

NEW DIMENSIONS IN MEDIA ENGAGEMENT: THE NEW ZEALAND MODEL

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1. Overview

The development of the New Zealand Media Engagement model was driven by the need to respond to the global call for engagement insights which enable Media Owners, Advertisers and Agencies to look beyond the number of readers, viewers, listeners or users of key media and understand the different relationships and engagement consumers have with media. For Newspaper and Magazine Publishers the engagement insights bring the opportunity to both differentiate print from other media and also highlight the specific relationship and engagement strengths of each publication in their portfolio.

Nielsen has worked with the New Zealand Print Industry to develop a comprehensive Cross-Media Engagement Model which provides Media Owners, Advertisers and Agencies with a plethora of engagement insights and metrics which are provided alongside the Print Readership Currency. The model encompasses three facets of engagement: 1. Connection – from Rational to Emotional; 2. Involvement – from Passive to Active; and 3. Behavioural through Fusion with the Print Readership Currency. It is founded on nine key Engagement Dimensions derived from more than twenty statements about experiences using media.

The Media Engagement Model:

- Gives clients their Consumer, Media and Media Engagement insights in a single database alongside the Print Readership Currency; everything they need immediately available in one place;
- Provides insights into how engagement differs across all media (from television to unaddressed mail circulars) and within print media (at masthead level for Metropolitan Newspapers, Newspaper Inserted Magazines and Magazines), enabling advertising campaigns to draw on the strengths of particular media;
- Enables Media Owners to consider engagement with their brand as a whole or with each component (e.g. the Engagement Dimensions are asked at brand level for news websites, thus giving cross-platform engagement insights);
- Offers new understandings of which media New Zealanders look to for information, advice or for the best deals when making purchase decisions in key categories; plus the media used when choosing which stores or outlets to visit;
- Goes beyond the Readership number to answer important questions about the relationship between New Zealanders and Print both quantitatively (e.g. time spent reading, pick-ups) and qualitatively (e.g. occasions people engage with Print, areas where publications are sources of inspiration);
- Explores engagement with different areas of online activity (e.g. social networking, researching products and services etc) shedding light on the different ways consumers engage online.

2. Context

Nielsen has been the incumbent research supplier to the New Zealand Print Industry since the mid 1990s. In late 2009 the Print Media Industry Research Review Group (PMIRRG) undertook a formal Request for Proposal (RFP) process which resulted in Nielsen being appointed as the preferred supplier to the New Zealand Print Industry for five years from 2011. The RFP enabled Nielsen to review and upgrade our approach in the light of global challenges such as the increasingly vociferous demand for engagement insights, accommodating media proliferation and fragmentation, as well as issues of respondent burden and response rates.

The Media Engagement module is one component of the new Nielsen New Zealand Consumer and Media Insights (CMI) which launched in 2011 following our appointment as preferred supplier. CMI delivers a '360 degree view' of the consumer to

clients by bringing together insights from the different modules which make up the full service. Nielsen New Zealand have been advocates of a modular approach for many years, delivering the television ratings fusion to clients since the mid-1990s. A key driver behind the modular approach is to answer the ongoing demand for more extensive multi-media consumption and consumer insights without increasing the burden on respondents.

The modular approach is based on linking or fusing modules to the Core Media Insights and Print Readership Currency. Where a new module is fused to the core it is with a consistent set of Fusion Media Questions (FMQs). These include all Newspapers and Magazines measured by the Print Readership Currency, key media usage metrics (e.g. for television, commercial radio, Internet etc) and essential demographics (e.g. gender, age, location etc). Our experience using data fusion methodology to combine Readership and Television Audience data has seen the development of robust quality control procedures which ensure that the resultant output is of the highest quality.

At the heart of CMI sits Core Media Insights and the Print Readership Currency which is the hub of the research service. The methodology for the Core Media Insights currently consists of face-to-face interviews with a Nationally representative annual sample of n=12,000 New Zealanders aged 10+. These respondents are also given a self-completion diary the outputs of which form the Consumer Insights Module and Product Usage and Purchasing Module.

