

## READERSHIP PANEL: WE DID IT! HISTORY AND RESULTS OF A HUGE CHALLENGE

**Roberto Lobl & Flavio Ferrari – IBOPE Pesquisa de Mídia**

---

### Introduction

On several occasions the research community has had the opportunity to discuss the advantages and disadvantages inherent to the various alternative methodologies available to measure magazine readership.

The “Recent Reading” model has become the international standard for such study mainly because, from a more pragmatic point of view, it bears the best price/value relation to meet the market’s demands.

Yet, researchers systematically indicate the continuous panel with individual readership records as a solid and, theoretically, more adequate alternative to face the challenge represented by measuring this increasingly dynamic and fragmented behavior.

The major hindrances to implementing this technology are, namely:

- panel implementation and maintenance costs
- collaboration limitations to the continual follow-up of other interest variables complementary to the readership behavior
- concerns from the editors about the impact of substantially different indicators on the magazines’ commercial activities

The herein document presents the results of a unique experience concerning the completion of a magazine readership panel on the Brazilian market, discussing issues concerning the difficulties found in the course of this panel’s implementation and maintenance, and also stacks the study’s indicators against those offered by a “traditional” study based on the “recent reading” methodology (Target Group Index), across the same geographic regions and periods of time.

We believe that the presentation of this singular experience amounts to an important contribution to the research community, as it offers conditions to the real evaluation of the challenges to be surpassed for its implementation, and allows for a comparison of the results face the most frequently used technology.

### Overview of the Brazilian magazine market

Brazil is the largest Latin American market, and the 8<sup>th</sup> of the world’s economies. Albeit a country of significant social disparities – where only recently have illiteracy rates reached acceptable levels face the country size – it has a very developed graphic industry, dedicated to a population group with characteristics, potential consumption, and habits comparable to those found in developed countries.

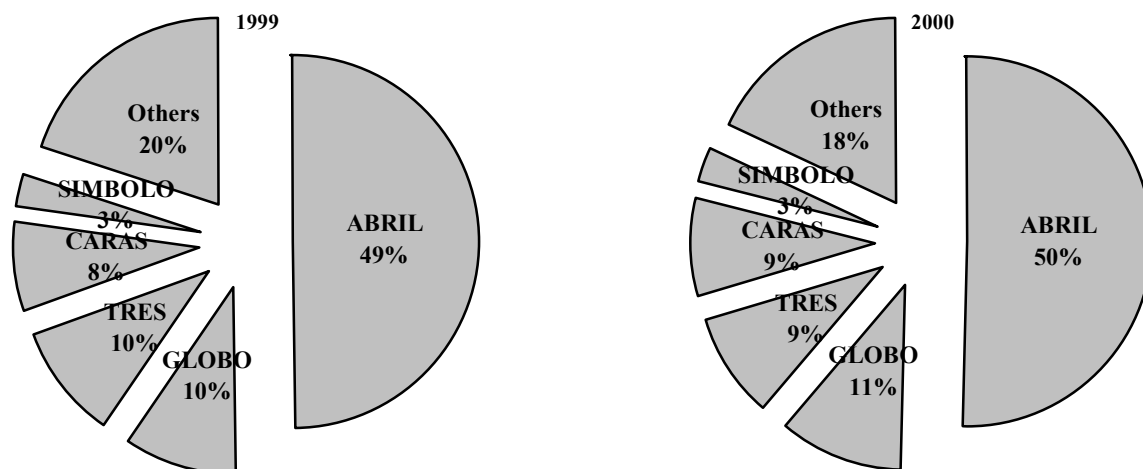
The Brazilian graphic industry was developed by European immigrants who settled in Brazil at the start of the century and founded the then predecessors of the country’s current main publishers. What greatly contributes to the growth of the country’s editorial market is the fact that there are no other significant publishers in the Portuguese language, protecting the domestic market from titles imported from other countries, contrary to what happens in the continent’s Spanish-speaking countries.

