

M R C C
REVIEW

The newsletter for all media professionals

A Case Against Adjustment Factors

Mark Dominiak
Insight Garden, Inc.

As “engaged” media consumers have become a grail of sorts, the media community has diligently embarked upon the pursuit of rational and accurate ways to quantify these highly attentive consumers. Part of that pursuit has resurrected a discussion of the

notion of adjustment factors, popular back in the late ‘80s.

Back then, adjustment factors were a polarizing notion. Many practitioners believed them to be based on solid research, providing sensible judgment by

which to adjust audience levels down to account for inattentiveness. Others believed adjustment factors relied too much on judgment and could therefore not be reliably built into the planning process.

Twenty years later, the discussion is still relevant. As a contribution, the following will offer a point of view squarely against the notion of adjusting non-attentive viewers out of planning equations.

Rationale for use of adjustment factors boils down to identifying non-attentive portions of media audiences and eliminating them from consideration for inclusion the media plan. The reasoning is that if a member of a medium’s audience isn’t attentive, that person cannot be influenced by a brand’s message.

Solid though it may seem there is a growing body of evidence for the opposite point of view. Non-attentive or “disengaged” media consumers in fact absorb brand messages quite adeptly in the absence of conscious attention.

Furthermore, disengaged consumers demonstrate higher favorability to brands they don’t consciously remember, compared to those who claim awareness of brand ads. The reason behind this phenomenon lies in better understanding the human mind’s cognitive ability.

In the brain, there are sub-cortical regions, evolutionarily older and responsible for biological regulation, instincts, emotion and bodily functions regulations like breathing, heartbeat and sleep. Atop sub-cortical areas are neo-cortical regions

(envision the wrinkled image of a brain), evolutionarily newer and responsible for speech and language capabilities. Rational (conscious) human thought process uses sub-cortical regions as a foundation, interacting with neo-cortical areas in processing “objects” (images, language, concepts, experiences, feelings, etc.).

There is also an instinctive cognition system that doesn’t process stimuli in an active, conscious way. Instinctive cognition relies on sub-cortical areas, constantly adding to the foundation of information stored in the brain. It’s always “on”: noting, assessing and categorizing environmental stimuli. Indeed an overwhelming majority of environmental stimuli are internalized without a person being consciously aware it happened. There is engagement within disengagement.

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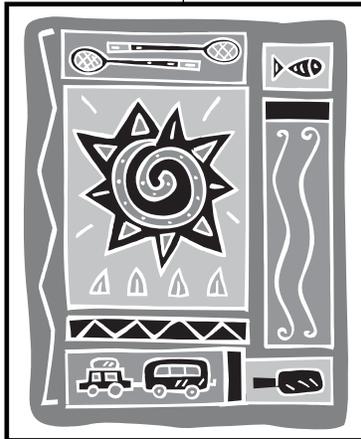


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PRESIDENT'S NOTES

by Julia Johnston
Arbitron

Forecasting Summer

Many of us are recovering from the wonderful Memorial Day weekend and contemplating our plans for summer events. Many may even be managing parties and vacations – some large and some small, but regardless of the size, our plans for the summer hinges on the number of days available. The same is true for research – our business plans hinge on response rates.

With the onslaught of communication to which the average American consumer is exposed everyday, the task of getting a positive response to a survey request is becoming more difficult. And this daily competition is showing in response rates.

So what do we, as researchers, do to tackle this issue? The research industry is constantly exploring new incentive programs, technology and methodology, all aimed at doing one thing: getting a prospective respondent to say "yes" when presented with the opportunity to participate in a survey.

Our contributing authors this month, Mark Dominiak, President and Principal Strategist Insight Garden, Inc. and Dr. Ed Cohen, Vice President, Domestic Research, Arbitron, talk about their organizations' efforts in response rate stability and development. Dr. Cohen discusses Arbitron's continued efforts to test new tools for collecting sample data while making the process as effortless as possible for the respondent. Mark Dominiak provides a few provoking theories of the "engaged" as well as the "disengaged" consumer and the importance of each group to any marketer.

