, in the latest report, station formats, in a way that is not possible when relying on people's often faulty memories. Arbitron is to be commended for putting out such an informative analysis.

Now let's look at some of the more salient findings.

In line with the older attentiveness studies, Arbitron's 2010-11 PPM analysis noted that younger listeners were more restless (the same is true for TV) and were significantly more likely than older audiences to dial switch to

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avoid commercials. As shown in Table V, commercial minute listener retention was 98% for listeners aged 65+ across all dayparts, but was only 90% for teens and 89% for adults aged 18-34. Although this differential may not seem like much to some observers, we are of the opinion that it heralds a larger difference between the demos in terms of engagement and attentiveness. What percentage of 18-34 year-old listeners are paying full or even partial attention to the average commercial? Is it 25%? 35%? 45%? Would comparable figures for the older set be a lot higher? (see Table V)

TABLE V

LEAD-IN PROGRAM LISTENERS RETAINED PER COMMERCIAL MINUTE BY SEX AND AGE

			INDEX
Persons 12+		93%	100
Sex			
Male		93	100
Female		92	99
Age			
12-17		90	97
18-34		89	96
25-54		92	99
65+		98	105

Note: Data are for persons 12+; all daypart average.






Source: Arbitron, Media Monitors™ and Coleman Insights, "What Happens When The Spots Come On, 2011 Edition."

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As with TV, commercial clutter should be a major issue for radio advertisers since it has been well documented that ad effectiveness diminishes progressively as clutter in a break rises. Arbitron's PPM tally supports this principle as it applies to radio. As can be seen in Table VI, an average break in this study had 3-4 messages, presumably all or mostly 60-second units. Of course the length of the breaks varied around this norm, with those featuring one or two messages retaining virtually all of their lead-in audiences, while advertisers in extended breaks (5+ messages) suffered defections of about 15-16%. One can only wonder what the picture looked like for stations that aired 8-12 messages in overly long blocks designed to shield their listeners from bothersome advertisements. Such stations—and there are quite a few—usually offer long periods of commercial-free programming, relegating their advertisers to a few extremely cluttered breaks laden with promos as well as ads. What percent of the lead-in audience is retained per commercial under such circumstances? And how many of those who don't tune out or dial switch really listen to the average advertiser's sales pitch? (see Table VI)

TABLE VI

LEAD-IN PROGRAM LISTENERS RETAINED PER COMMERCIAL MINUTE BY LENGTH OF BREAK

			INDEX
All Breaks		93%	100
Clutter Level			
1-Minute Breaks		100	108
2-Minute Breaks		99	107
3-Minute Breaks		96	103
4-Minute Breaks		92	99
5-Minute Breaks		87	94
6+ Minute Breaks		85	91

Note: Data are for persons 6+; all daypart average.









Source: Arbitron, Media Monitors™ and Coleman Insights, "What Happens When The Spots Come On, 2011 Edition."

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Perhaps the most significant Arbitron finding—and this is the first time we’ve seen such tallies—concerns commercial audience retention by station format. Here we see direct corroboration of the old studies we reviewed earlier. According to Arbitron’s PPMs, “spoken word” outlets—primarily news, talk and all sports stations—scored well above music formats. While a typical commercial minute aired by a spoken word station held on to virtually all of its lead-in program listeners, CHR stations lost 17% of their audiences, rock stations lost 14% and country music stations lost 11%. Interestingly, urban and Spanish music stations suffered less than other music outlets in this regard, which is consistent with the findings of numerous studies that show blacks and Hispanics tend to be more favorably disposed to advertising than the population at large. Such PPM panel members proved less likely to defect when commercials appeared on stations catering more specifically to their tastes and interests (see Table VII).

