An Update on the Portable People Meter

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ARF Week of Workshops
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Agenda

• What is PPM?
• Latest Headlines from Philadelphia
• PPM “Myths and Facts”
• Next Steps
What is PPM?

- State-of-the-art, near-passive electronic measurement for radio and television
- Captures at-home and out-of-home use
- Puts radio and TV on the same playing field in media planning and buying
- More frequent, more detailed and more reliable data for planning and buying
- A better tool for the future

The PPM System (version 3.0)

At Radio Station
Encoder (1u size)

In Panel Homes
Recharging Base Unit

Portable People Meter (PPM)
Data Collection Box
Radio Ratings Comparisons: PPM vs. the Arbitron Radio Diary

- 46 Philadelphia stations, Spring 2002
- Persons 12+ Metro sample only
- Diary 12-week total in-tab = 4,553
- Diary average daily in-tab = 379
- PPM average daily in-tab = 659
Big Headlines About Radio Listening with PPM

• Overall AQH ratings and format shares are consistent with diary estimates
• PPM finds more listening for young adults and men
• PPM finds more listening weekends, evenings, and overnight

Big Headlines About Radio Listening with PPM

• Radio has much greater reach, overall and station by station
• Panel research offers important new insights about multi-week reach
• The PPM panel provides better information about special events – good news for planners and buyers
**AQH Rating Comparisons, by Demo Group**

<table>
<thead>
<tr>
<th>Demo Group</th>
<th>PPM</th>
<th>Diary</th>
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<tbody>
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<td>12+</td>
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<td>12-17</td>
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<td>18-34</td>
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<td>25-54</td>
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<td>35-54</td>
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<tr>
<td>55+</td>
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**PPM and diary show similar hour-by-hour weekdays**

**Persons 12+ AQH Rating Mon-Fri**

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Mon-Sun 6AM-Mid, Philadelphia

© 2002 Arbitron Inc.
PPM and diary show similar hour-by-hour weekends

Persons 12+ AQH Rating Sat-Sun

AQH Rating Comparison
P12+ Mon-Fri 6AM-Mid

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Philadelphia
AQH Rating Comparison
P12+ Sat-Sun, 6AM-Mid

12.3
PPM
(Avg Daily In-Tab=616)

10.6
Diary
(Total In-Tab=4,553)

Sat-Sun 6AM-12Mid

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Mon-Sun 6AM-Mid, Persons 12+, Philadelphia

AQH Rating Comparison
M12+ Mon-Sun 6AM-Mid

17.5
PPM
(Avg Daily In-Tab=309)

15.8
Diary
(Total In-Tab=2,127)

Mon-Sun 6AM-Mid

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Mon-Sun 6AM-Mid, Philadelphia
AQH Rating Comparison
F12+ Mon-Sun 6AM-Mid

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Mon-Sun 6AM-Mid, Philadelphia

Comparison by Format
AQH Rating, P12+

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Mon-Sun 6AM-Mid, Persons 12+, Philadelphia
All top-20 stations show big gain in weekly cume ratings

With the big gain in cume, “average” TSL is lower
PPM doubles stations per person
Percent of listeners by number of stations reported per listener

Average stations in diary 3
Average stations in PPM 6

Number of Stations Cumed per Week

PPM Demonstrates How Radio’s Reach Grows Over Time

April PPM, Metro, Mon-Sun 4AM-4AM, Persons 12+
The Power of a Panel for Special Events
Pamela Anderson Draws Big Numbers on the Howard Stern Show

Television Ratings Comparisons

- Philadelphia DMA® (Pop. 7 million P6+)
- PPM vs. Nielsen Meter-Diary Data July 2002
- 35 TV outlets encoded for July survey
  » 10 local broadcast stations
  » 25 cable networks/channels
- Diary total in-tab ~ 3,400 Persons 6+
  » Avg. daily in-tab ~850 Persons 6+
- PPM avg. daily in-tab ~ 1100 Persons 6+
Big Headlines About TV Viewing with PPM

• Younger demos produce the highest ratings differences (gains), particularly under age 35

• Children 6-11 and Teens showed disproportionate gains

• Older demos, long considered more conscientious diarykeepers, show less change in ratings than younger demos

Big Headlines About TV Viewing with PPM

• All types of TV outlets show substantially higher ratings with PPM

• Outlets with smaller audiences, both cable and newer broadcast networks, gain most audience in a PPM world