Our guest speakers, **Dr. Ed Cohen, Vice President, Domestic Research, Arbitron** and **Dr. Julian Baim, Executive Vice President /Chief Research Officer, MRI**, at this month's luncheon, Wednesday, June 13, will expand on this critical issue. *Please note the schedule change for the luncheon. Due to a few scheduling conflicts; we will meet one day later than expected – so see you on Wednesday, June 13th!*

June is upon us and we are in the final stages of selecting two interns for the MRCC Internship Program. Comcast Spotlight and Arbitron Inc will host this year's internships. If you know of a student that may be interested, have them send their resumes to me at julia.johnston@arbitron.com

Get ready to jump-start your summer with a strike by attending the MRCC Summer Outing to be held Tuesday July, 10, 2007 at 10Pins Bowling

Lounge from Noon to 3 PM. Make your reservations earlier so we'll be sure to have plenty of lanes available. If bowling isn't your "bag," join us anyway for pizza in the lounge area. This is a great time to relax with your fellow MRCC member-friends.

Jumping ahead a few months, mark the August luncheon on your calendar. On Tuesday, August 14th, back by popular demand, the MRCC luncheon speaker will be talking about the new Fall TV Line-up.

Don't forget that there is no newsletter for July. We'll see you again for the August newsletter. In the meantime, good luck making those summer barbeque plans and in getting good response rates! **MRCC**

With the onslaught of communication... the task of getting a positive response to a survey request is becoming more difficult.

RSVP by Credit Card

Note: The MRCC has made arrangements to accept credit cards via PayPal (Visa, MC, Amex, Discover). This must be done when registering online. Credit cards cannot be accepted at the door. Please be aware that there will be an additional 4% processing fee when paying by credit card.

June Meeting Notice

PLEASE RSVP!

Topic	Response Rates
Speaker	Dr. Ed Cohen, Arbitron Dr. Julian Baim, MRI
Date	Wednesday, June 13th, 2007
Place	Maggiano's Banquets 111 W. Grand Avenue The Amarone Room
Time	Noon to 2 p.m.
Price	\$35 member \$45 non-member \$5 additional charge for Walk-Ins
Menu	Buffet-style lunch
RSVP	FAX your reservation to 312-846-8277 or RSVP at www.mrcc-online.com by noon Friday, June 8th. Cancellations must be received by Noon on June 12th.

NOTE: Be sure to RSVP to guarantee yourself a seat. We can only handle a small number of walk-ins.

UPCOMING EVENTS



**July 10th –
MRCC Summer Outing at
10Pins Bowling Lounge,
330 N. State Street**

**August 14th –
MRCC August Meeting on the
new Fall TV Line-up**

Thoughts on Response Rates

Dr. Ed Cohen
Arbitron, Inc.

Survey practitioners and data users spend a great deal of time discussing the topic of response rates in media research. Perhaps the issue isn't how much time we spend, but rather, whether we are asking the right questions.

Since the beginning of probability-based survey research in the middle of the 20th century, response rates or perhaps better phrased as "non-response" rates have been viewed as one of the key indicators of the quality of any survey. In general, a survey with less non-response was viewed as resulting in higher quality data. That's a very simple, easy to understand heuristic, requiring little knowledge or in-depth consideration on the part of the user. Besides, one could look at the "top level" of survey research; studies done by the federal government and some universities survey research centers. These studies would yield response rates at the 80 or even 90+ percentage level, which has led to the belief that low amounts of non-response

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were still possible, albeit with large amounts of money and staff, the imprimatur of one's duty to their country, and a large amount of time to complete the fieldwork and report the data.

To put it mildly, the world has changed. In the early days of telephone survey research, most potential respondents were very willing to give up a few minutes of their time to answer some questions. In fact, a call for a legitimate survey might be one of the highlights of their week. Today, the perception and reality are very different. For many people, probably a majority of the U.S. population, telephone

calls for surveys are one more unwanted intrusion into a very busy life, regardless of the purpose of the survey. We can speculate about the reasons: lifestyle changes, privacy issues, concerns about security and scams, distrust of a survey's intent, and probably many more. Whatever the causes, the obvious result is a continuing growth in non-response.