The modular approach enables Nielsen to combine currencies in a single database alongside consumer and Media Engagement insights. Readership, Television, through the Fused Television Audience Measurement (TAM) Ratings Module, and, by the end of 2011, Internet through the Fused Digital Ratings Module are all included. It also offers the flexibility to add new modules over time (e.g. mobile) as the media landscape continues to change and evolve. The Consumer and Media Insights model is shown in Figure 1 below:

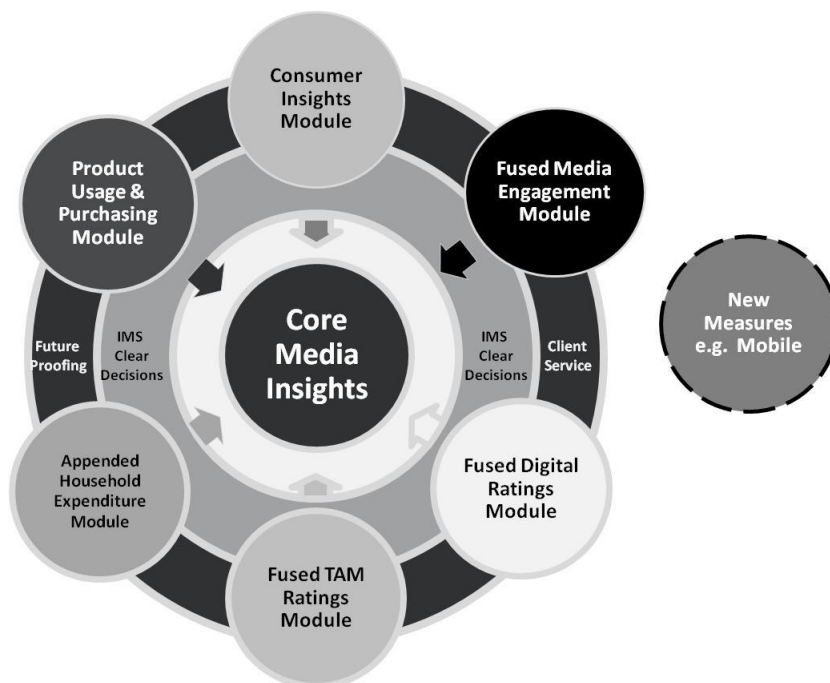


Figure 1. Nielsen New Zealand Consumer and Media Insights Modular Approach

3. Background

Nielsen first began to work with APN New Zealand in 2007 to understand and measure Media Engagement across a wide range of media types in New Zealand. In the process a range of consistent measures was developed which can be used across these media types to measure both Media Engagement and advertising engagement both at a broad level and within various channels or publications. The project was very significant and included thorough and detailed testing and development.

In the initial phase an extensive literature review was undertaken. The international study that contributed most to the early research by Nielsen Consumer was a 2005 study from the Netherlands by Bronner, van Velthoven and Kuijpers¹. In this study, the experience factors identified were universal enough to enable comparison of various media types and this informed the subsequent quantitative research programme.

Nielsen Consumer also conducted a qualitative investigation involving focus groups with a range of media consumers in Auckland, New Zealand including mainstream, early adopters and younger groups. This provided understanding of the context in which respondents engaged with different media.

“I will lie in bed and I will read a Magazine just because it’s easy and makes for easy reading. It’s probably more peaceful. It’s something I can do in my own time where I don’t have to socialise with anyone or, I can just blob out by myself”

Focus Group Respondent

The next phase was a Cross Media quantitative study which measured Media Engagement in New Zealand across a wide range of media types. Two of the key objectives of this study were to determine what dimensions of engagement exist and to establish how Media Engagement differs by shopping category in terms of how people respond to different media (e.g. employment ads on the Internet versus in the Newspaper). The research findings were launched in the New Zealand market in 2009 and were well received as they responded to local demand, particularly from Agencies, for new insights that went beyond the Readership number and provided a fresh view of the relationship between consumers and different media.

The 2011 Media Engagement Module builds on the previous work Nielsen has done in this area with APN New Zealand, work by Nielsen globally and international desk research into current best practice. A major strength of the model is that the Media Engagement Module is fused onto the Core Readership Service. This means clients have the Media Engagement insights available in one database. It has benefited from building on a proven approach that had already been developed for the New Zealand market, where many of the nuances and unique features of the local context were already understood.

