

Rating Distortion & Rating Bias

A Handbook on Arbitron Radio's
Special Station Activities Policy

Introduction

The broadcasting industry relies on the results of listener surveys for estimates of the size and composition of radio audiences. Station activities that undermine the credibility of this system of audience measurement have the potential to undermine both the perceived value of radio as an advertising medium and the credibility of radio as an honest, indispensable provider of entertainment and information.

To help maintain the integrity of radio listener estimates and, by extension, the credibility of radio as a healthy and dynamic medium, Arbitron has developed Special Station Activities guidelines in cooperation with radio broadcasters, advertisers, and other industry groups. These guidelines are intended to help radio broadcasters avoid activities that have the potential

to bias survey participants or distort survey results.

This Handbook outlines Arbitron's Special Station Activities guidelines and provides examples that radio broadcasters, advertisers, and other users of Arbitron's listener estimates may find helpful. The Handbook does not attempt, however, to provide an exhaustive code of conduct. The creativity of radio broadcasters and the ever-changing nature of the radio industry prevent any handbook from providing an all-encompassing list of activities to be avoided. Rather, the Handbook provides guidance to those seeking to preserve the value of listener estimates as a tool for decision making.

Preface

Arbitron's Special Station Activities guidelines are made available to *all radio stations* nationwide, free of charge, via:

- A poster available to all licensed radio stations, outlining Rating Distortion and Rating Bias concerns.
- A handbook available to all licensed radio stations: *Rating Distortion & Rating Bias – A Handbook on Arbitron Radio's Special Station Activities Policy* (republished as needed).
- Periodic Update Bulletins (as needed).
- Pre-Reviews: The Special Station Activities Committee may be contacted by telephone, mail, fax, or e-mail for Pre-Reviews of promotional materials or discussion about the guidelines.

Additional sources of information available to all Arbitron clients are the *Arbitron Radio Description of Methodology* and the "Rating Distortion/Rating Bias Policies and Procedures" on page 12 of each Radio

Market Report. This latter source will reflect any updates to the Special Station Activities guidelines in effect prior to report publication.

Please keep in mind that the examples contained in this Handbook are not all-inclusive, are illustrative only, and should not be construed as the absolute limits of the scope of Arbitron's Special Station Activities guidelines or what determination Arbitron may make with regard to any particular event or set of circumstances.

We continue to recommend Pre-Reviews of station promotional materials as the single most effective means of avoiding activities with Rating Distortion or Rating Bias potential.

Station promotional materials, questions, or comments may be addressed to:

Dave Willinski
Special Station Activities Committee
Arbitron Inc.
9705 Patuxent Woods Drive
Columbia, MD 21046-1572
Phone: (410) 312-8396
Fax: (410) 312-8626
E-mail: dave.willinski@arbitron.com

Questions & Answers

What are Special Station Activities?

Any radio station activity that may sensitize or bias radio listeners in connection with the survey process, or that may distort survey results, is subject to Arbitron's Special Station Activities guidelines.

Why were these guidelines developed?

The Special Station Activities guidelines were developed in response to public and Congressional concerns, in the early 1960s, that the surveys upon which the broadcasting and advertising industries relied for the valuation of commercial time and broadcast properties could be subject to manipulation. Though these events occurred decades ago, these concerns are still very relevant in the broadcasting industry today.

Arbitron's goal is to provide objective, reliable, and credible listener estimates.

To the extent that Arbitron's guidelines help deter activities with bias or distortion potential, Arbitron, its clients, and the radio industry as a whole are better served.

Additionally, as a condition of its accreditation by the Media Rating Council (MRC), and also under findings of the Federal Trade Commission (FTC), Arbitron is required to alert users of its reports about such activities.

Does the industry support these guidelines?

The radio and advertising communities are very concerned about the perceived integrity of listener estimates and the potential impact of that perception on the medium of radio. The following statements demonstrate this industry support for Arbitron's guidelines:

“The American Association of Advertising Agencies (AAAA) Media Research Committee opposes any attempt in any medium to distort results of any

audience measurement survey. We are concerned about such activity in radio.

“The Committee has informed Arbitron Inc. of our continuing position that radio stations engaging in preplanned repeated promotional messages or practices which alert, inform or request cooperation with audience measurement services may be biasing results. By encouraging daily recording or reporting of radio listening activity, they may be sensitizing the public and thereby contributing to ratings distortion or inflation.

“The AAAA Media Research Committee takes violations of rules against ‘distorting’ practices, as described by rating services, seriously.”