Medium	Brazil – Advertising Expenditure (US\$ 000)			
	2000	%V.	1999	%V.
TV	4,283,433	46	3,735,187	49
Newspaper	3,330,310	36	2,743,507	36
Magazines	1,099,021	12	852,503	11
Others*	583,621	6	235,463	3
<b>TOTAL</b>	<b>9,296,386</b>	<b>100</b>	<b>7,566,661</b>	<b>100</b>

\*Radio included from July/99, and PayTV from August/99

Source: Monitor – IBOPE

Spearheading the group, *Editora Abril* came to being in 1950, founded by Victor Civita. Initially publishing children's magazines, the diversification of titles led to this publisher's quick expansion. *Editora Abril* is Latin America's foremost publisher, accounting for approximately 50% of the Brazilian magazine market.



### Magazine panel history

The history of the Magazine Panel starts from Television. That medium developed and expanded greatly in the 70's in terms of geographic coverage, strengthening of domestic broadcasters, and production of proprietary contents, and currently accounts for almost 50% of the country's advertising expenditure. The television medium also counts with a sophisticated and extensive audience measurement system, with real time measurements in the country's major city and almost 3,000 households featuring people meters in about 10 markets. The accuracy and breadth of the collected information have enabled the advertising market to develop sophisticated tools used in planning and optimizing their TV expenditure.

On the other hand – as the market in general sees it – the tools made available for the planning of printed media expenditure, particularly Magazines, were beneath the importance of the medium, inasmuch as (a) they would not allow for in-depth analysis, and (b) the indicators yielded would, notably, overestimate readership, making a comparison to other media impossible.

In this vein, one of the country's leading publishers looked to IBOPE for the development of a Panel research that would allow for a more precise and objective calculation of the medium's readership, reach, and frequency indices, in addition to the realization of studies and the application of tools as sophisticated as those used for the TV medium.

### Panel operator selection

The company with the best expertise to implement and develop a Magazine Panel was then sought within the IBOPE Group. Among the alternatives considered: the Panel could be operated by the television audience measurement division (given its experience with audience measurement panels); it could be measured through diaries, taking advantage of the experience of a division operating a Consumer Panel; or a new company could be founded.

It was clear from the start that the management of a magazine panel would not be simple, given the high level of panelist collaboration required and the difficulties involved in obtaining all reading habit details.

The division chosen to operate the Panel was the one already operating the Consumer Panel, for two reasons:

- Expertise in hiring, implementing and maintaining Panels through self-filling questionnaires.
- Leverage of the operation through the utilization of the Panel to study individual consumption products.

The media research division was made responsible for giving the necessary support in gearing the product to suit audience measurement needs, as well as for marketing the product next to the advertising market.

### Initial product design

The first design of the product contemplated a sample of 5,000 individuals spread across 10 metropolitan areas, and disproportional in upper economic classes. The questionnaire had weekly distribution and collection, and included, in addition to magazines, consumer goods and financial services.

The Panel implementation started in early-1997. In the second half of the year it became clear that the project was far too ambitious, requiring high investment and a long time before structuring and stabilizing. Also, it was discovered that the quantity of products included in the questionnaire, added of deficiencies in its structure, resulted in low-quality information.

Such shortcomings led to a radical redesign of the whole project at the start of 1999. The sample was reduced to 3,900 cases, concentrating on upper social classes, and restricted to only three geographic areas. In addition to that, the questionnaire was redesigned, and, at first, all products were excluded.

The Magazine Panel diary was fashioned as a small form that panelists could carry about daily, filling them out at the actual moment of exposure to the medium. Diaries were sent out monthly, one for each week, identified by different colors, and were collected weekly by the operator's staff. Collaborators received initial training at the moment of hire, and that training was subsequently consolidated following the initial collaboration weeks.