It is important to note that the Print Readership Currency already held an extensive amount of print engagement insights, particularly of a quantitative nature including frequency of reading, source of copy and Magazine and Newspaper Inserted Magazine pick-ups. Newspapers had for some time benefited from the more qualitative ‘qualities of reading’ which were specifically concerned with the relationship between the reader and their Newspaper. The biggest gaps were the lack of Cross-Media insights and the absence of engagement insights specific to Magazines. The development of the Media Engagement Module offered an opportunity to remedy this and also develop additional engagement measures and metrics.

It is also important to stress that the model focuses on Media Engagement rather than advertising engagement (or more specifically engagement with individual advertisements). It provides insights into the media respondents use when choosing or making purchase decisions in key categories, top level Cross-Media insights into how receptive and attentive respondents are towards advertising (by media) and more detailed insights into consumer action as a result of reading Newspapers and Magazines. The issue is that, at a micro level, advertising engagement is heavily dependent on the quality of the creative itself. This means detailed insights into advertising engagement need to come from research into specific advertisements. It is clearly impractical to do this as part of CMI.

One of the challenges for Media Engagement is that best practice examples that are publicly quoted tend to be for a single media or a small number of media. For example, the Nielsen IAG Media Engagement approach operating in the U.S.A is focused specifically on Television. Nielsen IAG measures viewers’ engagement with every program and the effectiveness of every ad, product placement and sponsorship in primetime across all broadcast and major cable networks. The Experian Simmons Multi-Media Engagement study extended only across Television, Magazines and Internet at the time of developing our model. Nonetheless, learnings were taken from these and other approaches in developing the New Zealand Media Engagement Module.

¹ Bronner, F, van Velthoven, S and Kuijpers, V (2005), Media Experience and Advertising Experience: Application of a Multimedia Research Tool, Worldwide Readership Research Symposium 2005

4. Methodology

The Media Engagement Module comprises key Readership metrics which are asked in the CMI Core Media Insights and Print Readership Currency survey and an extensive, separate Media Engagement study. The latter is then fused onto the Core Media Insights and Print Readership Currency.

The methodology for the Media Engagement study was the subject of discussion with Nielsen Research Methodologists and members of the global Measurement Science team. A mixed methodology was employed, with n=2,500 online respondents and n=500 offline respondents contacted by telephone. The latter group was drawn from National Readership Survey respondents who did not have Internet access at home. The premise was that their Media Engagement would inevitably be different because the Internet will not be among their home media options. Around one in six New Zealanders do not have Internet access at home making them an important group to understand at this time. As Internet penetration increases the size of the offline sample will be reviewed in consultation with the Print Industry.

The discrete Media Engagement study is designed to be conducted annually, with the flexibility for an additional wave of fieldwork should new media emerge and impact the media landscape to such an extent that the New Zealand Print Industry believes Media Engagement will have radically shifted.

The Online component contains the Fusion Media Questions (FMQs) which form the fusion hooks between the module and the Core Media Insights and Print Readership Currency. In the online component masthead recognition is used, frequency of reading, recency of reading and source of copy questions are all asked to mirror the approach taken in the Print Readership Currency and ensure the necessary fusion hooks are in place and robust. Because the offline component is conducted through a recontact study with respondents who have already taken part in the Core Media Insights and Print Readership Currency survey most of the information required for the fusion is already known. In this case their Readership and media usage are confirmed, updated as necessary and then the new engagement questions are asked.

5. Three Facets of Engagement

The Media Engagement Module enables users to explore three facets of engagement:

1. **Connection** – from Rational – e.g. engagement which is founded on being educated, informed where the individual forms views or opinions as a result of the engagement to Emotional – e.g. engagement with media which is about feeling entertained, being inspired or having thoughts and feelings changed by the engagement with the media
2. **Involvement** – Passive – e.g. where it is easy to do other things while engaging with the media to Active – e.g. where the individual is absorbed by the media, it demands their attention and they are unlikely to be doing anything else at the same time
3. **Behavioural** – Fusion with the Print Readership Currency enables understanding of behaviours at a number of levels. This ranges from the time spent with different media, the times of day individuals engage with their preferred media to the actions consumers take as a result of engaging with the media. In the case of Print Media there are a range of behavioural insights – at masthead level – including how often readers keep sections or articles from their Newspaper, how long they keep their Magazines for, the number of times they pick up their Magazines and the thoroughness with which they read them