TABLE VII

LEAD-IN PROGRAM LISTENERS RETAINED PER COMMERCIAL MINUTE BY MUSIC FORMAT

			INDEX
All Stations		93%	100
Spoken Word Stns.		99	107
All Music Stations		88	95
Spanish Music Stns.		95	102
Country Music Stns.		89	96
Urban Music Stns.		88	95
Rock Stns.		86	93
CHR Stns.		83	89

Note: Data are for persons 6+; all daypart average. The base is the audience level for the average minute of program content just before the ad break, compared to an average commercial minute during the break.

Source: Arbitron, Media Monitors™ and Coleman Insights, “What Happens When The Spots Come On, 2011 Edition.”

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Finally, one of the datasets in the 2010-11 Arbitron analysis highlights the fact that combinations of variables can be at play. If younger audiences are less likely to listen to radio commercials generally, and music stations tend to accentuate avoidance, how attentive are younger audiences when they are listening to music outlets? The answer is that younger audiences of music format stations are much less likely to attend to their commercials than younger audiences listening to spoken word stations (see Table VIII).

TABLE VIII

LEAD-IN LISTENERS RETAINED PER COMMERCIAL MINUTE BY STATION FORMAT

Listeners	SPOKEN WORD STATIONS	MUSIC STATIONS	ALL- RADIO NORM
6+	99%	88%	93%
18-34	97	85	89
35-64	99	90	93
65+	101	93	98

Note: Base is persons 6+; all daypart average.

Source: Arbitron, Media Monitors™ and Coleman Insights, "What Happens When The Spots Come On, 2011 Edition."

Obviously the findings we've covered in this chapter are not something that a typical radio time sales executive wants to hear. What we're saying is that, in addition to the commercial retention factors we have cited, still more listeners are lost to advertisers when they stop paying attention or become distracted. Therefore, actual radio commercial audience levels may be 25%, 35% or even 50% lower than the audience surveys indicate. And this is not a constant; station format, degree of clutter and demographics are important variables that further affect listening levels. This is becoming complicated, isn't it?

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As we have repeatedly pointed out during this discussion, TV sales executives have for years spouted phrases like “a viewer is a viewer,” by which they meant that anybody Nielsen said was “watching” was likely to be reached by the advertiser’s commercial, no matter what their demographics, no matter what kind of program they were viewing, no matter what time of day it aired, and no matter how many commercials aired in the break. That proved to be an untenable position that was readily demolished by all sorts of research. So the agencies stepped in and imposed “qualitative” benchmarks on the TV networks and cable channels, and the medium learned to live with the newer, more complicated metrics. The time will eventually come when the agencies, once they have recast magazine ad buying and selling to conform to the new TV model, turn their eyes to radio. When that happens, and agencies start pushing for the adoption of more ad-relevant audience metrics, radio could be prepared to adapt, or it could be taken by surprise, having chosen to ignore the subject.

Most people are afraid of change, especially when they feel comfortable with the status quo. But let’s be frank. Were radio to examine its own operations, it would note that most of its savvy programming people are well aware of the engaged listener concept, and many of their machinations are designed specifically to build up core audiences of loyal listeners or, in the case of background music outlets, audiences who like the accompaniment or mood enhancements such formats afford. However, few radio programmers have had to consider enhancing the commercials, which provide the financial lifeblood of their stations. When the agencies begin their inevitable quest to get more of radio’s audience to note and, hopefully, to respond positively to their clients’ radio commercials, commercial breaks may need to be reformatted to help the agencies attain this purpose. What is the ideal mix of :30s and :60s? Should new rules be created to limit promotional announcements and commercial clutter? Is it really right to limit frequency-craving advertisers to one spot every hour or, as some stations do, one spot per day per daypart? What’s the best way to integrate commercials read by a station’s on-air talent with canned messages provided by the advertiser’s ad agency?

While getting into the engagement business will seem scary to some stations, this transition could be a boon to many formats that deliver more involved listeners, and therefore offer superior value to advertisers in terms of ad exposure. Also, as radio learns more about itself and how the ads it airs can blend in better with its programming, it should begin to make better decisions about possible new programming initiatives and digital tie-ins to woo advertisers.

