



Telecom Regulatory Authority of India



Consultation Paper

On

Issues related to Radio Audience Measurement and Ratings in India

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Written comments on the consultation paper are invited from the stakeholders by 11th April, 2016. Counter comments, if any, may be submitted by 25th April, 2016. Comments and counter comments will be posted on TRAI's website www.trai.gov.in. The comments and counter comments may be sent, preferably in electronic form to, Prof. M. Kasim, Advisor (B&CS)-III, Telecom Regulatory Authority of India, on the e-mail: advbcs@trai.gov.in or vk.agarwal@trai.gov.in. For any clarification / information, Advisor (B&CS)-III may be contacted at Tel. No.: +91-11-23237922, Fax: +91-11-23220422.

Content

Chapter I: Introduction	1
Chapter II: Radio Audience Measurement Technologies and International Experience	7
Chapter III: Radio Audience Measurement in India: Current Scenario.....	9
Chapter IV: Issues related to Radio Audience Measurement and Ratings	12
Chapter V: Summary of issues for consultation.....	39
Glossary.....	42
Annexure-I: International Experience in Radio Audience Measurement	43

Chapter I

Introduction

- 1.1 Radio broadcasting is one of the most popular and affordable means for mass communication, largely owing to its wide coverage, low set up costs, terminal portability and affordability. In India, terrestrial radio coverage is available in Amplitude Modulation (AM) mode (Short Wave /Medium Wave) and Frequency Modulation (FM) mode.

- 1.2 Radio broadcasting commenced in India in 1927. Until 2000, All India Radio (AIR) was the sole radio broadcaster transmitting programs in AM and FM frequencies. At present AIR has 415 radio stations (FM & AM) that cover almost 92% of the country by area and more than 99.19% of the country's population¹.

- 1.3 Radio broadcasting services were opened to private sector in year 2000 when the Government auctioned 108 FM radio channels in the VHF band (88 –108 MHz) in 40 cities in Phase-I of FM Radio. Out of these, only 21 FM radio channels became operational and subsequently migrated to Phase-II in 2005. In Phase-II of FM Radio, a total of 337 channels were put on bid across 91 cities having population equal to or more than 3 lakhs. Of 337 channels, 222 channels became operational. At present, 243 FM Radio channels are operational in 86 cities. To expand the reach of FM Radio broadcasting in the country, the Government has embarked upon Phase-III to enable setting up of private FM Radio channels in all cities with a population of more than 1 lakh. Recently, auctions were done for 135 FM Radio channels in 69 cities where at least one channel of FM radio is operational. Out of these, 91 FM Radio channels in 54 cities have

¹ <http://allindiaradio.gov.in/Default.aspx>

been successfully auctioned². 831 more FM Radio channels will be put up for auction in 264 new cities under FM radio Phase-III in addition to remaining channels of 135 FM radio channels put for auction recently.

- 1.4 As on date, there are total 35 companies operating 243 FM Radio channels in 86 cities, which include 21 FM radio channels migrated from Phase-I to Phase-II, as indicated in the table below:

Table 1.1: Major FM Radio Broadcasters

S. No.	Name of the Company	Channel name	Number of operational channels
1.	Reliance Broadcast Network Ltd.	Big FM	45
2.	Entertainment Network India Ltd.	Radio Mirchi	36
3.	South Asia FM Ltd.	S FM	23
4.	Kal Radio Pvt. Ltd	S FM	18
5.	Music Broadcast Pvt. ltd.	Radio City	20
6.	D.B. Corp ltd.	My FM	17
7.	BAG information P. Ltd	Radio Dhamaal	10
8.	Others (28 companies)		74
	Total		243

- 1.5 Terrestrial radio broadcasting is free-to-air service. A consumer can simply procure radio receiver equipment and tune into various radio channels available in that region. The business model of radio broadcasting service is based on advertisement revenue. Radio broadcasters are permitted to air commercials during their program.

² http://www.mib.nic.in/WriteReadData/documents/1st_Batch_FM_Phase-III_Auction_results.pdf

- 1.6 The number of people listening to radio is expected to grow further after completion of Phase-III of the FM radio expansion activity. This will further enhance the reach of advertiser to even larger segments of our population. As a result, the overall expenditure on radio advertisements is likely to increase giving a further boost to radio industry.
- 1.7 The revenue of radio broadcasting sector in 2014 was Rs. 1720 crore, with a year-on year increase of 18% from 2013 to 2014, driven by increasing popularity of radio in smaller towns and cities. The radio broadcasting sector revenues are expected to grow at a CAGR of 18 % to reach Rs. 3950 crore by 2019.
- 1.8 The total advertisement revenue of Media and Entertainment (M&E) industry was Rs. 41,400 crore in 2014, contributing approximately 31% to the total M&E revenues. The advertisement revenue is expected to grow at a CAGR of 14.5% to reach Rs 81,600 crore by 2019. Presently television and print media sectors corner the maximum advertisement revenue (approximately 80% of the total revenues) spend in India. Though the radio broadcasting sector presently accounted for only 4% of total advertisement revenue in 2014³, it is however expected to garner 5% of the total advertisement revenues by 2019.
- 1.9 Total advertising revenues of the radio broadcasting sector depend on the advertisement duration and the rates per unit time. The duration as well as the advertisements rates depend upon numbers and demographics of the radio listeners. Accordingly, there is a need for radio audience measurement which can measure the popularity of a channel or a program for the advertisers and advertising agencies. This will assist them in selecting the right channel or program at the right time to reach the target listeners. Further, it will also aid the radio channels in improving

³ FICCI KPMG: Indian Media and Entertainment Industry Report 2015

their programs (both quality of the program and content variety) for attracting more listeners.

- 1.10 The task of allocating resources for advertisements by advertisers and advertising agencies has become increasingly challenging with the growth in the number of FM Radio channels and vastly increased variety of programs available. Advertising expenditures are typically guided by audience measurement in addition to other factors such as cost of reaching various audience segments, advertisement placements and program schedules.
- 1.11 Advertisement revenues of the radio broadcasting sector are directly linked to listenership of radio channels. In case of newspapers and other print media, audience measurement is based on the number of copies sold. This physical count is however not possible in the case of radio and television sectors, wherein a different form of audience measurement is necessitated. In case of television, subsequent to TRAI's recommendations on Guidelines for Television Rating Agencies dated 11th September 2013, MIB issued guidelines for Television Rating Agencies and an industry body Broadcasting Audience Research Council (BARC) has been entrusted with the task of conducting TV audience measurement. Similarly for the radio broadcasting sector, Radio Audience Measurement (RAM), which is an indicator of the number of listeners to a radio channels, has become essential.
- 1.12 At present, radio audience measurement in India is conducted by AIR and TAM Media Research. AIR carries out periodical large scale radio audience surveys on various AIR channels. TAM Media Research conducts radio audience measurement on private FM Radio channels through an independent division, which is a joint service between IMRB International and Nielsen Media Research. It uses the paper diary method to measure Radio listenership with a panel size of 480 individuals each in Bengaluru,

Delhi, Mumbai and Kolkata. Listenership data is provided on a weekly basis.

- 1.13 A few stakeholders especially the FM Radio operators have voiced concerns about the inadequate coverage and panel size of the radio audience measurement conducted by TAM Media Research. They have expressed reservations about the paper diary methodology used for such measurement. In fact transparency, trust, credibility and acceptability of the radio audience measurement are the key elements for its success.
- 1.14 Better radio audience measurement and ratings would end up promoting a given radio channel while poor radio ratings will make it relatively less popular amongst advertisers. Incorrect radio ratings may lead to encouraging production of content which may not be really popular while good content and programs may be adversely impacted on account of misplaced ratings. False and misplaced radio ratings, therefore, can thus not only end up affecting broadcasters and advertisers but also adversely impacting the quality of the programs being produced and aired to the public. Therefore, there is a need to create a regulatory framework which enables accurate measurements that correctly represent the appropriate ratings for radio channels.
- 1.15 In order to prescribe a framework for radio rating system in India that is conducive to growth, forward looking, and addresses the concerns of the stakeholders while protecting the interests of the consumers, the Telecom Regulatory Authority of India (TRAI) has *suo-motu* initiated this consultation process seeking comments/views of stakeholders on the issues related to radio audience measurement and ratings in India. The main objectives of the consultation paper are to:
- (i) Ensure growth of Radio broadcasting sector.
 - (ii) Ensure transparency in radio audience measurement & ratings.
 - (iii) Ensure greater diversity and better quality content.

1.16 The consultation paper has been organized into five chapters. Chapter II provides a brief overview of radio audience measurement technologies and a summary of International practices. Chapter III discusses the current scenario of radio audience measurement in India. Chapter IV discusses various issues related to accreditation and guidelines for radio rating agencies in India. Chapter V summarizes the issues for consultation.