### **Why the sample concentration on upper classes**

As previously mentioned, Brazil is a market of contrasts. The largest part of the population does not have access to the editorial market, be it for of its purchase power – where the yearly subscription for a weekly information magazine costs a minimum salary – or for its cultural level; or even owing to the population's limited literacy rate, and also given the easy and low-cost access to television.

Nonetheless, there is a segment of the population with cultural and income levels comparable in size and sophistication to the main European markets, and with wide access to the editorial market. While this group still does not represent the whole of the Brazilian population, its absolute dimensions are larger than many developed markets'.

### **Sample hire and maintenance – Main difficulties**

**Hire** – The sample's significant disproportion level, concentrating on upper classes, resulted in considerable difficulties in recruiting and maintaining panelists, demanding a high number of contacts per region, mainly across the higher purchase power segments.

As to ease this process without harming the probability sample design, it was necessary to initially define the correlation of income levels according to the 1990 Census to the social economic classification<sup>1</sup>. From this correlation, census clusters corresponding to the minimum income necessary to meet the studied classes were selected.

**Maintenance** – A reward and relationship program was established with panelists, to compensate for and ensure the quality of their collaboration. The program used borrowed from airlines' mileage programs, with each panelist receiving a certain number of points for each collaboration week that could be exchanged for gifts, according to the number of points.

**Quality** – To correctly measure the readership level of a given magazine, it was necessary to properly verify the following information:

- **Title** – Very often collaborators would identify the title of the magazine by its commonest name, creating problems for the correct identification of certain titles
- **Issue and year** – This type of information is not standardized, and there are cases where the title would only bring a sequential issue number, others would feature an issue number that would be restarted every year, usually from the anniversary of the magazine, and not from the start of the calendar year, making it very difficult to correctly identify the issue read, an essential piece of information to calculate the reach of each individual issue. Also, such information may be found on several places around the cover of a magazine, and generally in small print, resulting in real difficulties to collaborators
- **Publisher** – This information was collected as a form of criticism to the title of the magazine, becoming an added work to the collaborator
- **Date of read** – Essential information to estimate readership frequency, it generally would not present any collaboration problems
- **Other additional information** – Other information was also verified, such as place of read, and whether the read issue was personally subscribed by the collaborator

The complexity of the information demanded from the panelist would cause problems in terms of information quality, inconsistencies, and collaboration weariness. In order to minimize this problem, the questionnaire was redesigned to include the logo of the most important magazines on the market, aiming to facilitate the diary's completion and minimize inconsistencies.

This procedure resulted in an improvement to the quality of the results, yet, to a certain extent, to the detriment of lower-circulation titles whose logos were not included in the diary.

<sup>1</sup> In most Latin American countries, the social economic classification is performed based on a market-defined criterion as an estimation of the consumption potential. The income level is not used, once that, due to cultural reasons, Latin Americans do not usually inform their incomes in Market Researches.

**Collaboration** - The commonest collaboration problems were the lack of assiduity in delivering the diary and readership record inconsistencies caused by lacking issue number information. Alternate mail delivery systems were put in place to improve assiduity (particularly important for vacation periods) as well as Internet diary completion (particularly important for those titles classified as “business magazines” directed to company managers). In the case of the issue number, it would often become impossible to recover the information when collaborators read issues belonging to others, and it was therefore decided that, in cases when such information could not be collected, the number of the issue at the date of read would be used.

A few titles, notably those magazines classified as “adult” (of erotic contents), would not be checked at first, prompting us to incorporate a “seal” to the questionnaires, therefore ensuring more “privacy” to collaborators. Throughout the project, the magazines’ “circulation” figures were used as a parameter to evaluate the collaboration level, supported by ad-hoc studies describing each population cluster’s reading behavior.

### **Data analysis and treatment**

The Magazine Panel project was the result of a joint initiative by two research companies with very disparate focuses. On the one hand, there was a company researching consumer products through a Consumer Panel, intended mainly to advertisers, and on the other hand a media research company with an important television audience measurement operation achieved through people meters, serving the different media and advertising agencies.