6. Media Engagement Model

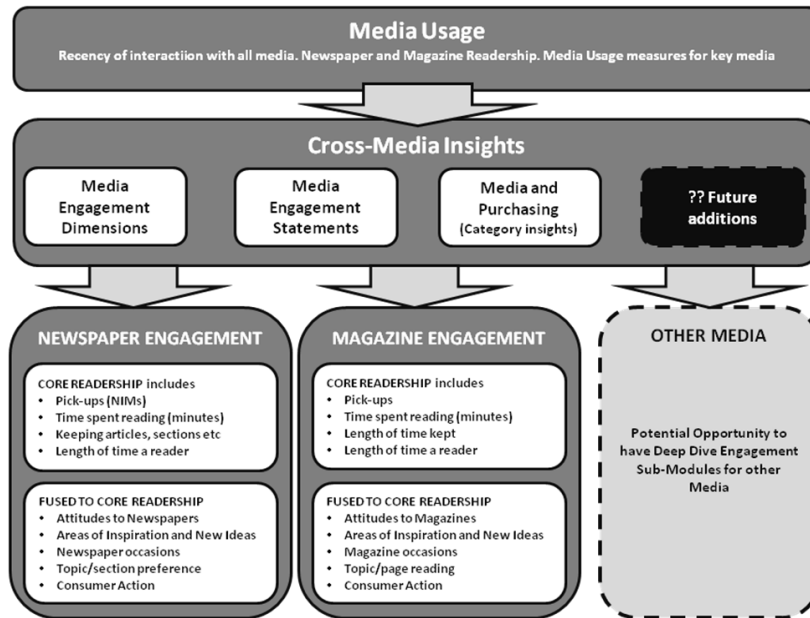
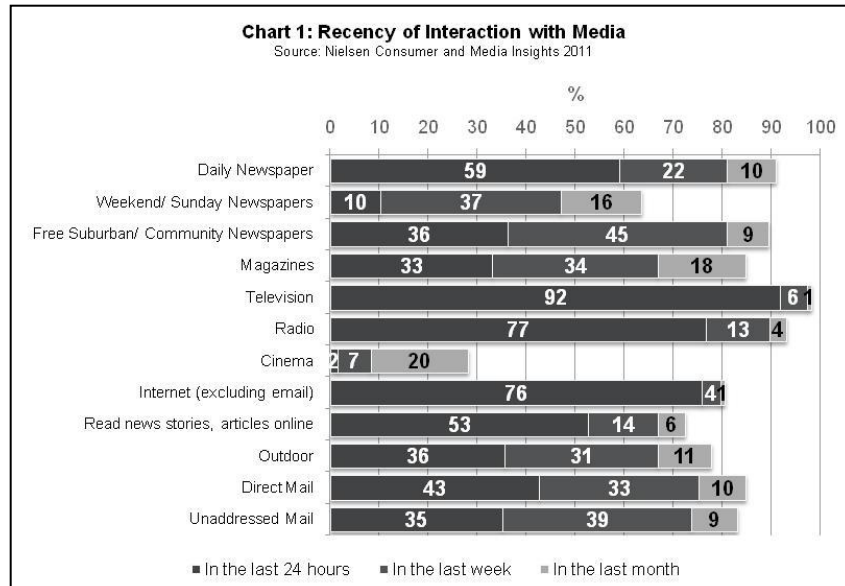


Figure 2: Nielsen New Zealand Media Engagement Model

6.1 Media Usage

The model flows from an initial exploration of respondents' interactions with all media encompassed by the Media Engagement module. In both the online and offline surveys the first question asks how recently respondents have interacted or engaged with each media. Their answers are used to route them through the remainder of the survey ensuring, for example, that someone who has not read or looked into a Daily Newspaper in the last month is not asked further questions about their Newspaper reading. Newspaper and Magazine Readership and other media usage measures (e.g. time spent watching television, time spent listening to the radio, Internet usage and cinema visitation) form the remainder of the first part of the model.