Chapter II

Radio Audience Measurement Technologies and International Experience

2.1 Radio Audience Measurement Technologies

2.1.1 The following three Radio audience Measurement technologies are generally adopted:

- (i) Paper Diary Method
- (ii) Telephone Survey Method
- (iii) Portable People Meter (PPM)

2.1.2 Paper Diary Method

In this method a sample set of people amongst the radio listening population is asked to log their daily listening behavior in a paper diary over the course of a week, indicating (usually in 15 or 30 minute segments) which stations they listen to and at what times. Diary method has remained a popular method of measuring radio audiences. It is now being implemented online where panellists are asked to fill in their diaries online. Online completion offers the potential advantages for greater data processing efficiency and is also a preferred option amongst younger audiences.

2.1.3 Telephone Survey Method

In this method of measuring radio audiences, people are asked to recall what they have listened to on the previous day. It is argued that this method is likely to be more accurate compared to the logging in a diary several days after the event as data is likely to be more exact in this method.

2.1.4 **Portable People Meter**

In this method an inaudible code is embedded into each radio station's audio output. This code is then detected by an electronic meter carried by the panellists whenever they are within earshot of the radio signal. As with all sample-based research, respondents are chosen as representatives of the area at large, and figures are multiplied accordingly to arrive at the audience figures that radio stations release.

2.2 **International Experience in Radio Audience Measurement**

2.2.1 International markets have adopted different provisions, for establishing a credible radio rating framework, depending on the requirement of that particular country or market. The provisions related to Setup & Framework, Eligibility norms, Methodology, Panel size, Privacy, Sale & use of ratings, Reporting requirements, Disclosure and Quality & Audit in the major international markets have been studied. Details of these provisions for TV audience measurement and ratings in identified international markets are discussed in the **Annexure-I**.

2.2.2 From the comparative discussion in the Annexure-I on the rating agencies in different countries it emerges that three different models for regulating the rating services presently exist. In the first model, a joint industry body, with an equal representation from amongst all stakeholders, does the rating. Such an approach is followed in Australia, Canada, France, South Africa and UK. In the next prevalent model, a joint industry body prescribes certain minimum standards for accreditation of the rating agencies. Rating agencies, who meet these standards, are accredited by the joint industry body and become eligible to carry out the rating. Such an approach is followed in USA. In another model, the rating is done by multiple independent entities, with no prescribed regulatory framework in place. Such an approach is followed in Malaysia.

Chapter III

Radio Audience Measurement in India: Current Scenario

- 3.1 All India Radio undertook the first Radio Audience Measurement (RAM) in the country in 1946 through its 'Listeners Research Wing'. Subsequently, Listeners Research Wing was renamed as 'Audience Research Unit' with 38 branches across the country. However, AIR usually conducts listenership survey for its own radio channels and for its own consumption.
- 3.2 Radio rating services on a commercial basis was provided by TAM Media Research for the first time in 2007 through its own independent division, which is a joint service of IMRB international and Nielsen Media Research. At present TAM conducts audience measurement in the cities of Bengaluru, Delhi, Mumbai and Kolkata only.
- 3.3 As a first step towards audience measurement, TAM conducts an establishment survey in all the four cities. Through this survey, 3000 individuals each aged more than 12 years and owning an FM device is selected from a household. Such individuals are selected in each of the four cities using random sampling and conduct of face-to-face interviews using a structured questionnaire. Out of the 3000 individuals selected, 480 are further selected through systematic random sampling using the Kisch grid in each city and this forms the panel for the purpose of radio audience measurement. TAM uses the diary method to measure listenership and provides listenership data on a weekly basis.
- 3.4 TAM also conducted listenership surveys in 9 additional cities comprising of Ahmedabad, Chennai, Hyderabad, Indore, Jaipur, Kanpur, Lucknow, Nagpur and Pune during May-August 2011 and Feb-March 2012. These surveys were, however, not continued.

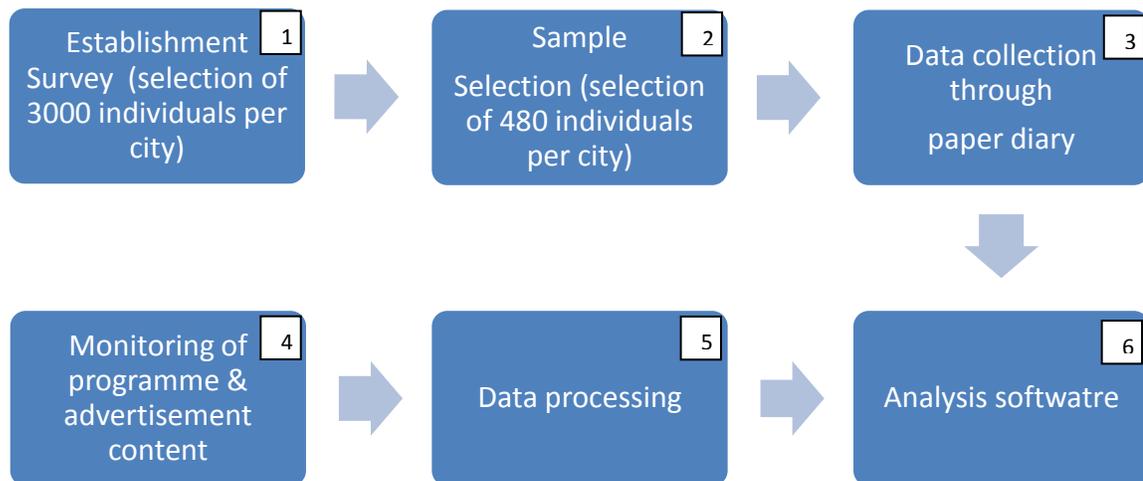


Figure 2.1: RAM Diary Panel Operational Flow⁴

Need for Guidelines/Accreditation for Radio Rating in India

3.5 The present system of radio ratings in India appears to have certain deficiencies that have been highlighted by stakeholders at various fora. A few of these deficiencies are discussed below:

3.5.1 The radio rating system suffers due to inadequate sample size as it is limited to only the four metro cities and, thus, does not cater to the demographic profile of the entire country. It uses a small sample size of 480 for each metro city. Complete demographic profile with full geographical coverage (both urban and rural markets), needs to be represented for reliable and statistically accurate radio ratings.

3.5.2 To ensure that the entire process is made more transparent and credible, it is essential that the methodology and the processes be audited by an

⁴ http://www.tamindia.com/ram_intro.php

independent auditor and the results of such an audit are published for the information of all the stakeholders. No such practice exists today.

- 3.5.3 Any system of this nature should have defined mechanism to handle complaints from the stakeholders that may include users of the ratings, consumer organizations and the public at large. There is however, no such published procedure that exists today.
- 3.5.4 Such disclosures by rating agencies and well defined practices related to sale and use of ratings also help improve the credibility of the radio rating system. These again are not very prevalent in the present system.
- 3.5.5 The radio ratings at present are done by a single agency and it needs to be explored whether more agencies can be brought in to encourage competition in the business. This will also result in enhancing the credibility of such ratings.
- 3.5.6 Another important issue is of dominant crossholding between the radio rating agencies and radio broadcasters, advertisers and the advertising agencies. Such dominant cross holding may adversely impact neutrality of such agency that may lead to biased radio ratings.
- 3.6 These issues can be effectively addressed by laying down appropriate guidelines for the radio rating agencies and thereafter putting in place an accreditation mechanism for such agencies.

Chapter IV

Issues related to Radio Audience Measurement and Ratings

- 4.1 Audience research has occupied the centre stage within a rapidly evolving mass communication scenario. No media organization can afford to commit precious resources without knowing the potential audience and the underlying market demand for their media content. Therefore, continuance with a rudimentary radio audience measurement and rating system (hereinafter referred to as radio ratings) will hamper the growth of radio industry as financial decisions; production of content and its scheduling are largely influenced by such radio ratings. The effect of rating errors may get perpetuated in the eco-system thereby affecting multiple stakeholders. Incorrect radio ratings may also lead to erroneous selection of programs by broadcasters that may not be sought after and consequently advertisers may end up allocating resources to programs which miss the desired target audience. Consumers may also not receive the desired content. It is therefore imperative that a credible and transparent system be put in place to generate radio ratings.
- 4.2 As discussed in chapter I, radio broadcasting sector is expected to grow at a steady pace. At present 243 private FM radio channels are operational in 86 cities. In Phase-III expansion of FM radio, 966 FM radio channels will be made available in 333 cities. Of these, 320 cities belong to category 'B', 'C', 'D' and 'Others'. These figures indicate a growing popularity of FM radio in smaller cities and it is obvious that a significant market does seem to exist. The main issue for consideration is that whether there is a need to put in place a framework to regulate the radio ratings at this stage and if so, then what should be the broad contours of such a regulatory framework.