This rather uncommon combination conferred the Magazine Panel an added advantage in comparison to the traditional media researches, namely the possibility of examining the information from two different standpoints:

1. media planning, through a reach-and-frequency software<sup>2</sup>, geared to agencies and the media
2. product management (magazine titles), through software suites advertisers commonly use when analyzing consumer panels<sup>3</sup>.

Therefore, not only would publishers count with a more sophisticated and precise software for their magazine planning, but also gain all advantages related to the management of their titles as products, carrying out Heavy-, Median-, and Light-Consumer analysis, study new title launches, title juxtaposition, among other analysis.

Nevertheless, these two facets of the Magazine Panel carried significant conceptual differences. While the “magazine-as-a-product” analysis aimed to evaluate past performances, the “magazine-as-a-medium” analysis sought references to size up potential results of coming activities.

These two philosophies differ drastically in the way data must be formatted and treated. Occasional information shortages caused by non-delivered or incorrectly completed questionnaires do not drastically impair the data analysis nor the basic indices calculated monthly for the “magazine consumption” panel. Yet, the same lack of information impedes the adequate evaluation of “media plans” drawn for magazines, which require constant panels or similar solutions.

It is important to remark that some of the processes commonly utilized in media researches, such as “ascription” or the editing of punctual inconsistencies, are not commonly utilized in consumer products researches, nor are inbuilt in the software suites commonly used for data processing, analysis, and drilling. Thus, a conflict ensued between the database treatment philosophies used in consumption and media researches. Consequently, the same conflict impacted on the results analyzed, from the same database, in accordance to one philosophy or the other.

Following an in-depth analysis of the problem next to the main players on the market, the media research philosophy prevailed, allowing for the correct calculation of the medium’s reach and frequency, achieved through data ascription procedures for each individual in weeks when there was no collaboration. This process consisted of imputing the behavior found in the same week month-ago to those weeks lacking completed diaries, within set limits and conditions.

### **The “cultural” question**

The difficulties to implement a Panel were not only of a technical or methodological nature. In a market used to indicators supplied by recent-reading-type researches (based on recall), the figures resulting from a Panel would represent a disturbing change to readership indices. If one takes into consideration that the existing indicators on the market were disputed (offering fantastic and not very credible numbers of readers per issue), it is natural that the switch from those indices to substantially lower figures would create a certain insecurity and fear for the future of the magazine industry.

It took a year of indoors analysis of the initial results before the executives with the publisher sponsoring the project felt sure that the new numbers better reflected the reality than those then in use. It took a little longer to understand that, if on the one hand the new indices could represent a risk for being lower, on the other hand they also represented an opportunity to expand their businesses, as they pointed to the need for a higher quantity of issues for each title to reach advertiser’s desired goals. Based on the previous measurement system, the inclusion of new insertions on a same title added little to the reach of a campaign, discouraging advertisers from increasing the number of insertions.

<sup>2</sup> Markdata’s Marksel

<sup>3</sup> NPD’s PowerView

The experience the Brazilian market underwent when the television audience measurement systems migrated from “diaries” to “peplemeters”, resulting in a 30% decrease, on average, to the ratings, was fundamental for the analysis of the impact of such kind of measurement “refinement” on the industry.

The perspective of offering the market more reliable figures also pointed toward the possibility of comparing such figures to other media’s (such as TV and Radio). A previous study of the performance of magazine titles in comparison to other types of media, from indices generated by the panel, led to the conclusion that the magazine medium retained its competitive status, even with the new figures, consolidating its acceptance.

It became evident, though, that the whole of the publisher’s commercial team should go through a “recycling” process, suiting itself to the use of the new tool, as well as the market in general eventually would have to.

