

NEWS

COUNCIL FOR RESEARCH EXCELLENCE STUDY FINDS WIDENING RELATIVE ERROR IN TELEVISION DIARY SAMPLES

New York, NY, October 8, 2013 – Local broadcast and cable ratings increasingly are falling outside the traditional 10% benchmark error range that has served as the mainstay used in advertising negotiations. This is according to new study findings which show random error in Nielsen diaries continues to grow.

Currently, the relative error for total-day in all diary-only household ratings for all TV stations falls within the 10%-benchmark range just 11.3% of the time. The ratings in primetime fall within the range 26% of the time and ratings for weekday evening and late newscasts fall within the range 18.1% and 20.7% of the time, respectively.

Moreover, as the diary population is subdivided into various age components (18-34, 18-49 and 25-54), the data become less stable than for household measurement, due to smaller sample sizes. The relative error is especially pronounced for lower-rated stations.

The study, for which Nielsen provided 11 years' information covering 31 diary markets, along with posted advertising schedules, was conducted for the Council for Research Excellence (CRE), a diverse group of senior-level research professionals from throughout the media and advertising industries dedicated to advancing the knowledge and practice of audience measurement methodology.

The study, for which the diary market data was analyzed for the CRE by [BIA/Kelsey](#), encompassed six May “sweeps” periods dating back to 2001. Analyses included relative error (“RE”) ranges for all stations, affiliates, households and demographics; homes using television (“HUTs”) by daypart and demographics; and RE by daypart, demographics and effective sample size. The research team also conducted a series of interviews with local-television advertising buyers and sellers, and Nielsen experts.

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“Our goal was to examine potential instability in ratings as evidenced by relative error,” said Billy McDowell, Vice President, Research, Raycom Media, who chairs the CRE’s Local Measurement Committee. “In using TV diary ratings information – still used in 30% of all television households – both buyers and sellers are challenged to predict ratings performance accurately.

“Diaries do provide an economical way of understanding the ‘uniqueness’ of each local market, but they are becoming less precise,” McDowell added. “Local TV needs measurement to evolve but we should also evolve the way current data are used.

“It is important to note this project did not offer remedies to the problems with diary measurement but to educate the industry regarding the current status of the diary,” McDowell concluded. “There are no ‘quick fixes’ for the diary methodology, although Nielsen continues to work on improvements such as the electronic diary and the newer ‘code reader.’ In the meantime, the statistical limitations should be realized when conducting business using these data.”

A presentation of the study data can be found on the [CRE website](#).

About the **Council for Research Excellence**

The **Council for Research Excellence** (CRE) is an independent research group created (in 2005) and funded by Nielsen. The CRE is dedicated to advancing the knowledge and practice of audience measurement methodology and comprises senior-level industry researchers representing advertisers, agencies, broadcast networks, cable, syndicators, local stations, and industry associations.

CRE members represent advertising agencies, media-buying firms, media companies, advertisers and industry organizations including ABC, AMC Networks, CBS, Comcast, Cox, Discovery, Disney, ESPN, GroupM, Horizon Media, Hulu LLC, Kimberly-Clark, LIN Media, Magna Global, the Media Rating Council, Media Storm, the National Association of Broadcasters, NBC Universal, News Corporation, Nielsen, Omnicom, Palisades Media Group, Raycom Media, Scripps Networks Interactive, Starcom MediaVest, the Syndicated Network Television Association, TargetCast tcm, the Television Bureau of Advertising, Time Warner, Tribune Co., Twitter, Univision and Viacom.

For more information about the Council for Research Excellence, please visit:
<http://www.researchexcellence.com/>

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