Issue for Consultation

Q1. Is there a need to regulate the radio audience measurement and rating services? Please elaborate your response with justifications.

4.3 Models for regulating radio rating system

4.3.1 As discussed in the previous chapter and based on a study of international practices, the following possible models (Figure 4.1) emerge for radio ratings system in India:

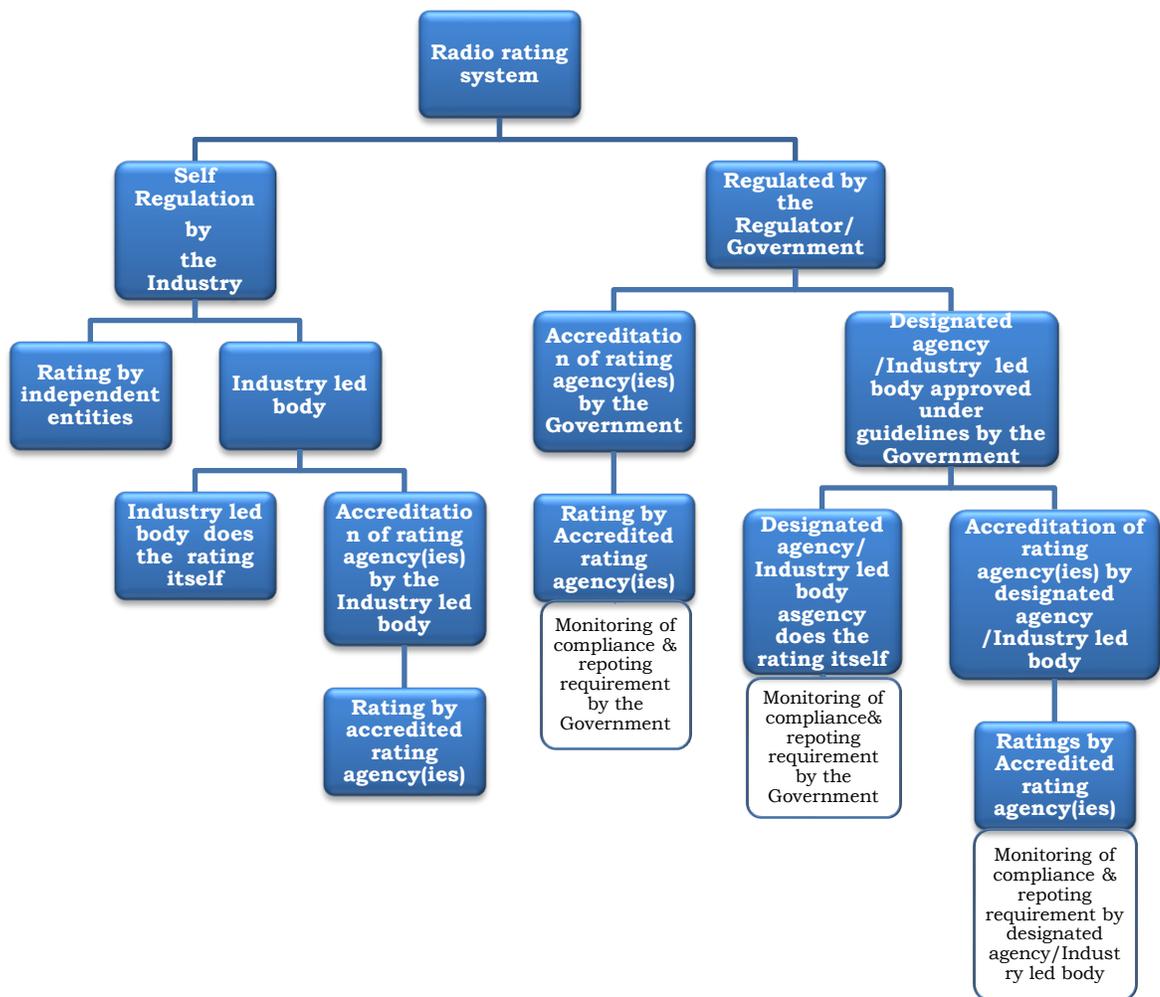


Figure 4.1: Regulating radio rating system – different models

4.3.2 **Self Regulated Models**

In self regulated models, industry on its own prescribes requirements/standards for accreditation of rating agencies and for the radio rating process. For these models no regulatory framework is prescribed by the regulator or the Government. There can be following variants of self regulated models:

4.3.2.1 **By independent rating agency (ies):** In this model, radio rating is done by the independent agencies which are self-regulating. These agencies provide radio rating services to the stakeholders. They may prescribe their own standards to carry out the radio rating process.

Pros

- Have complete flexibility being market driven model.

Cons

- This model may suffer from lack of oversight, leading to reduced trust levels amongst stakeholders.
- Ratings may be biased.
- Lacks independent monitoring mechanism.
- No framework for rectification of the processes even when functional deficiencies are noticed.

4.3.2.2 **By industry led body:** In this model, a body set up by the radio industry undertakes radio ratings. This body defines standards for the radio rating process. The industry body may directly undertake the radio rating process or accredit certain rating agencies based on the requirements/standards that have been set by it. Accredited agencies are then permitted to carry out the radio ratings. The body also monitors the compliance with its standards by the rating agencies for continuance or otherwise of such accreditation granted to them.

Pros

- Monitoring by the Industry body.

- No regulatory intervention

Cons

- Lacks transparency & genuineness of the rating process
- Industry led body may have predominance of few stakeholders which may influence the result of radio ratings.

4.3.3 Regulated Models

In regulated models, the Government lays down broad guidelines to govern the standards set to carry out the accreditation of the rating agencies and will also monitor the compliance of the prescribed standards by the rating agencies for continuance or otherwise of such accreditation granted to them. There can be following variants of regulated models:

4.3.3.1 Accreditation of rating agencies by the Government: In this model based on the accreditation standards, the Government will accredit the rating agency which then carries out the radio rating process. In this case, the rating agencies are required to comply with the prescribed standards and reporting requirement directly to the Government.

Pros

- Ensures transparency and genuineness of the rating process.
- Monitoring by the Government.
- No section of the industry may be able to control or manipulate the rating data easily for its own benefit.

Cons

- Freedom of rating agency is curtailed.
- High regulatory interventions in day-to-day functioning.

4.3.3.2 Designated agency/ industry led body, under guidelines by the Government, does the rating: In this model a designated agency/ industry led body having similar representations of all stakeholders will

be approved under the guidelines prescribed by the Government. The approved body will carry out the radio rating process itself. In this case, monitoring of compliance with the prescribed standards and analysis of various reports will be done by the Government.

Pros

- Ensures transparency and genuineness of the rating process.
- Monitoring by the Government/ regulator.
- No section of the industry may be able to control or manipulate the rating data easily for its own benefit.

Cons

- Medium regulatory interventions in day-to-day functioning.
- Freedom of rating agency is curtailed to some extent.

4.3.3.3 ***Designated agency/ industry led body, under guidelines by the Government, accredits the rating agencies:*** In this model the designated agency/ industry led body, approved under the guidelines prescribed by the Government, carries out the task of accreditation of rating agencies based on the prescribed accreditation standards. These accredited rating agencies will then carry out the radio rating process. In this case, monitoring of compliance with the prescribed standards and reporting requirements will be done by the designated agency/ industry led body. However, there may be certain reporting requirement by the Government also including periodical audits.

Pros

- Ensures transparency and genuineness of the rating process.
- Monitoring by the designated agency i.e. by the stakeholders directly.
- No section of the industry may be able to control or manipulate the rating data easily for its own benefit.
- Minimal Regulatory interventions in day-to-day functioning but with much better results.

Cons

- Freedom of rating agency is curtailed to some extent.

Issue for Consultation

Q2. Which of the models described in para 4.3 should be followed for regulating radio rating services in India? Please elaborate your response with justifications. Stakeholders may also suggest any other suitable model with pros and cons along with justification.

4.4 Guidelines for industry led body

4.4.1 Formation of industry led body for radio ratings is most widely used approach internationally and is also followed in India in the context of Television Audience Measurement. It is essential to ensure that radio audience measurements are carried out in a manner that is devoid of any bias, and they represent the true and correct picture of radio audience information. Towards this, it will be necessary to prescribe certain guidelines for functioning of the industry led body. A few of the broad contours relating to industry led model for generating and publishing radio ratings are discussed in the following paragraphs.