Understanding Recency of Interaction with Different Media



Understanding the recency with which respondents have interacted or engaged with different media (see Chart 1) provides an important new benchmark for how New Zealanders spend their time. While this information was available separately for most media types the questions concerning recency of interaction had sometimes been asked in slightly different ways. The new recency insights can also contribute to building the ‘360 degree view’ of the consumer as their media interactions can be considered alongside every other area of CMI which has a last 24 hours or last 7 days timeframe. For example, users can now develop a ‘week in the life’ story or profile to bring targets to life and facilitate the development of marketing strategies, communications and campaigns.

6.2. Cross-Media Insights

One of the required outputs from the Media Engagement Model was Cross-Media insights where Print engagement could be viewed alongside engagement with other media and analysed against a common set of measures. The Cross-Media insights developed are Engagement Dimensions, Engagement Statements and Purchasing and Media (at a category level).

6.2.1. Engagement Dimensions and Statements

The first element of the Cross-Media Insights offers the user the opportunity to understand the consumer’s relationship with different media through nine Engagement Dimensions and twenty-five Engagement Statements. Users can compare the performance of any available combination at a total media, masthead or brand level against the Engagement Dimensions or for more granular analysis by individual Engagement Statements. Respondents think about their typical experience of using various types of media and nominate the statements they associate with that medium or, for print, a specific publication. Many of the statements have been further distilled to form the nine dimensions of Media Engagement. The Engagement Dimensions have evolved over time with factor analysis and correspondence analysis among the techniques used in their derivation.

The nine dimensions are:

- Educates: finding out new things, giving useful information, assisting the individual to form opinions
- Inspires: being inspired by the medium, the ‘cool’ factor of the medium
- Entertains: pleasure, entertainment value and contributing to a positive mood
- Alters my thoughts and feelings: changes the way the individual feels or thinks, can induce positive or negative feelings
- Absorbs: demands attention, media for the individual, getting caught up with the medium
- Pastime: filling a free moment
- Accompanies me: passive engagement where it is easy to do other things at the same time
- Important in my life: recognition of the importance of the medium and not being able to do without it
- Trusted: information from the medium is trustworthy and credible, the medium as a trusted friend

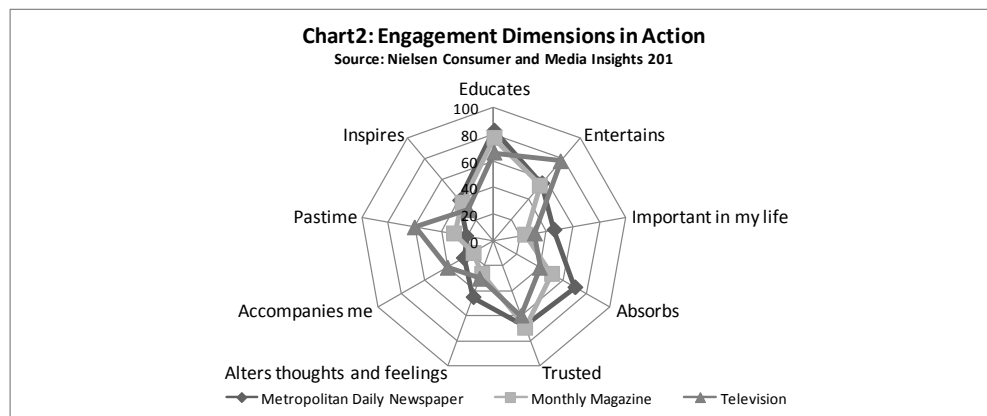
The dimension statements are asked for the following media:

- Metropolitan Daily, Regional Daily and Sunday Newspapers
- Newspaper Lift-outs and Inserted Magazines
- Free Suburban and Community Newspapers
- Magazines
- Television
- Commercial Radio
- Cinema
- Internet – different facets of online activity including social networking, online gaming, watching television and video, researching products and services and sourcing news, results and information
- Outdoor
- Personally addressed direct mail
- Unaddressed mail circulars

The Engagement Dimensions and Engagement Statements are available to Magazine and Newspaper Publishers at masthead level for all Daily Newspapers, Newspaper Lift-outs and Inserted Magazines and Magazines which are measured as part of the Print Readership Currency. There are also aggregate results available for Daily Newspapers, Metropolitan Daily Newspapers and Regional Daily Newspapers and for All Magazines and key Magazine genres (e.g. Food titles, Home and Garden, Women's Weeklies, Sport and Motoring). The Engagement Dimensions and Engagement Statements are also available at brand level for news websites, thus facilitating cross-platform engagement insights. As stated previously, the Internet is broken out into key online activities enabling new understanding of the different ways consumers engage while online.