“The Radio Advertising Bureau (RAB) GOALS Committee condemns any practices by radio stations designed to intentionally bias or cause distortion of the listening estimates reported by the

Questions & Answers

(continued)

ratings companies. The Committee is opposed to any activities that may compromise the validity of a ratings survey. Stations tempted to engage in these practices should keep in mind not only that they harm the credibility and value of the audience research, thereby impairing the ability of advertisers to buy efficiently and intelligently to the detriment of all radio stations, but also that the ratings companies have adopted stern policies against these activities.”

“**The Arbitron Radio Advisory Council (ARAC)** is very concerned about the continued practice of station activities that are intended to distort ratings data. It is our feeling that it compromises the credibility of the audience estimates, and we strongly recommend that Arbitron take serious action against anyone who violates the accredited

standards. Likewise, special treatment should be taken when judging stations that repeatedly break this policy after prior warning.”

“**The National Association of Broadcasters (NAB)** is joined by the **Media Rating Council (MRC)** in condemning the activities engaged in by some broadcast stations that intentionally distort [or bias] legitimate audience surveys being conducted in their markets. These activities include exhorting the public to cooperate with audience measurement surveys. Station announcements or other station practices specifically targeting survey respondents severely detract from the reliability and the validity of audience research. Stations that engage in these practices relatively affect the research results, which in turn influences the credibility and value of audience research in an increasingly competitive media marketplace.”

How will these guidelines help my station?

The continued vitality of the radio industry as a commercial medium depends on the ability of programmers, advertisers, and investors to evaluate the size and characteristics of radio listening audiences. Activities that undermine confidence in the ability of the rating system to provide this information may also undermine the perceived benefit of advertising on, or investing in, radio.

More directly, these guidelines can assist radio station programmers and managers in avoiding activities that might undermine the credibility of listener estimates *for their own stations*. If report users can be confident that they will be advised of Special Station Activities occurring in their market, they will have a framework within which to better assess each station’s estimates.

Questions & Answers

(continued)

Will Arbitron “punish” stations that “violate” the guidelines?

Arbitron’s guidelines are not intended to punish stations that engage in activities with bias or distortion potential, but rather to *provide report users with information* regarding these activities. The Special Station Activities Committee is charged with the responsibility of notifying report users in the manner most appropriate to the station activity (ranging from a description of the activity in the report to a notice of delistment from the report).

What is Rating Distortion?

Any station activity that Arbitron believes may affect the way diarykeepers record their listening, so that recorded listening differs from actual listening, is considered Rating Distortion. Rating Distortion includes station activities through which the station has the potential to: learn the identity of diarykeepers; gain access to, or

influence over, current or upcoming survey diaries; or prompt the use of diaries for purposes other than those intended by Arbitron.

Rating Distortion activities may take the form of Diarykeeper Solicitation, Improper Promotional Activities, or any other activity prompting diarykeepers to overreport, underreport, or misreport their listening.

Diarykeeper Solicitation is an attempt by, or on behalf of, a station which encourages diarykeepers to record listening that differs from their actual listening. It may take the form of a public or private appeal for diarykeepers to surrender their diaries or to misreport in *any* way their actual listening to any station. Some examples of activities with this type of Rating Distortion potential would be:

- An offer to “buy” Arbitron diaries from the public.

- Asking listeners to submit their diaries as contest entry forms or using the diary as “proof” of the length of listening.
- Asking survey participants to misrepresent their household composition.
- Instructing listeners to report a specific amount of listening. (For example, “If anyone asks, tell them you listen to this station for three hours every day.”)
- Instructing listeners not to list specific stations in their diaries.
- Requesting listeners to “support” or “help” the station in the ratings by reporting more listening.

Improper Promotional Activities are activities that, without necessarily appealing directly to diarykeepers, may nevertheless prompt diarykeepers to overreport, underreport, or misreport their actual listening. Some examples of activities with this type of Rating Distortion potential would be:

Questions & Answers

(continued)

- Contest rules that award larger prizes (or a greater opportunity to win) based on larger amounts of listening claimed or written down.
- Discussions that emphasize the importance of extensive listening in diaries. (These may include unsolicited talk show conversations, or columns or articles by radio station personnel in any medium, that discuss the radio survey process.)
- Contests or promotions that may cause diarykeepers to mistake their diaries for entry forms (possibly through resemblance to a diary or ambiguous contest instructions).
- Promotions which suggest that specific listening took place, even if listeners are not instructed to report that listening (for example, “WAAA – the station you listened to all day at work today”).