4.4.2 Formation of industry led body

In order to ensure fair and credible regulation of rating process, the industry led body should have adequate representation from all the stakeholders, whose business decisions are affected by the radio ratings. This may include Radio broadcasters, advertisers and advertising agencies among others.

4.4.3 Crossholding restrictions

Cross holding is an important issue that may influence the behaviour of the rating agency. Cross holding between the members of the industry body and rating agencies can influence decisions that may result in

biased ratings. Such biases may lead to promotion of vested interests. The onus of providing fair, correct, balanced, representative, transparent and neutral rating information is vested completely with the industry body. This issue thus attains significant importance and views of the stakeholders are sought.

4.4.4 **Disclosure by Industry led body**

4.4.4.1 In order to ensure the credibility of ratings by the industry body, it is important that such a body manage its rating system in a transparent manner. One of the most effective tools to achieve transparency is to establish a well defined system of mandatory disclosures wherein it is essential to disclose all crucial details that may affect the final ratings. These disclosures will also facilitate and ensure that the industry body provides fair, correct, balanced, representative, transparent and neutral ratings.

4.4.4.2 Although, various parameters can be selected but careful analysis indicates that use of following parameters when disclosed by the industry led body on its website will serve the purpose of ensuring transparency and disclosure compliance:

- a. A list of all executive members of the body.
- b. Ownership pattern of the ratings agency, including foreign investments / Joint Ventures / Associates in the Agency.
- c. Guidelines specified by industry body for accreditation of rating agency.
- d. Details of the rating agency (ies).
- e. Measures to ensure fair and transparent ratings.
- f. Monitoring procedures with respect to rating process.
- g. Comments/viewpoints of the users on the rating data.
- h. Details of Complaint redressal mechanism

Issue for Consultation

Q3. Do you agree with the broad contours described in para 4.4 for an industry led body proposed to be formed for regulating the radio rating system? You may also suggest any additions or alteration, if so required. Please elaborate your response with justifications.

4.5 Guidelines for accreditation of rating agency

4.5.1 Since radio ratings directly impact the commercial interests of different stakeholders, it is desirable that the broad contours for effective accreditation framework are formally put in place to ensure that the measurements carried out by rating agencies are devoid of any bias, and they do represent a true and correct picture of radio audience information. Irrespective of the model followed for accreditation of the agency for rating services, certain minimum standards/guidelines will also have to be laid down for the agencies providing rating services.

4.5.2 These accreditation guidelines need to be framed in such a way that they provide sufficient improvement over the current radio ratings system and ensure that the ratings data generated by the rating agency is credible, transparent and representative. Some suggested parameters in this regard may include eligibility norms, methodology to be adopted including the panel size, criteria for sale & use of ratings, disclosures, reporting requirement, complaint redressal mechanism, crossholding, privacy, secrecy of panel households/individuals and audit of rating services. These are discussed in the following paragraphs.

4.5.3 Eligibility norms

4.5.3.1 One of the main issues for consideration is the eligibility criteria for the rating agencies. The rating process requires a high degree of professional skill and integrity. It is therefore, essential, that certain eligibility criteria

may be specified so as to discourage non-serious and inexperienced players. It is imperative that the ratings process be carried out by qualified agencies. In USA, MRC has prescribed certain minimum standards for the rating agencies to become eligible for accreditation. SEBI in India has prescribed eligibility norms for credit rating agencies, through its regulation.

4.5.3.2 The essential eligibility conditions for the rating agencies, amongst others, may include the following:

- a. The rating agency should have been set up and registered as a company under the Companies Act, 2013.
- b. The rating agency should have, in its Memorandum of Association, specified the rating activity as one of its main objects.
- c. The rating agency should have a minimum net worth (say rupees five crore).
- d. The rating agency should have adequate professional competence, financial soundness and general reputation of fairness and integrity in business transactions, to the satisfaction of the Government;
- e. Rating agency should meet the prescribed cross-holding requirements.

4.5.3.3 In case of model where rating is done by an industry led body itself, the condition of minimum net worth and cross holding mentioned in preceding paragraph may not be relevant.

Issue for Consultation

Q4. Please give your comments on the suggested eligibility conditions for rating agencies discussed under para 4.5.3.2. You are also welcome to suggest modifications. Please elaborate your response with justifications.

4.5.4 **Methodology for Radio Audience Measurement**

4.5.4.1 Methodology plays an important role in audience measurement. A robust methodology of measurement would ensure that the ratings provided by the rating agencies are considered credible and reliable whereas a poorly planned methodology would distort the measurement results thereby affecting the credibility and lead to an adverse affect on the sector. Therefore, a rating agency should have in place a rating process/methodology that conforms to the conditions/ standards/ norms prescribed for the ratings process and adopts consistent and internationally accepted rating standards. It should work towards continuous improvement in quality and rating methodology so as to provide accurate, up to date and relevant findings. In this regard, the key issues pertain to the selection of households/individuals, panel size modern technologies for data collection & confidentiality of panel homes. These are discussed in the following paragraphs.

Selection of households

4.5.4.2 Sample households are generally selected through a large-scale establishment survey that defines the radio listeners to be represented and their characteristics. The establishment survey is conducted in a manner that becomes representative of all radio listeners across the area of a particular city. It encompasses amongst other variables, the entire range of demographic and radio listenership variations that are found across the city. The selection process of the sample households for measurement should be random and every household in a particular area should have an equal chance of being chosen. The establishment survey usually results in selection of household samples which is around 10 times the desired sample size that is later selected for the final audience measurement.

4.5.4.3 This survey is required to be carried out continuously in order to account for changing demographic profile and cater for changes in listeners' characteristics. These changes need to be accounted for in order to ensure that the sample truly reflects a fair representation of the listeners' universe. This will ensure that any changes in listeners' characteristics are also reflected in the selected sample. The individuals included in the panel for audience measurement may be drawn from within the representative sample that has been determined by the establishment survey. The maximum period of time that an individual may stay on the panel also needs to be clearly defined (say one year).

4.5.4.4 It is important to select individuals for rating measurement in a transparent manner. To ensure transparency in the selection of individuals included in the panel, the rating agency should declare on its website, details pertaining to methodology, establishment survey size, periodicity of the establishment survey, method used to select individuals included in the panel from household samples arrived at through the establishment survey etc. and also report the same to the accrediting agency at a pre-defined frequency. Auditing of the process will also facilitate in ensuring transparency in selection of panel homes.

Geographical Coverage

4.5.4.5 Present radio rating system is limited to only four metro cities and does not cover cities of categories A, B, C & D. Out of 86 cities, where 243 FM radio channels are operational, 4 cities belong to category A+, 9 cities to category A, 17 cities to category B, 47 cities to category C and 9 cities belong to category D. Out of these, only 3 category A+ cities and 1 category A city are covered for the purpose of radio ratings at present. This is highly inadequate to represent the entire demographic profile of the country.

- 4.5.4.6 During Phase-III expansion of FM radio, in addition to 135 FM radio channels in the existing cities, 831 additional FM radio channels will be made available in 264 new cities. Out of these 264 cities, 3 cities belong to category B, 36 cities to category C, 214 cities to category D and 11 cities belong to 'Others' category (having a population less than 1 lakh in the border areas of Jammu & Kashmir (J&K) and the North East (NE) region). After Phase-III expansion of FM radio, the number of radio listeners will increase in the smaller cities and towns. Without availability of radio ratings data from these cities, it will be difficult for both radio broadcasters and advertisers to allocate appropriate resources for advertisements in such cities.
- 4.5.4.7 Considering the vast expansion plan of FM radio slated in the country, it may not be possible to cover all such cities for radio audience measurements in one go, wherein FM radio channels are likely to become operational after the execution of Phase-III expansion. Comprehensive simultaneous radio ratings across all such cities will entail significant efforts and cost. Hence, cities may be suitably clubbed in a phased manner for the purpose of conducting radio ratings.

Panel size

- 4.5.4.8 Panel size is the number of individuals, drawn from samples collected during establishment survey and to whom the audience measurement device is provided. It is an important parameter that determines the accuracy of collection of statistical data. The panel size should be broadly representative of age, socio-economic class, gender, working status and coverage (both urban & rural markets). Generally, larger the panel size, greater would be the accuracy of the results. Inadequate panel size results in limited data for analysis and may therefore not be truly representative, thereby compromising on the accuracy of the findings.

4.5.4.9 Inadequate panel size has serious limitations as it would be inadequately representing rural and small areas, demographic profiles, socio-economic classes etc. However, increasing the panel size has cost implications especially for taking audience measurement through People meters. Hence the panel size should be selected so as to optimize a judicious trade-off between increased cost and higher reliability of results.