### **A sad decision**

A few months before the date the new measurement tool would be officially launched on the market, the publisher sponsoring the study underwent an important management restructuring. This process resulted in a strategic review of investment priorities in which the Panel maintenance (requiring a yearly investment of over US\$ 1,0MM) was considered inopportune. Given that, the panel was discontinued in the first half of 2001, following a distressing decision to all professionals involved in the project, from both sides.

What remained was the satisfaction for having made it, the fulfillment of having surpassed every difficulty, the professional knowledge acquired with the experience, and a vast amount of data which, although protected from publication by contractual clauses, offer a unique opportunity for a series of studies that will allow to better understand the dynamics of the magazine medium.

### **Working with what is at hand**

Sadly, all the fantastic work performed to the Readership Panel had to be discontinued. Following the phases of methodological adjustment and “cultural adaptation” by the executives with the publisher sponsoring the study, a change to that company’s management motivated the review of their strategic priorities and the investment on the new tool was considered inappropriate. Without the support of the country’s largest publisher, the Brazilian market would not find a way to accommodate the investment necessary to the maintenance of the panel. On our side, we tried to overcome the inevitable frustration brought on by the interruption of the study concentrating our efforts on all learning offered by this experience.

We find ourselves in the interesting situation of possessing two studies carried out simultaneously, across similar regions: the Panel (now discontinued), and the TGI – Target Group Index (recent reading).

From comparing these two studies, several important conclusions can be drawn for the research community and its users:

- in what proportion do researches based on the “recent reading” methodology overestimate readership?
- is this estimation bias proportional for all titles, be them weekly or monthly?
- is there any way to minimize this bias from a better definition of what a “reader” is in “recent reading” researches?

This is not a simple execution study, and it will require time to be concluded. Nevertheless, we have decided to take advantage of the unique opportunity offered by the 10<sup>th</sup> WWRS to present a few initial conclusions.

### **Recent Reading overestimation**

By analyzing 44 magazine titles (31 monthly, 11 weekly, and 2 two-weekly), common to both studies, over two coinciding periods, we notice that the recent reading study, using the standard reader definition (declared reading during the latest magazine issue period) tends to overestimate a great deal the average readership indices, in comparison to the results drawn from the Panel.

	<b>RR</b>	<b>Panel</b>	<b>Panel/RR *</b>
<b>Average 1999</b>	3,67	1,41	0,43
<b>Average 2000</b>	4,06	1,41	0,43
<b>Weekly Average 1999</b>	7,00	2,23	0,31
<b>Weekly Average 2000</b>	7,81	2,12	0,28
<b>Monthly Average 1999</b>	2,64	1,20	0,48
<b>Monthly Average 2000</b>	2,48	1,16	0,49

\* average of proportions

Although the herein document does not present the results, it is also important to mention that the effect of overestimation is lesser on the cumulated reach for successive issues, and even less expressive when the results of a campaign combining several different titles is analyzed (since readership overestimation impacts directly on readership juxtaposition).

It becomes clear that the effect is not equivalent for weekly and monthly magazines. Even so, while the phenomenon has already been commented and proven on several occasions by innumerable authors, we find a bigger impact on weekly rather than monthly publications, contrary to what had been postulated on some published studies concerning this issue. It is worth noting the consistency of the biases for both compared periods.

Numerous reasons have already been postulated to justify such effect. Two of them, nevertheless, seem to be the ones most influencing the reader definition in “recent reading” studies:

- the “replication” (attribution of the previous issue reading to the latest period)
- the “brand strength” (effect of communications on the “recall”)

We do not intend, at this moment, to further the analysis of this question. We just reinforce the conclusion drawn by other authors that point to the fact that the “recent reading” study, with the standard reader definition, seems not to offer an absolute and unbiased measurement of magazine readership.