6.2.1.1. Engagement Dimensions in Action

The development of a campaign across television, a Metropolitan Daily Newspaper and a Monthly Magazine (see Chart 2) could be informed through acknowledging differing Media Engagement of the target group, for example with the entertaining aspects of television advertising being complemented by the more educational and absorbing engagement with Print.



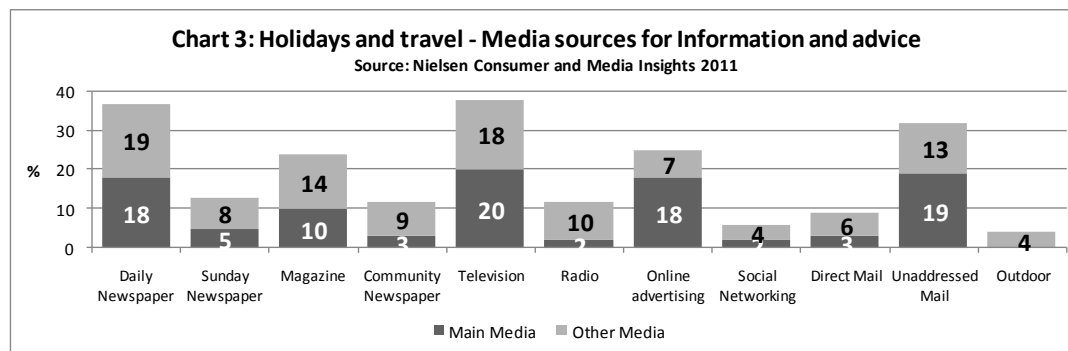
6.2.2. Media and Purchasing

This component of the Media Engagement model is concerned with understanding the place and influence of different media when consumers are making purchase decisions in key categories. The categories were selected following discussion with New Zealand Print Industry and Agency representatives and informed by reviewing Nielsen AIS advertising expenditure data to ensure inclusion of categories of the highest priority to print, for example where opportunities are greatest to secure additional advertising revenue. Three angles are explored:

- The media consumers look to for information and advice when considering making a purchase
- The media they go to identify the best deals when making a purchase
- The media that helps consumers decide where to go or shop

In each category respondents are asked to identify the main or primary media they use and then other media which also informs their decisions or choices. For information and advice and identifying the best deals there are twenty two categories included in the survey ranging from boats and boating equipment to banking, insurance and investments. Many categories concern 'big ticket' items (e.g. Cars and motoring, holidays and travel, home electronics, real estate etc) while others are more day-to-day oriented (e.g. groceries and meal ideas, home improvement items etc). For deciding which stores or outlets to actually visit, there are ten categories including book stores, department stores, supermarkets, fashion and clothing stores and jewellers. The media and purchasing categories and questions will be reviewed by Nielsen and the Print Industry User Group on an annual basis (or more often as required) to ensure they retain their relevance and capture the most useful insights possible.

The role played by personal Internet research came through strongly in all three areas as a main media source. This reinforced the importance of breaking the Internet out into key facets of online behavior rather than treating it as a single entity which would have potentially masked the different roles played in purchase decision making by personal Internet research compared with online advertising and social networking. Unaddressed mail circulars also performed well as respondents acknowledged their use of flyers and circulars left in their mailboxes as part of the decision making process when they were in the market for goods or services. Chart 3 gives an example of media sources, aside from personal Internet research, for Holidays and Travel.



6.3. Print Engagement

The Newspaper and Magazine Engagement sub-modules or deep dives combine metrics from the Print Readership Currency with fused insights from the Media Engagement study. The modules are conducted separately and exclude respondents who are non-readers of either print medium. The areas covered by each sub-module are very similar but some of the content of questions asked is different. For example the Magazine attitude statements include “Magazines have great visual appeal” while this is not asked in the Newspaper statements. Similarly the Newspaper attitude statement “My Newspaper is relevant to me and my city and town” is not replicated in the set of Magazine statements.