4.5.4.10 Another relevant issue is that during the survey, data collected from some individuals may be filled casually or manipulated or it is not in the desired format. Such data cannot be included in the analysis process to arrive at the final ratings. Care must thus be taken to ensure that available sample data is sufficiently genuine and adequate in all respects prior to processing so as to give reasonably accurate results.

Confidentiality of the panel

4.5.4.11 Confidentiality of individuals included in panel is of paramount importance to ensure unbiased audience measurement. Accessibility to panel homes would mean that the outcomes can be manipulated. To avoid any manipulation, the rating agencies should have safeguards to ensure confidentiality of the individuals included in the panel. Rotation of individuals may also help in maintaining the confidentiality of individuals included in the panel.

Privacy

4.5.4.12 It is important that the privacy of individuals included in panel be maintained. Privacy is to be maintained at two levels. Firstly, personally identifiable information of panel homes should not be used by rating agencies to advertise, promote or market third party goods or services. Also, personal data like names, addresses or phone numbers of panel members should not be revealed to any third party for promotion of

their business. Secondly, the results of the radio ratings should not be disclosed on an individual basis. The rating agency should release the radio ratings only on an aggregated basis, for example- the results could be released on demographic basis. In most countries, individual households and viewers are kept anonymous in the rating data and only demographic profile data is released.

4.5.4.13 Taking into account the above discussion, some possible guidelines to arrive at a robust methodology for a radio rating system may include the following:

- a. An appropriate combination of measurement techniques i.e. paper diaries, surveys, People meters or a combination thereof be used.
- b. All weighting or data adjustment procedures utilized by a rating agency in the process of converting basic raw data to rating reports need to be based on systematic, logical procedures, applied consistently by the rating agency and remain defensible by empirical analysis.
- c. Rating agency should submit detailed methodology to the accrediting agency and also publish the same on its website.
- d. In the event that a rating agency identifies an attempt to bias measurement results by a respondent's submission of fabricated information, it should eliminate such cases from analysis. In the event that such cases have been included in published data, the agency may be required to assess the effect on results and notify the users about the same along with indication of its practical significance.
- e. Any shortcomings, deficiencies, limitations in the radio rating system needs to be clearly disclosed in the rating reports and also brought to the notice of users of the rating system.

- f. The procedure adopted for selection of the panel individuals/households and the rotation of the individuals in the panel /households should be made transparent.
- g. Geographic representation should be provided in proportion to the radio listenership. The panel should be based on distribution of target listenership for a particular segment like age group, socio-economic class, gender, working status, urban & rural markets.
- h. Rating agency may, consider introducing a phased roll out of radio ratings in the country depending upon the categories of cities as notified in the FM policy guidelines. The timelines for the roll out of radio ratings for each phase to cover cities across entire country need to be worked out. The immediacy of radio ratings may be more relevant in A+ and A category cities while in the remaining categories of cities, introduction of radio ratings may not be an immediate requirement due to the nascent state of FM markets. However, in future, the introduction of radio ratings may be necessitated once the markets in remaining city categories have gained sufficient maturity. While a reasonable time line for A+ and A cities may be two years, the stakeholders may suggest appropriate timeline for introduction of radio ratings in the remaining city categories and also suggest a reasonable time limit for complete roll out of radio ratings in the country.
- i. A minimum panel size for providing the rating results may be mandated for each city category (A+, A, B, C, D, Others) which can progressively be increased incrementally to the desired panel size.
- j. For selecting the sample of the individuals, a large scale establishment survey will need to be carried out. The sample covered through this survey should be large enough (say 10 times of the desired panel size) to remain representative of all radio listeners in the country. The establishment survey should be carried out periodically (say annually) to reflect changes in growth of radio

listeners, changes in demographics, variations of growth across markets and other factors.

- k. A certain percentage (say 25%) of the individuals should be rotated every year. The rotation should be in a manner such that individuals selected first are removed first while maintaining the representativeness of the sample.
- l. Rating agency should not include any employee or any other member, of radio broadcasters, advertisers and advertising agencies, in the audience measurement sample.
- m. Confidentiality of the individuals/households included in the panel should be maintained.
- n. Privacy of the individuals/households included in the panel should be maintained.

Issues for Consultation

- Q5. Please give your comments on the suggested guidelines for methodology for radio ratings, as discussed under para 4.5.4.13, for radio rating systems. You are also welcome to suggest modifications. Please elaborate your response with justifications.**
- Q6. What should be the panel size (in terms of numbers of individuals) for different categories of cities that may be mandated in order to ensure statistical accuracy and adequate coverage representing various genres, regions, demographics etc. for a robust radio rating system?**
- Q7. Should the desired panel size be achieved immediately or in a phased manner? In case of implementing the desired panel size in a phased manner, what should be the minimum initial panel size, quantum of increase and periodicity of such an increase in the panel size for different categories of cities?**

Q8. What should be the rollout framework for introducing radio rating system across all the cities for FM services? Should all cities be covered in a phased manner? If so, what should be the number of phases, number of cities covered in each phase and timeline for completion of each phase? You may also suggest an alternate approach with justification.

Q9. Please give your suggestions/ views as to how the confidentiality of individuals/households included in the panel can be ensured?

4.5.5 Complaint Redressal

There may be a situation wherein a user or any other stakeholder, such as a user of ratings, a consumer organization or any member of the general public, is dissatisfied with some aspect of the ratings process. In such a case, a proper complaint redressal mechanism will need to be put in place for handling such complaints. Such a system should ensure that the complaints are handled in a time-bound manner. To ensure this, a complaint redressal mechanism should be put in place by the radio rating agencies. To facilitate transparency, details of complaints and their resolution may be placed on the website of rating agency.

Issue for Consultation

Q10. Please give your comments on the complaint redressal mechanism discussed in para 4.5.5. Please elaborate your response with justifications.

4.5.6 Sale & Use of ratings

4.5.6.1 The rating agencies are required to maintain the highest possible standards of integrity and also ensure that their findings are not

misused / manipulated. Unfair or deceptive practices related to the sale or use of ratings need to be discouraged.

- 4.5.6.2 Rating agencies may also be required to follow certain norms related to sale & use of ratings in order to ensure that this does not bias the views of the stakeholders. It may be desirable that the rating agencies or any of their employees be barred from rendering, directly or indirectly, any advertisement or advertisement related advice about any radio channel or channel related programme in publicly accessed media. Rating agencies may also be required to ensure that there is no misuse of any privileged information.
- 4.5.6.3 In order to ensure utilisation of the ratings in an effective manner, each rating report should also include a statement about all omissions, errors and biases known to the rating agencies that may exert a significant effect on the report's findings. The rating report should also point out changes in or deviations from, the standard operating procedures that may exert a significant effect on the reported results along with an indication of the estimated magnitude of the effect.
- 4.5.6.4 Since the rating agency will be selling the data to different users in the ecosystem, it is desirable that the rates are non-discriminatory and transparent. It will also be desirable that a rate card for different reports is placed on the website of the rating agency to ensure price transparency and non-discrimination.
- 4.5.6.5 Reports by the rating agency may be required to be made available in a transparent and equitable manner. Apart from the regular users like radio broadcasters, advertisers and advertising agencies, other users for example- institutions, students, press, etc- may also like to access the data. However, it is desirable that such an access be permitted for

limited use of such users in a manner that does not impact the stakeholders of the rating system.

4.5.6.6 Another relevant issue is whether the data from the reports purchased from the rating agency can be repackaged and sold by the user. Similarly, should the user be allowed to share the data available in the report with the third parties or publish it in publically accessed media for promoting its own business? Therefore, certain reasonable restrictions may have to be imposed upon users who purchase the radio audience measurement data for their own use.

Issue for Consultation

Q11. Whether the rate card for sale and use of ratings data should be published in the public domain by the rating agencies? Please elaborate your response with justifications.

4.5.7 Crossholding restrictions for rating agency

Cross holding between rating agencies and their users may result in biased ratings. The ratings not only affect the business decisions of radio broadcasters, advertising agencies and advertisers but also the content that is created for viewers across the country. Radio Broadcasters may have stakes in the rating agencies or may even have their own rating agencies and this may lead to a bias and influence the ratings in a manner so as to promote their vested interests while generating business revenues for themselves. Ratings should provide a fair, correct, balanced, representative, transparent and neutral information to the radio broadcasters, advertiser and advertising agencies. Therefore, there should be restrictions on cross-holdings between the rating agencies and radio broadcasters, advertisers and

advertising agencies so as to ensure that such cross holding does not impact the radio ratings.

Issue for Consultation

Q12. Please give your comments on the cross-holding restrictions for rating agencies as discussed in para 4.5.7. You are also welcome to suggest modifications. Please elaborate your response with justifications.