Is “hypoing” a form of Rating Distortion?

Rating Distortion is sometimes confused with “hypoing.” Rating Distortion involves station activities that may prompt diarykeepers to report listening which differs from their actual listening. Hypoing refers to station activities designed to prompt more actual listenership during the survey period. Rating Distortion is cited under Arbitron’s Special Station Activities guidelines; hypoing is not.

What actions can Arbitron take in response to Rating Distortion?

Arbitron may delist from its reports, computer tapes, and other services the call letters and listener estimates of any station determined by Arbitron to have engaged in activities with Rating Distortion potential.

Rating Distortion activities that Arbitron concludes do not warrant delisting may be noted by placement of a notice inside Arbitron’s reports, placement of a notice on report covers, placement of a flag on computer data, and placement of a station’s call letters and listener estimates out of alphabetical sequence, below a special distinguishing line at the bottom of each applicable page in the market report (known as “*below-the-line*” listing).

Activities may be cited as Rating Distortion, regardless of whether they are broadcast over the air or communicated through other media. (See page 11 for additional important considerations that apply to Rating Distortion activities.)

Questions & Answers

(continued)

What is Rating Bias?

Any announcement, statement, or activity that may differentially prompt listeners to a particular station to participate in Arbitron's survey (relative to listeners to other stations), or that may sensitize listeners to the process of recording listening in diaries, is considered Rating Bias.

Rating Bias activities may take the form of direct Survey Announcements (described below), but more typically are accomplished through less direct statements or activities targeted to potential diarykeepers. All such activities threaten the objectivity of the survey process – not because listeners will necessarily be prompted to misreport their listening – but because listeners to a station engaged in a Rating Bias activity may be:

- *Differentially* prompted to participate in Arbitron's survey (that is, the station's listeners may be more likely to participate in the survey than listeners to other stations).

- *Differentially* sensitized to report their listening (in other words, the station's listeners may report their listening to that station differently than their listening to other stations).

Consequently, Arbitron is concerned about any station activity that prompts diarykeepers to report their listening (as opposed to activities prompting potential audience members to listen to a station).

Survey Announcements are messages delivered by a radio station in any medium which alert listeners that a survey is, or soon will be, in progress *or* which emphasize the importance of participation in radio rating surveys – regardless of whether the announcements include the words “Arbitron” or “diary.” Frequently, in fact, such announcements will urge survey participants to be “honest” or “accurate” in reporting their listening. Such instructions do not negate an announcement's potential to bias the

survey. Some examples of activities with this type of Rating Bias potential would be:

- “Over the next few weeks, audience surveys will be conducted in this area. If you're asked to participate, we urge you to report all of your radio listening as completely and accurately as possible.”
- “If you're keeping a rating diary, this is WAAA.”
- “If you get a radio survey in the mail, don't throw it out – fill it out!”
- “We won't be talking about this on the air, but as a member of WAAA's Loyal Listener Club, it's important that you participate in any radio survey that you can.”

Indirect Appeals to diarykeepers may make no specific reference to rating surveys or Arbitron, but may nonetheless differentially affect the way diarykeepers report their listening to the station presenting the message.

Questions & Answers

(continued)

Such messages sometimes urge listeners to keep track of their listening or to tell others about their listening. Other indirect appeals use language or graphics that suggest or describe the survey process, or which emphasize that the station's success depends on listeners reporting their listening. Some examples of activities with this type of Rating Bias potential would be:

- “If you’re keeping track of your listening, this is WAAA, your number one station for classic rock.”
- “If anyone asks you what station you listen to most, tell ’em WAAA, Hot Country.”
- “Dear Diary: Listened to All News WAAA.”
- “You have to tell everyone who asks that you listen to this station, or we’ll never be number one.”
- “And remember, when anyone asks you your favorite station, write down WAAA.”

- Direct-mail pieces or print ads that resemble an Arbitron diary.
- Promotions for contests in which prizes are reminiscent of Arbitron’s name, materials, or methodology.

Other Rating Bias Activities:

Although many Rating Bias activities consist of preplanned, stylized, or repeated announcements, Rating Bias may also take other forms if, in Arbitron’s opinion, the activity may sensitize the diarykeeper to Arbitron surveys. Occasionally, for example, callers to live radio call-in programs ask questions or make statements relating to the Arbitron survey, diarykeeping, radio survey methodology, or similar topics. By responding to such questions in a way that prolongs or expands the discussion of these topics, stations may be conducting Rating Bias activities.