This leads to two questions:

1. What can be done about the increasing level of non-response?
2. Is this a serious problem in terms of research quality in media surveys?

The increase in non-response in all surveys has led researchers to two directions. One is to devise new ways to get individuals to participate in surveys. The other is to study the effects of non-response to determine whether this is truly as serious an issue as it's been made out to be for the last half-century or so.

With respect to Arbitron, we believe that we've harvested nearly all of the "low hanging fruit" available to us. That's not to say that there may not be an "easy" technique to decrease non-response that

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we haven't tried; but our breakthrough techniques that were tested and implemented ten to fifteen years ago — such as closer placement, increased premiums, and more contact with the household — have been added to the system. Newer ideas, such as the "second chance diary," add large amounts of complexity to an already complex system. Nonetheless, we continue to experiment with new ideas for both the diary service and our newer PPM panels. Still, no one should expect Arbitron or any other company to find a "silver bullet" that will drastically increase response rates to media surveys.

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Agencies that spend more than 90% of national radio dollars say:

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**The process of
improving surveys
is a slow one,
but the need is clear.**

There are sometimes unintended consequences of these actions and, thus, the reason for testing before implementation. The process of improving surveys is a slow one, but the need is clear. One very recent example is the Arbitron E-Diary, our move to offer a choice for respondents. Rather than forcing respondents to fill out only the paper diary, an option was offered for an electronic internet-based diary. We felt that giving a choice was a good idea, and based on our testing, we believed that the E-Diary option would bring in more respondents from younger demos, certainly an issue for all survey research companies today.

If you've been following the trades, then you know that we have suspended the use of the E-Diary after the Winter 2007 survey. Thanks to a live test we were conducting, Arbitron discovered that while the E-Diary as a system was successful, the return rate (diaries returned based on those sent out) in E-Diary households was about four points lower than in households that were not offered the E-Diary. At this point, we don't have an answer although we have a few tempting theories for this outcome. Further testing and analysis should lead us to a fact-based answer that we hope will allow us to bring the E-Diary back into production. But in the meantime, what would appear to be a step forward is on hold because the potential exists to increase non-response.

That brings us to the second question and perhaps the more important one. Just because non-response is increasing, does that mean that the assumed harmful result, non-response bias, is a greater concern? Perhaps it is, but then again, perhaps not. New studies of non-response suggest that non-response bias may be independent of the level of non-response. Factors such as the topic of the survey and the levels of

response among different subgroups can come into play. This is a fertile area for study and one that may put some fears to rest.

The net for users of media research data is to be as thoughtful as possible. Simply assuming that higher response rates are a sign of higher quality data is potentially misleading. For example, if Arbitron were

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to offer very high incentives to those 55 and older, it's likely that we could increase the response rates to our surveys, but at what cost? The result would likely be lower representation of younger people and minorities in the sample. Lower non-response continues to be a balancing act between competing priorities, something that Arbitron recognizes in our surveys and our research program.

Also, consider other aspects of the survey process. Low non-response combined with poor execution, for example, will not yield potentially better data. Arbitron is working to determine a new way to measure survey quality with our goal to develop a metric that includes response rate, proportionality, and other operational outcomes. We don't have the answer yet, but it's a path worth exploring. **MRCC**

Dr. Ed Cohen is Vice President-Domestic Research at Arbitron, Inc.

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Bob Hodlick at
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Marketing messages are environmental stimuli, attended to by cognition mechanisms consciously or unconsciously. It's an error on behalf of marketers to believe disengaged consumers receive no impact from impressions received without conscious attentiveness. The error is compounded by relentless research focus on only attentive consumers. Given that people receive far more impressions via the instinctive cognition mechanism, better understanding is sorely needed.

It's an error to believe disengaged consumers receive no impact from impressions received without conscious attentiveness.