6.3.1. Masthead level insights

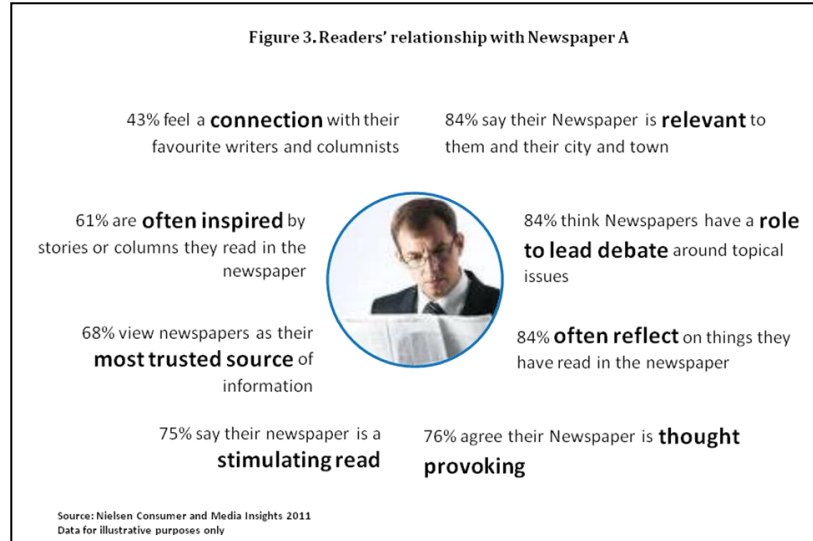
In addition to traditional masthead level metrics such as frequency of reading, recency of reading and source of copy the Media Engagement Module delivers a range of new metrics to users at masthead level. These include:

- Pick-ups – the number of times the publication is picked up or referred to in its issue period (asked for Newspaper Lift-Outs and Inserted Magazines and for all Magazines)
- Time spent reading – for Newspapers this is asked for Monday to Friday editions and separately for weekend reading while for Magazines the question is concerned with the time spent reading a typical issue of the Magazine
- How often readers keep sections or articles from Newspapers and Magazines
- The length of time the individual has been a reader of the publication. There is the potential to consider this in conjunction with Source of Copy data to develop reader loyalty measures and also to inform strategies and plans to ensure newer readers remain engaged with the publication
- For Magazines only – how long readers keep copies of their Magazines (options differ depending on frequency of publication) and how thoroughly they typically read their Magazines (e.g. cover to cover, skim read etc)

6.3.2. Print Media Insights

There are a raft of new insights for Magazines and Newspapers at a media level:

- Attitudes to Newspapers (see Figure 3 for example) and Magazines drawn from statements asked on a 4-point Likert scale from Agree Strongly to Disagree Strongly. These statements focus on the relationship between the reader and their preferred Newspapers or Magazines. When analysed using specific titles they can be used highlight differences in the levels and type of engagement of readers and offer publishers opportunities to draw attention to the strengths of the titles in their portfolio.