Sourcing of previous survey information in the form of advertising that promotes a

station’s success in prior surveys, as permitted by contractual agreement with Arbitron, does not constitute Rating Bias. Note, however, that references to a station’s performance in prior surveys in the context of appeals for support, or other indirect references to the survey process, are not protected under this guideline and may, in fact, be cited by Arbitron as activities with Rating Bias potential.

What actions can Arbitron take in response to Rating Bias?

Rating Bias activities may be noted by placement of the station’s call letters and listener estimates out of alphabetical sequence “below-the-line” at the bottom of each applicable page in the market report – in addition to placement of a notice inside the report, placement of a notice on the report cover, and placement of a flag on computer data.

Questions & Answers

(continued)

Rating Bias activities that Arbitron concludes do not warrant “below-the-line” listing may be noted by placement of a notice inside the report, on the report cover, and/or placement of a flag on computer data. In the event of repeated or especially serious Rating Bias activities, as determined by Arbitron, a station’s call letters and listener estimates may be delisted from applicable reports and other services. (See page 11 for additional important considerations that apply to Rating Bias activities.)

What are Extemporaneous Comments?

Arbitron may cite as Extemporaneous Comments any reference (on the air or in another medium) that mentions or alludes to an Arbitron survey, diaries, or radio ratings in a way that might sensitize diarykeepers to the survey process or that may affect the way diarykeepers report their listening.

The circumstances under which references are made will generally affect Arbitron’s decision on whether to cite those references as Extemporaneous Comments. For example, instances in which a call-in program leads to a discussion of the survey process (in a potentially sensitizing way) will generally be cited as Extemporaneous Comments. As the name implies, Extemporaneous Comments are generally one-time-only, spontaneous remarks that may have been intended as humorous. *Where warranted, however, Arbitron may cite such a reference as a Rating Bias and/or Rating Distortion activity, even if the reference appears to have been a one-time-only, spontaneous, or humorous remark.*

Some examples of Extemporaneous Comments:

- (Said in response to a caller’s comments on a live call-in program:) “Diarykeepers write down what they listen to and this will go on for 12 weeks.”

- (Said in response to a caller’s comments on a live call-in program:) “We’ll give you a baseball cap if you write down that you listen to us” [Laughter].
- (Live comments:) “Coming up next, it’s the Morning Zoo, with two guys who want you to know this is the first day of the Spring ratings period.”

What actions can Arbitron take in response to references cited as Extemporaneous Comments?

Extemporaneous Comments may be noted by placement of a notice inside Arbitron’s reports, placement of a notice on report covers, placement of a flag on computer data, and placement of a station’s call letters and listener estimates out of alphabetical sequence “below-the-line” at the bottom of each applicable page in the market report. In the event of repeated or especially serious Rating Bias activities, as

Questions & Answers

(continued)

determined by Arbitron, a station's call letters and listener estimates may be delisted from applicable reports and other services.

How do I request a Pre-Review of my station's planned activity?

The Special Station Activities Committee offers confidential Pre-Reviews of promotional materials by telephone, mail, fax, or e-mail. We continue to recommend Pre-Reviews of station promotional materials as the single most effective means of avoiding activities with Rating Distortion or Rating Bias potential.

Transcripts, graphics, or cassette recordings may be sent to:

Dave Willinski
Special Station Activities Committee
Arbitron Inc.

9705 Patuxent Woods Drive
Columbia, MD 21046-1572

Phone: (410) 312-8396

Fax: (410) 312-8626

E-mail: dave.willinski@arbitron.com

Stations will be advised of potential Rating Bias and Rating Distortion concerns inherent in the material presented to us. However, because the *context* of a statement or graphic can alter its potential to bias survey participants or distort survey results, the manner in which such activities are implemented may raise concerns necessitating further review. A station activity which varies from that presented for Pre-Review may raise concerns warranting notification to report users (via

any of the methods previously outlined). Stations are therefore encouraged to request an additional Pre-Review if planned activities are likely to change.

How do I request an inquiry into an activity by another station in my market?

Arbitron's Special Station Activities Committee will review any correspondence and accompanying material that document a station activity. The correspondence should be on station or group letterhead, should include the sender's position or company affiliation, and should include a complete description of the activity, as follows:

- Call letters of the station conducting the activity
- Date(s) and frequency of the activity, and (if available) the start and stop times of the activity

Questions & Answers

(continued)

- Type of activity (announcement, contest, promotion, etc.)
- Media used (on-air, direct mail, newspaper, Internet, etc.)
- Sample(s) of the activity (air-check, newspaper ad, Web site address, etc.)