### Reviewing the “reader” definition

“Recent reading” studies offer innumerable pieces of information that enable us to “refine” the “reader” definition. We have decided to initially focus our attention on a set of more representative weekly and monthly titles, trying to analyze the possibility of finding a “filter” capable of minimizing the readership overestimations perceived in “recent reading” studies. We concentrated on the readership “replication” problem, carrying out a series of exercises while applying “filters” capable of minimizing such effect.

Basically, the conditions available for “recent reading” study filters are:

- issue origin
- primary read
- time of read
- number of reads per issue

We considered, basically, that:

- Weekly titles of “more intense” reading (such as general interest magazines), would have their readership restricted to their primary readers during the period of issue, and would require at least 1 hour per read;
- Weekly titles of “less intense” reading might circulate in a restricted manner, and would require at least ½ hour per read;
- Monthly titles should be manipulated at least twice during their period of issue;
- Some titles, given their nature, are not usually “lent out”

By using the filters available for “recent reading” studies, we have created new “reader” definitions for the titles, based on the above-mentioned concept, which we have called “Filtered Readers”. The results of this analysis can be evaluated in the following chart:

	Type	RR	Panel	FR
Weekly 1	light	3,0%	1,1%	1,2%
Weekly 2	light	14,2%	3,2%	3,2%
Weekly 3	heavy	5,9%	1,2%	1,5%
Weekly 4	heavy	11,4%	3,3%	3,3%
Weekly 5	heavy	5,8%	1,5%	1,4%
Weekly 6	heavy	22,6%	6,4%	6,9%
Average		10,5%	2,8%	2,9%

The new readership percentages calculated from the redefinition of the reader status (Filtered Readers) for weekly magazines are substantially closer to the results drawn from the Panel.

	Type	RR	Panel	FR
Monthly 1	lend	6,2%	3,4%	3,3%
Monthly 2	do not lend	3,9%	1,7%	1,8%
Monthly 3	lend	2,3%	1,2%	1,2%
Monthly 4	lend	1,0%	0,6%	0,5%
Monthly 5	lend	1,8%	0,9%	1,0%
Monthly 6	lend	3,1%	1,5%	1,4%
Monthly 7	do not lend	1,4%	0,5%	0,6%
Monthly 8	lend	8,6%	4,3%	4,3%
Monthly 9	lend	3,4%	1,4%	1,4%
Monthly 10	lend	1,7%	0,8%	1,1%
Monthly 11	lend	2,6%	1,9%	1,8%
Monthly 12	do not lend	4,5%	2,1%	2,3%
Monthly 13	do not lend	1,7%	0,7%	0,9%
Monthly 14	do not lend	2,2%	1,0%	0,8%
Monthly 15	lend	3,3%	1,9%	2,0%
<b>Average</b>		3,2%	1,6%	1,6%

The filtered reader criterion proved to be also effective for monthly publications.

It is important to observe that the “filter” works similarly for monthly and weekly publications, eliminating the error and estimation difference per period of issue, what would impede the comparison of results.

## Conclusion

This exercise does not intend to be definitive. The aim is to demonstrate that it is possible, from a review of the “reader” concept, to utilize “recent reading” research to calculate readership, providing some predefined filters aimed at minimizing the replication effect are applied.

Taking all herein presented difficulties into consideration, as well as the inherent costs of a Panel implementation (restrictive to most markets), we believe it is worth investing in alternate solutions to improve the quality of estimations drawn from “recent reading” studies.

The introduction of specific questions on questionnaires – formulated with the purpose of better defining the “reader” condition and therefore minimizing potential bias estimation effects – may significantly contribute to the enhancement of the tool.

It is also important to remark that the Panel study, which was utilized as the reference to the “adjustments” to the definition of a reader in the “recent reading” study is, just as in every research, also subject to errors, despite being considered more methodologically precise, tending to underestimate readership indices, contrary to what happens in “recent reading” studies. Research institutes should consider the possibility of carrying out non-continuous studies, more affordable than Panels, planned to serve as a reference to the adjustment of the continuous “recent reading” studies.