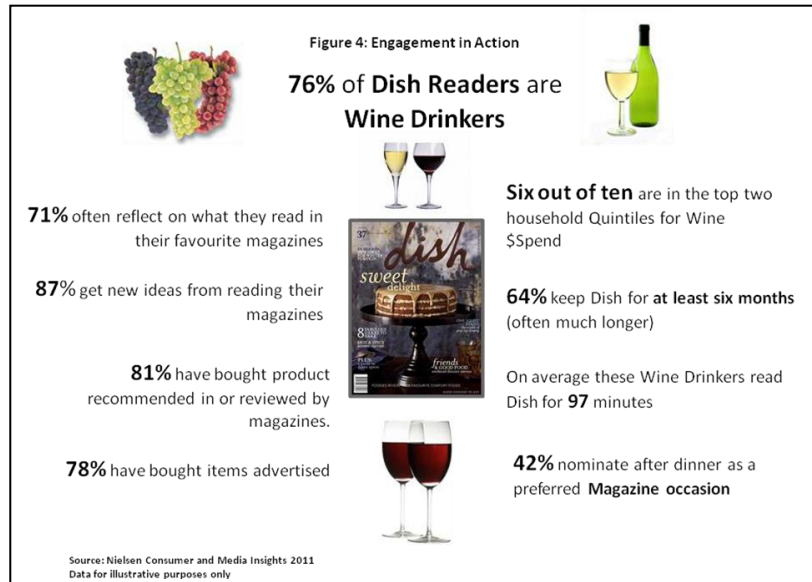
- Print occasions – understanding the occasions throughout the day when New Zealanders are reading their Newspapers and Magazines. The opportunity for publishers may be to target advertisers of products or services which fit with the key occasions when their titles are being read.
- Areas where Print inspires and gives new ideas –insights into some of the take-outs from the reader's engagement with Print. New knowledge in terms of the number of people in a particular target group who get inspiration from Print for more than twenty areas from fashion to fitness; home decorating to dining out; cars to cooking.
- Topic and section preference – identifying regularity of reading of many different sections and topics of the Newspaper and topics and pages of Magazines, potentially giving users insight into where to place their advertisements based on the preferred topics of the target audience and the fit with the advertising campaign and message
- Consumer action – what readers actually do as a result of their engagement with print (e.g. talk to others, visit a website, buy a product or service they see advertised). New insights for users into the propensity of the target group to take action as a consequence of engaging with Print and the form that action may take. This could help inform the call to action which might be most appropriate for a particular campaign.

6.4. Media Engagement in Action

Having engagement insights intertwined with Currency data and the wealth of additional insights available through CMI is one of the main benefits of the Media Engagement Model. Figure 4 demonstrates Media Engagement in action.

This example provides a mini-profile of wine drinkers who are readers of Dish Magazine and brings together insights from different areas of CMI. This would not have been possible prior to the development of the new service and the Media

Engagement and Household Expenditure Modules. In the past, the Magazine Publisher and Agencies would have known how many of the title's readers' drink wine. Now they can draw on insights such as how much households with Dish readers spend on wine and their propensity, in this case, to be higher spenders than many other households. This can be harnessed with the new Media Engagement insights. For example, the mini-profile shows the length of time these readers keep their copy of the Magazine and how long they typically spend reading it. It then moves on to explore the relationship between readers and the Magazine, the occasions they read the Magazine and what they actually do as a result of reading the Magazine or seeing advertisements in it.



6.5. Next Steps

We remain committed to updating, upgrading and enhancing the Media Engagement Module so that it remains contemporary and relevant and meets the needs of the Print Industry and all clients. There is no doubt that the 2012 Media Engagement Module will contain new areas and explore new angles drawing on international best practice and responding to feedback from users.

The Media Engagement Model also has the flexibility to include sub-modules or deep dives which focus on other media. There is already interest in the potential for a Connected Devices Sub-Module focusing on engagement with mobile phones, smart phones and tablets. Another possibility would be to conduct a Television Engagement Sub-Module perhaps exploring engagement with specific channels, top rating programmes and key genres or a Radio Engagement Sub-Module highlighting levels of engagement with major radio stations.

7. Conclusion

The New Zealand approach to Media Engagement responded to global and local demands for Cross-Media insights that went beyond the reader, viewer, listener or user of individual media. The Cross-Media Engagement Dimensions and Engagement Statements offer numerous insights into how consumers engage with each media. In addition, having Print engagement insights available at masthead level enables individual Newspapers and Magazines to differentiate themselves from other media, and also from other publications, and highlight their unique strengths.

The Model has broken new ground in fusing the Media Engagement insights into the Core Readership Currency rather than conducting a standalone study which sits apart from the Currency. Users now have access to Cross-Media and print-specific engagement insights within their databases to be used with Currency numbers, ensuring Media Engagement can have an active role in strategy, planning, communications and campaign development using CMI.

In summary, this Media Engagement Model gives users a far deeper understanding of New Zealanders relationship with media, through a dynamic and progressive approach which has the capacity to continue to respond and adapt to the ever-changing media landscape. We believe it delivers a new dimension in Media Engagement and will evolve further over time.