Stations requesting an inquiry may feel free to discuss the issue by telephone at (410) 312-8396 before proceeding with formal correspondence. All correspondence and documentation (from stations requesting an inquiry) must be received no later than the day following the last day of the survey. It is Arbitron's policy not to disclose the identity of stations requesting Special Station Activities inquiries, unless required by law to do so.

How will Arbitron respond?

The Committee will review all correspondence and documentation to determine whether a formal inquiry is warranted. If the activity in question appears to possess

Rating Distortion and/or Rating Bias potential, a formal inquiry will be conducted to gather and verify complete details before a final evaluation is made. Depending upon the nature of the activity, the Committee may request that the station terminate the activity in question, at least until the facts are reviewed.

Once the station responds, the Committee evaluates all available information. If no response is forthcoming, the Committee will base its decision on the information available from other sources. The Committee will determine whether the station activity possesses Rating Distortion and/or Rating Bias potential and, if so, designates the action(s) to be taken. Both parties are generally notified of the Committee's decision prior to report publication.

General Information

- Recurring station activities may have greater Rating Distortion and/or Rating Bias potential than isolated activities. As a result, an activity that a station repeats (or multiple different activities by a station) may warrant more prominent notification than a similar isolated activity.
- Arbitron will review, for Rating Distortion and/or Rating Bias potential, activities conducted at *any* time (not just during, or four weeks prior to, a survey) if, in Arbitron's judgment, the activity has the potential to undermine the credibility of the survey. Activities that occur near the end of a survey period – in order to allow for a thorough review – may, at Arbitron's discretion, be noted in reports covering survey periods subsequent to that in which the activity occurred. Arbitron may also note the activity in more than one report (i.e., for more than one

survey or in more than one market) if, in Arbitron's judgment, users of these reports should be alerted to the activity.

- Arbitron's professional interest and involvement in the area of Special Station Activities are not limited to surveys of the syndicated radio markets. Users of *Radio County Coverage* and other reports that may include nonsyndicated sample may need to be alerted to activities conducted by stations in their listening areas. Station activities that occur outside syndicated markets and survey periods are equally subject to the processes for reviewing and noting activities outlined in this Handbook. Activities by stations not meeting Arbitron's Minimum Reporting Standards for a syndicated Market Report may therefore be noted in any applicable custom report or other Arbitron service. Note that in all cases, requests for inquiries must be received by the day following the last day of the

applicable quarterly survey period.

- The initiation of an inquiry at any time is solely within the discretion of Arbitron.
- Activities noted for one station may also be noted for additional stations on which the specific programming segment was also broadcast because of simulcast, syndication, network, or other relevant relationships.
- Activities noted in Arbitron's reports may or may not have actually affected reported listening. Such an effect would be virtually impossible to prove or disprove and Arbitron makes no attempt to do so. Activities with Rating Distortion and/or Rating Bias potential are nonetheless inherently detrimental to the broadcast, advertising, and audience measurement industries. The fact that such activities occurred may undermine confidence in listener estimates and constitutes sufficient reason to notify report users of their occurrence.

Arbitron reserves the right to use any available means to draw attention to any station activity that, in Arbitron's opinion, has the potential to undermine the credibility of the survey, even though the activity does not meet any of the specific criteria outlined above. Arbitron further reserves the right to take other appropriate action, depending upon the content, context, frequency, or repetition of the activity.

These guidelines are an effort to maintain the credibility of listener estimates and the integrity of the survey process. We believe a spirit of professionalism and ethical conduct by radio broadcasters will lead to active compliance with these guidelines.

New York

142 West 57th Street
New York, New York 10019-3300
(212) 887-1300

Chicago

222 South River Plaza, Suite 1050
Chicago, Illinois 60606-6101
(312) 542-1900

Atlanta

9000 Central Parkway, Suite 300
Atlanta, Georgia 30328-1639
(770) 668-5400

Los Angeles

10877 Wilshire Blvd., Suite 1600
Los Angeles, California 90024-4341
(310) 824-6600

Dallas

13355 Noel Road, Suite 1120
Dallas, Texas 75240-6646
(972) 385-5388

Washington/Baltimore

9705 Patuxent Woods Drive
Columbia, Maryland 21046-1572
(410) 312-8000