• Outlets appealing to a younger audience appear to reap greatest ratings gains
PPM vs. meter-diary PUT difference consistent across March, May and July 2002

<table>
<thead>
<tr>
<th>Monday-Sunday, Total Day (24 hours), AQH PUT</th>
<th>Portable People Meter</th>
<th>Meter-Diary</th>
<th>PPM to Meter-Diary Index</th>
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</thead>
<tbody>
<tr>
<td></td>
<td>March</td>
<td>May</td>
<td>July</td>
</tr>
<tr>
<td>Broadcast TV</td>
<td>13.4</td>
<td>15.7</td>
<td>13.2</td>
</tr>
<tr>
<td>Cable TV</td>
<td>8.5</td>
<td>7.9</td>
<td>9.1</td>
</tr>
<tr>
<td>Total TV</td>
<td>21.9</td>
<td>23.6</td>
<td>22.3</td>
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</table>

Estimates are for encoded broadcast TV stations and cable networks.

Weekday Hourly AQH Ratings for Total Encoded TV
Persons 6+ Monday-Friday

July PPM vs. July NMR Meter-Diary, Philadelphia DMA, Mon-Fri 4AM-4AM, Persons 6+
Weekend Hourly AQH Ratings for Total Encoded TV
Persons 6+ Sat.-Sun.

PPM shows largest gains for young viewers
AQH Ratings by Age Demo, Mon.-Sun. 4A-4A

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PPM shows larger gain for Men
AQH ratings, Monday-Sunday 4A-4A

May PPM vs. May NMR Meter-Diary, Philadelphia DMA

PPM shows largest gains for newer
broadcast and cable networks
P6+, Mon.-Sun. 4A-4A

July PPM vs. July NMR Meter-Diary, Philadelphia DMA, Persons 6+
World Cup - Portugal vs. United States
ESPN-2, Phil. DMA, PPM AQH P6+

- May '02 Avg Wednesday, 5-7:30A: 5,500
- Previous Wednesday May 29, 5-7:30A: 2,300
- Wednesday, June 5th, 5-7:30A: 33,000

AQH Persons 6+

Some Myths and Facts About PPM
Women won’t wear the PPM.

Males and females comply equally well with PPM

Avg. Compliance Rate (June '02)
P6+ 88%
M12+ 89%
W12+ 88%

Spring 2002, Metro In-tab, Median Times
People will get tired of wearing the meter.

Docking and undocking times hold steady over time
Adults 18+, Weekdays and weekends

Base: Intab Adults 18+ Installed and Online between Jan 12th and Jul 24th
Panelists do not show drop-off in carry time as time in panel increases

In TV, PPM only shows higher ratings for cable.
“Big Three” Networks Show Large Gains for Persons Under 35 . . .
Hourly AQH ratings, P6-34, Mon.-Fri., 4A-4A

. . . Much Less Change for P55+
Hourly AQH Ratings, “Big Three” Networks
Mon.-Fri., 4A-4A
In radio, PPM causes a big drop in morning drive ratings across the board.

PPM shows lower ratings than the diary on weekday mornings, overall

Persons 12+ AQH Rating Mon-Fri
But PPM and the diary show the same morning audience on weekends

Persons 12+ AQH Rating Sat-Sun

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Philadelphia

Morning drive results are similar for teens . . .

Teens 12-17 AQH Rating Mon-Fri

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Philadelphia
For Persons 18-34

Adults 18-34 AQH Rating Mon-Fri

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Philadelphia

For Persons 35-54

Adults 35-54 AQH Rating Mon-Fri

Spring 2002 PPM vs. Spring 2002 Arbitron Diary, Philadelphia
The big difference in morning drive is limited to Persons 55+

Adults 55+ AQH Rating Mon-Fri

**Since PPM picks up “passive listening” stations will get credit for all kinds of listeners who would never choose that station.**
Adult Contemporary
AQH Audience Composition

Rock
AQH Audience Composition

Spring 2002 Metro, M-Su 6A-Mid
Next Steps in PPM Research

• Response rate improvement
• Hispanic “recruitment agree” test
• Understanding radio morning drive ratings differences
• Continued joint TV analyses with NMR
• Additional PPM panels
  » Second Philadelphia panel
  » Second market (Hispanic)
Thank You.