Researchers in the UK tried to get a sense of unconscious attention by using an interesting twist in assessing results. In addition to considering claimed advertising awareness, researchers questioned respondents to determine overall recognition of campaigns for studied brands. Two interesting findings became evident. First, there was a deeper real exposure to the campaigns than indicated by claimed advertising awareness alone. In studied campaigns, *almost half of all respondents claimed not to have seen ads on television, but in fact recognized campaign executions.* Further, two-thirds to seventy-five percent of respondents who actually recognized campaign ads claimed they had not seen

them on television. This is hard evidence of the unconscious mechanism at work.

When research asks "Do you remember seeing an ad for Brand X?", the question prompts the attentive cognitive mechanism, extremely shrewd in conscious problem solving, but only able to hold limited amounts of information in memory for a short time. When asking recognition based questions, the subconscious, instinctive learning mechanism is prompted. It can call up long-stored associations for conscious attention.

What does this mean for the adjustment factor discussion? If an adjustment factor is based on a respondent's claim that he or she watched a show for example, but did not pay full attention, that respondent is recounting experience based on rational, conscious cognition. Whether or not respondents claim full attention has nothing to do with their instinctive cognitive ability to have recognized the ad message without knowing that they did. If we remove this person from audience consideration, we in effect are rejecting instinctive cognition's ability to deliver a message impression. Doing so could pass up substantive opportunities in media planning. Why?

The aforementioned studies also demonstrated *respondents reached unconsciously had better favorability towards advertised brands than those who claimed they'd seen ads and those not exposed.* This suggests brand associations communicated unconsciously indeed have a very positive effect. When presented questions relating to favorability, consumers will use unconsciously delivered brand associations to generate positive favorability

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assessment even though they consciously, rationally were unable to make that assessment.

Plainly, marketers shouldn't dismiss "disengaged" consumers. In reality, we should be devoting much more attention to understanding and leveraging the power of the instinctive cognition mechanism. If the notion of the instinctive cognition mechanism is new for you, take a quick dive into the work of Robert Heath and Pam Hyder, *Measuring The Hidden Power of Emotive Advertising* (Winner of the 2004 David Winton Award for Best Technical Paper and Winner of the 2004 ISBA Award for Best Paper on Advertising Research). Or try the many works of Antonio Damasio, the distinguished professor of Neurology and *Blink* from Malcolm Gladwell, all of whom contributed to the content of this article. **MRCC**

Mark Dominiak is President and Principal Strategist at Insight Garden, Inc. For more information visit www.insightgarden.com or email mark@insightgarden.com.

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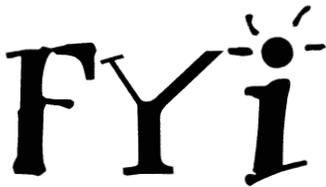
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Arbitron's "Better Measurement" initiatives focus on Enhancements to Radio Diary Service. While a lot of attention has been paid to the Arbitron Portable People Meter in recent years, the diary service will continue as a vital component to Arbitron radio ratings

for years to come. Find out more about how Arbitron is improving its Diary Service at http://www.arbitron.com/radio_stations/bettermeasurement.asp.... Keep an eye out for the new 2006 Nielsen Cume data coming soon to Telecume! For more information please contact Bob Hodlick, Sales, at 312-583-5352 or IMS Account Management at 312-583-5357..... NSI Local People Meter service begins Oct 4th in Houston, Seattle and Tampa..... Telmar's new NetSpot R/F now features Reach and Frequency along with GRP allocation on the market-by-market delivery performance of Network TV, Cable and Syndicated TV. For info please contact: Nancy End Nancy@telmar.com or Matthew Hodges Matthew@telmar.com 312-840-8563.

FAX YOUR MRCC RESERVATION!

FAX TO: DANIELE MEGLEN

If you would like to fax us your lunch reservation, please fill out the information below and fax it to the MRCC reservation line at 312-846-8277 by June 8th at noon.

Name _____
Company _____
Phone # _____

Member (\$35) Non-Member (\$45)

No shows will be billed — cancellations must be received 24 hours prior to meeting.

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