4.5.8 Disclosure by rating agency

4.5.8.1 In order to ensure the credibility of radio ratings, it is important that the rating system be transparent. One of the most effective tools to achieve transparency is to establish a well defined system of mandatory disclosures by the rating agencies wherein these agencies disclose all relevant details that may have an effect on the radio ratings. The disclosures will also help facilitate that rating agencies continue to comply with all the terms and conditions stipulated in the accreditation guidelines.

4.5.8.2 Some of the parameters that may be mandated for disclosure by the rating agency on its website towards achieving transparency and compliance are as follows:

- a. Detailed Rating methodology in clear and unambiguous terms.
- b. Details about the coverage in terms of number of cites, geographical and other socio-economic representation.
- c. Disclose, wherever necessary, possible sources of conflict of interests, which may impair its ability to make fair, objective and unbiased ratings
- d. Comments/viewpoints of the users of the radio rating data.

- e. Quality control procedures with respect to all external and internal operations which may be reasonably assumed to exert significant effects on the final results.
- f. Rate card for the various reports and discounts offered thereon.
- g. Ownership pattern of the ratings agency, including foreign investments / Joint Ventures / Associates in the Agency.

Issue for Consultation

Q13. Please give your comments with regard to the parameters/procedures, as suggested under para 4.5.8.2, pertaining to mandatory disclosures for ensuring transparency and compliance of the prescribed accreditation guidelines by rating agencies. You are also welcome to suggest modifications. Please elaborate your response with justifications.

4.5.9 Reporting requirement

4.5.9.1 To ensure that the rating agencies continue to comply with all the terms and conditions stipulated in the accreditation guidelines, it is important to ensure that the same be amenable for easy monitoring and enforcement. In this regard it is pertinent to establish a well defined system of periodic mandatory reporting by the rating agencies. Therefore, it would be desirable to have a periodic reporting in the regulatory framework as a mechanism for monitoring and enforcing compliance with accreditation guidelines for rating agencies.

4.5.9.2 Following parameters may facilitate monitoring and enforcing compliance of accreditation guidelines for rating agencies and the rating agency may be mandated to report to the Government on periodical basis (say annually) :

- a. The rating agency's equity structure and shareholding pattern including foreign investments / Joint Ventures / Associates in the Agency. Any changes that occur within the reporting period, if any, should be reported immediately.
- b. Details of Key executives and Board of Directors
- c. Interests of rating agency in other rating agencies/ radio broadcasters/ media agencies/ advertisers / advertising agencies
- d. Coverage details
- e. Subscription and Revenue details
- f. Any other information and reports as may be asked for by MIB or the regulator from time-to-time.

Issue for Consultation

Q14. Please give your comments with regard to the parameters/procedures, as suggested under para 4.5.9.2, pertaining to reporting requirements for ensuring effective monitoring and compliance of the prescribed accreditation guidelines by rating agencies. You are also welcome to suggest modifications. Please elaborate your response with justifications.

4.5.10 Audit

4.5.10.1 Audits are essential to make the process more transparent & credible. Accuracy of the radio ratings and procedures adopted can be ensured through self-discipline in the adoption of procedures and independent audit. Many a time, the knowledge that a rating agency's work may be reviewed in audits, facilitates provision of better & fair services. Rating agencies should be subjected to independent audit for the methodology adopted by them for determining the sample and also of the procedures followed by them before arriving at the final results.

4.5.10.2 Even internationally, the rating agencies are subjected to independent audit in many countries. For example in USA, Media Rating Council (MRC) is an industry-funded organization setup to review and accredit audience rating services. The activities of the MRC include auditing the activities of the rating services through independent Certified Public Accounting (CPA) firms. These audits determine whether a rating service merits new accreditation or qualify for continued accreditation. They also provide the MRC with the results of detailed examinations which become a basis for quality improvements in the service, either by voluntary action or as mandated by MRC as a condition for accreditation, and also provide a highly beneficial psychological effect on rating service performance. Audit reports include detailed testing and findings for sample design, sample composition by demographic group, data collection and fieldwork, metering, diary or interviewing accuracy, editing and tabulation procedures, data processing, ratings calculations & assessment of rating service disclosures of methodology and survey performance. Rating services, that are awarded MRC accreditation, are given permission to display the MRC's logo on the audited research product indicating their compliance with MRC's standards.

4.5.10.3 In case of Quality of Service (QoS) of telecom service, TRAI appoints auditors for auditing the same. For auditing of billing and metering in telecom services, TRAI notifies a panel of auditors and the telecom service providers have to get their systems audited annually by one of the empanelled auditors. The auditing expenses are to be borne by the telecom service providers.

4.5.10.4 One option could be to mandate that the rating agencies get independent audits done through a third party and the auditors of rating agency should state in their report that proper mechanisms and

procedures, as disclosed publicly by the rating agency, exist for various processes involved in the audience measurement and ratings. The other option could be that in addition to the third party audit, rating agencies are mandated to offer their systems/procedures/mechanisms for auditing by the accrediting agency or any of its authorized agencies.

4.5.10.5 To facilitate proper audits to ensure that a credible and transparent rating process is followed by the rating agency, the following requirements may be brought into the guidelines for accreditation of rating agencies:

- a. The operations to be performed by the computer system, right from receipt of data from paper diary/people meters/surveys till generation of the final rating output, shall be documented in sufficient detail
- b. The rating related data shall be protected using adequate security features.
- c. Any process change related to radio rating system should be well documented and intimated to the concerned users.
- d. The rating agency should get their rating process/system audited by a qualified independent auditor. The auditors of rating agency should state in their report that proper mechanisms and procedures exist for a credible rating system.
- e. The rating agency should also offer its systems/procedures/mechanisms for auditing by an Auditor appointed by the accrediting agency or any of its authorized agencies.
- f. Cost of audit is to be borne by the concerned radio rating agency.

Issue for Consultation

Q15. Please give your comments on the audit requirements for rating agencies as discussed under para 4.5.10.5. You are also welcome to

suggest modifications. Please elaborate your response with justifications.

Q16. Who should be eligible to audit the rating process/system?

4.5.11 Competition in rating services

4.5.11.1 Currently only one agency is providing the radio rating services in India. This agency conducts surveys only in four major cities and presently does not cover smaller cities and rural areas. Further, inadequate competition raises concerns related to monopolistic behaviour due to presence of a single rating agency, whereas increased competition would probably lead to better quality of service and reduced costs. Therefore, competition is desirable in the rating services.

4.5.11.2 One way of limiting monopoly markets could be by having different rating agencies for different regions/states. The country could be divided into different zones for the purpose. However, such an approach may not result in greater competition in a particular area. Another alternative could be to have separate rating agencies for different stages of the rating process i.e. establishment survey, preparation of the panel of households for measurement and analysis of the data to arrive at the ratings.

4.5.11.3 It is also pertinent to note that representative, credible and transparent rating services require substantial capital investments. Therefore, certainty of a business for a period of time is also required to enable reasonable return on investments. One may opine that multiple rating agencies in the same city may lead to duplication of efforts, disputes on credibility/reliability and wastage of resources, and therefore a view that, initially more focus may be given towards increasing the coverage.

4.5.11.4 Although there is no restriction on the number of firms entering into rating services in India, as on date radio audience measurement is being done by only one rating agency. One may opine on this basis that due to limited penetration of FM radio in the country, sufficient market demand for multiple radio rating agencies does not presently exist in India. However, it is pertinent to note that in Phase-III of FM radio, 966 FM radio channels will be made available in 333 cities. Out of these 333 cities, 320 cities belong to category 'B', 'C', 'D' and 'Others'. Therefore, it may be argued that popularity of FM radio will increase even in smaller cities and a significant market will develop. The main issue for consideration is as to what are the initiatives required to encourage effective competition in radio rating services, so that rating services also reap the benefits of competition.

Issue for Consultation

Q17. What regulatory initiatives are required to promote competition in radio rating services? Please elaborate your response with justifications.

4.5.12 Applicability of Rules for rating agencies

4.5.12.1 This consultation paper discusses various issues related to evolving a fair and credible radio rating system in India. Once accreditation guidelines are issued and implemented by MIB, compliance with these rules will have to be ensured by new entrants into the sector as well as the existing players.

4.5.12.2 As far as applicability of the rules to the existing rating agencies, is concerned, in case they do not comply with the accreditation guidelines as on the date of applicability of the said guidelines, a reasonable amount of time may have to be granted to them to enable a smooth transition towards compliance with the new regime.

Issues for Consultation

Q18. In case guidelines/ rules for rating agency are laid down in the country, how much time should be given for complying with the prescribed rules to existing entities in the radio rating services sector which may not be in compliance with the guidelines? Please elaborate your response with justifications.

4.5.13 Other Issues

Q19. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

Chapter V

Summary of issues for consultation

- Q1. Is there a need to regulate the radio audience measurement and rating services? Please elaborate your response with justifications.**
- Q2. Which of the models described in para 4.3 should be followed for regulating radio rating services in India? Please elaborate your response with justifications. Stakeholders may also suggest any other suitable model with pros and cons along with justification.**
- Q3. Do you agree with the broad contours described in para 4.4 for an industry led body proposed to be formed for regulating the radio rating system? You may also suggest any additions or alteration, if so required. Please elaborate your response with justifications.**
- Q4. Please give your comments on the suggested eligibility conditions for rating agencies discussed in para 4.5.3.2. You are also welcome to suggest modifications. Please elaborate your response with justifications.**
- Q5. Please give your comments on the suggested guidelines for methodology for audience measurement, as discussed in para 4.5.4.13, for radio rating systems. You are also welcome to suggest modifications. Please elaborate your response with justifications.**
- Q6. What should be the panel size (in terms of numbers of individuals) for different categories of cities that may be mandated in order to ensure statistical accuracy and adequate coverage representing various genres, regions, demographics etc. for a robust radio rating system?**

- Q7. Should the desired panel size be achieved immediately or in a phased manner? In case of implementing the desired panel size in a phased manner, what should be the minimum initial panel size, quantum of increase and periodicity of such an increase in the panel size for different categories of cities?**
- Q8. What should be the rollout framework for introducing radio rating system across all the cities for FM services? Should all cities be covered in a phased manner? If so, what should be the number of phases, number of cities covered in each phase and timeline for completion of each phase? You may also suggest an alternate approach with justification.**
- Q9. Please give your suggestions/ views as to how the confidentiality of individuals/households included in the panel can be ensured?**
- Q10. Please give your comments on the complaint redressal mechanism discussed in para 4.5.5. Please elaborate your response with justifications.**
- Q11. Whether the rate card for sale and use of ratings data should be published in the public domain by the rating agencies? Please elaborate your response with justifications.**
- Q12. Please give your comments on the cross holding restrictions for rating agencies as discussed in para 4.5.7. You are also welcome to suggest modifications. Please elaborate your response with justifications.**
- Q13. Please give your comments with regard to the parameters/procedures, as suggested in para 4.5.8.2, pertaining to mandatory disclosures for ensuring transparency and compliance of**

the prescribed accreditation guidelines by rating agencies. You are also welcome to suggest modifications. Please elaborate your response with justifications.

Q14. Please give your comments with regard to the parameters/procedures, as suggested in para 4.5.9.2, pertaining to reporting requirements for ensuring effective monitoring and compliance of the prescribed accreditation guidelines by rating agencies. You are also welcome to suggest modifications. Please elaborate your response with justifications.

Q15. Please give your comments on the audit requirements for rating agencies as discussed in para 4.5.10.5. You are also welcome to suggest modifications. Please elaborate your response with justifications.

Q16. Who should be eligible to audit the rating process/system?

Q17. What regulatory initiatives are required to promote competition in radio rating services? Please elaborate your response with justifications.

Q18. In case guidelines/ rules for rating agency are laid down in the country, how much time should be given for complying with the prescribed rules to existing entities in the radio rating services which may not be in compliance with the guidelines? Please elaborate your response with justifications.

Q19. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

Glossary

Abbreviation	Description
AIR	All India Radio
AM	Amplitude Modulation
BARC	Broadcasting Audience Research Council
CAGR	Compounded Annual Growth Rate
CATI	Computer Aided Telephone Interviewing
CPA	Certified Public Accounting
M & E	Media & Entertainment
FICCI	Federation of Indian Chambers of Commerce and Industry
FM	Frequency Modulation
J&K	Jammu & Kashmir
MIB	Ministry of Information and Broadcasting
MRC	Media Rating Council
M & E	Media and Entertainment
NE	North East
PPM	Portable People Meter
QoS	Quality of Service
RAM	Radio Audience Measurement
RDD	Random Digit Dialing
TRAI	Telecom Regulatory Authority of India
VHF	Very High Frequency

International Experience in Radio Audience Measurement

1. Australia⁵

- In Australia, Radio Audience Measurement is carried out under the aegis of Commercial Radio Australia Ltd, which is the national industry body representing Australia's commercial radio broadcasters.
- Commercial Radio Australia Ltd has agreement with GfK to conduct Radio Audience Measurement across the five metropolitan markets; Sydney, Melbourne, Brisbane, Adelaide and Perth and three major regional markets Newcastle, Canberra and Gold Coast.
- Over 60,000 people are surveyed each year for the purpose of RAM.
- For 80% of the respondents, the sticker paper-diary method is used to collect the ratings information and for rest 20%, E-diary method is used.
- For selecting the radio sample for metropolitan markets Single Person Placement method is utilized, wherein one person aged 10 years and above is selected from each sample household using the Last Birthday Method (i.e the person identified in the home that has had the most recent birthday). Paper Diary placement is made face-to-face by specially selected and trained interviewers who are managed by field supervisors. Recruitment of respondents to complete the e-diary is undertaken using online research.
- Diary placement in major regional markets is made both via face-to-face (50% of sample) by specially selected and trained interviewers who are managed by field supervisors and via Computer Aided Telephone Interviewing (CATI) (30% of sample). The remaining 20% of the sample is recruited online for the e-diary. Household Flooding methodology is used in these markets, wherein diaries are provided to all people living in the household aged 10 years and over.

⁵ <http://www.commercialradio.com.au/>, <http://www.radioitsalovething.com.au/Surveys.aspx>, www.gfk.com/au

- Radio diary participants are geographically selected in proportion to the distribution of the population. Each market is split into geographic regions and sub-regions dubbed statistical areas (SA1). Each SA1 is split further into interviewing areas (IA's).
- Homes are then statistically selected and approached within these IAs. A single source lifestyle questionnaire is enclosed in the diary. The diary contains relevant lifestyle and purchasing habits/intentions relating to the household. Each person selected is required to record their radio listening in the diary for one seven-day period from Sunday through to Saturday. The completed diaries are processed to produce data relating to an average week of the survey period.

2. Canada⁶

- Radio audience measurement in Canada is conducted by Numeris, which is a not-for-profit, member-owned tripartite industry organization which includes representatives from radio and TV broadcasters, advertising agencies and advertisers. Numeris itself conducts the radio audience measurement.
- The geographic markets used for measuring and reporting radio audiences are defined using data from Statistics Canada and Canada Post.
- A Numeris defined geographical area, usually centred around one urban centre, is called the Central Market Area which generally corresponds to Statistics Canada Census Metropolitan Areas, Census Agglomeration, Cities, Counties, Census Divisions or Regional Districts,
- Estimated Population of a Central Market Area is considered as Universe for that Central Market Area.
- Paper diary and Personal People Meter (PPM) are used for RAM.

⁶ <http://en.numeris.ca/>

Diary Surveys

- Survey Design staff determines the number of respondents, diary mail-outs and telephone listings needed to conduct each survey in each market.
- A process called RDD (Random Digit Dialing) is used in each market as the basis for the weekly survey recruitment.
- Enumeration departments in Montreal, Toronto and Moncton recruit households to participate in each upcoming survey and Diary packages are delivered to all participants in each household.
- Diary information is captured by an electronic scanning system. Data is validated and processed.

Electronic Meter Surveys

- A large-scale, monthly telephone survey called an Establishment Survey is conducted to determine the status of households within each of the meter markets.
- Each month, approximately 50,000 randomly selected homes with a landline or mobile telephone are called to take part in the Electronic Meter Panel.
- Once a household is recruited, it receives a package containing a Personal People Meter (PPM), a portable charger and a headphone adapter for each household member.
- Each household is assigned a Panel Administration Team member who remains in contact throughout participation, answering questions, updating household information, and providing coaching to encourage each member of the home to meet the minimum carrying times each day.
- The PPM is carried by each member of the home who is two years of age or older. It automatically records and time-stamps inaudible codes that are embedded in the audio of TV and radio signals.

- Each respondent's data is checked for compliance and validated against metrics at the household level.
- Once final data checks are complete, radio and TV database files are produced and supplied to third party processors for distribution to members via electronic software.
- Television databases are released daily and radio databases are released monthly.

3. France⁷

- Measurement of radio audiences in France is conducted by an independent industry body, Médiamétrie consisting of representatives of radio, television, advertisers, advertising agencies and media brokers without any of them having a majority holding to take a decision alone.
- Computer-assisted Telephone Interviews (CATI) are used for RAM.
- 126000 interviews are carried out with a population aged 13 years and over. It provides "Last 24 hours" permanent audience measurement, as well as a description of listeners according to socio-demographic, spending and living standards criteria. The interviews are spread over 10 months from September to June, including Sundays and public holidays.
- Interviewees are questioned between 5.30 pm and 9.30 pm on their fixed or mobile phones. The level of socio-demographic representation and the geographical stratification of the sample are checked daily. The interviews are divided equally over the survey days of the same period.
- The individuals who agree to take part in the Radio Panel, receive a listening record per week and a listening habits questionnaire, as well as the equipment they need to fill in and send the forms. As soon as they receive this, each panellist is called to explain how to fill in and send the forms.

⁷ <http://www.mediametrie.com/radio/>

4. Malaysia

- There is no government or industry body which oversees the radio audience measurement in Malaysia. RAM in Malaysia is conducted by two companies Nielsen and GfK independently.
- The RAM survey by Nielsen is conducted twice a year in collaboration with participating radio broadcasters. Nielsen RAM provides listening preferences as well as listener profile and their product consumption. The survey is conducted using paper diaries completed by a representative sample of 3,000 individuals in Peninsular Malaysia⁸.
- GfK's radio audience measurement study is conducted annually in two waves among 6,000 individuals aged 10 years and above who record their radio listening habits on paper or electronic diaries for approximately a week. Approximately 80 percent respondents are recruited offline who use paper diary and 20 percent respondents are recruited online for keeping e-diary⁹.

5. South Africa¹⁰

- South African Advertising Research Foundation's (SAARF) has the responsibility to measure the audiences of all traditional media such as newspapers, magazines, radio, television and cinema. SAARF's Board of Directors represents the marketing, media and advertising industries through their respective industry bodies.
- Major research surveys conducted by SAARF are All Media and Products Survey (AMPS), Radio Audience Measurement Survey (RAMS) and Television Audience Measurement Survey (TAMS).
- Paper diaries are provided to respondents to complete in their homes over a 7-day period. Respondents are also instructed on how to complete the diary.

⁸ <http://www.nielsen.com/my/en/press-room/2015/malaysians-radio-listenership-remain-high.html>

⁹ <https://www.gfk.com/sg/news-and-events/press-room/press-releases/pages/nine-in-ten-in-malaysia-tune-in-to-radio-for-17-hours-in-a-week.aspx>

¹⁰ <http://www.saarf.co.za/RAMS/rams-methology.asp>

- The survey covers adults aged 15 years and older, who are living in the nine provinces of South Africa.
- For designing the sample a probability sample stratified by area is drawn. The sample is equally apportioned between males and females with the exception of mines, hostels and domestics. At each sampling point a cluster of two addresses is drawn.
- In each household, the main respondent is selected by means of a Random Grid. In addition to placing a diary with the main respondent,, household “flooding” is also implemented, wherein supplementary diaries are placed and completed by all other members of the household aged 15 years and over.
- In the survey conducted during October 2014 - March 2015, a total 32 499 diaries were collected.

6. **UK**¹¹

- In UK, RAJAR Ltd (Radio Joint Audience Research) conducts the radio audience measurement for the UK radio industry. The company is jointly owned by the British Broadcasting Corporation (BBC) and by the RadioCentre, which is the trade body representing the vast majority of Commercial Radio stations in the UK.
- RAJAR is set up as a JIC (Joint Industry Committee) that represents in addition to the BBC and the commercial sector, the interests of the wider advertising community. A representative of the IPA and a representative of ISBA (the Incorporated Society of British Advertisers) attend Board meetings and their input is sought on all major issues.
- Paper diaries are used to capture data for RAM.

Sample

- The universe comprises all individuals aged 10 and over, living in private households in the UK.

¹¹ www.rajar.co.uk

- Although children from the age of 10 are included in the survey, published figures are for Adults 15+, unless stated otherwise. Data on respondents under 15 can only be accessed by RAJAR subscribers.
- The overall adult sample is about 110,000 per year, with each respondent only participating for one week, so that small stations can be surveyed.
- The sampling is devised so that each station's sample is representative of the area it covers. The smallest sample for a station on RAJAR is 500 adults over 12 months, for stations with a TSA (Total Survey Area) under 300,000. The National stations report on a quarterly sample of approximately 26,000 adults.

Sampling procedure

- Radio Stations have to define the area where they want to be surveyed by selecting a list of postcode districts.
- All station maps are overlaid, the resulting 550 non overlapping areas are called segments and constitute the sampling framework.
- Each segment is attributed a recruitment target for each quarter and sampling points are allocated accordingly.
- A sampling point is a list of addresses from which interviewers have to recruit. This list is drawn at random using the Postal Address File. Self selection of respondents (i.e. people who approach RAJAR and ask to participate in the survey) is not permitted.

Process of survey

- Participants in the survey are asked to complete a listening diary for one week. They are not asked to complete the task retrospectively (i.e. for the week before placement) – instead they are asked to start recording their listening as it happens for the week ahead.
- Diary placement is continuous throughout 50 weeks of the year, excluding the Christmas and New Year holiday period.

- Only 1 respondent is recruited per household.
- Quotas are set to ensure the best possible demographic representation of the area.
- Once an individual has agreed to take part, the interviewer asks a series of questions related to the respondent's demographic details, household tenure, number of radio sets, access to digital platforms (TV, internet, DAB) etc...
- The respondent is then asked to keep a listening diary for one week, detailing for each quarter hour, which station they listened to, where, and on which platform. Only live listening is measured.
- The listening diary is recorded in online and paper form.
- The interviewer conducts a procedure in which each respondent is asked to sort through a set of cards with the names of radio stations available in the area. This is then used to personalise the respondent's diary.
- The diary also comprises a self completion questionnaire which covers media consumption including television viewing, newspaper readership, listening to podcasts and via mobile phone etc.
- At the end of the diary week, the interviewer comes back to the respondent's home to pick up the diary.

7. USA¹²

- In US, agencies conducting audience rating services are accredited and by industry funded organization Media Rating Council (MRC). Currently MRC has approximately 145 Board members representing TV and Radio Broadcasting, Cable, Print, Internet and Advertising Agency organizations as well as Advertisers and Trade Associations. Organizations such as Nielsen or Arbitron that provide media ratings are not allowed to be members.
- The activities of the MRC include:

¹² mediaratingcouncil.org

- (i) The establishment and administration of Minimum Standards for rating operations;
 - (ii) The accreditation of rating services on the basis of information submitted by such services; and
 - (iii) Auditing, through independent Certified Public Accounting (CPA) firms, of the activities of the rating services.
- According to MRC, adherence to the following minimum standards is necessary to meet the basic objectives of valid, reliable and effective media audience measurement research:
 - a. Ethical and Operational Standards**

These standards govern the quality and integrity of the entire process by which ratings are produced.
 - b. Disclosure Standards**

These standards specify the detailed information about a rating service, which must be made available to users, MRC and its audit agent, as well as the form in which the information should be made available.
 - c. Electronic Delivery and Third Party Processor Supplementary Standards**

These standards reflect additional requirements for rating services that deliver audience data electronically and for third party processors that apply for accreditation.
 - Acceptance of MRC’s minimum standards by a rating service is one of the conditions of accreditation by the MRC. These are intended to be minimum standards and neither they, nor anything in MRC procedures, shall prevent any rating service from following higher standards in its operations.

Reporting requirements

- Measurement Services that apply for MRC Accreditation must agree to:

- Supply complete information to the MRC
- Comply with MRC minimum standards
- Conduct the service as represented to the client
- Submit to annual audits
- Pay for the audit costs (internal & external)

Disclosure

- MRC mandates rating services to disclose many methodology and performance measures, which would be otherwise unknown, for example:
 - Source of sample frame
 - Selection method
 - Respondents by demographic group versus population
 - Response rates
 - Existence of special survey treatments for difficult to recruit respondent groups such as young or ethnic persons
 - Editing procedures
 - Minimum reporting requirements for media
 - Ascription and data adjustment procedures employed
 - Errors noted in published reports
 - Data reissue standards and reissue instances

Quality and Audit

- The central element in the monitoring activity of the MRC is its system of annual external audits of rating service operations performed by a specialized team of independent CPA auditors.
- Resulting audit reports are very detailed containing many methodological and proprietary details of the rating service and illumination of the primary strengths and weaknesses of its operations.

The reports are confidential among the MRC members, independent CPA firm, and the rating service. Audit reports include detailed testing and findings for:

- Sample design, selection, and recruitment
- Sample composition by demographic group
- Data collection and fieldwork
- Metering, diary or interviewing accuracy
- Editing and tabulation procedures
- Data processing
- Ratings calculations
- Assessment of rating service disclosures of methodology and survey performance