THE BUSINESS NEEDS OF SYNDICATED PRINT RESEARCH USERS

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The paper by Gabe Samuels summarized PRISM One, held earlier this year under the auspices of the Advertising Research Foundation, and described three proposed initiatives which emerged from the proceedings.

One of these initiatives calls for identifying and discussing the business needs and wants of the various constituenices who have a stake in the print industry, as a prelude to developing strategies and solutions for improving the usefulness of syndicated print research studies.

This paper examines the topic of Business Needs more closely.

Introduction

Syndicated print research occupies a precarious perch between the consumers and markets it measures and the business customers who purchase and use the data to make important decisions about advertising and marketing programs. From both directions, research is being stretched and strained as never before.

Measurement challenges arise from the increased segmentation of consumer markets and the fragmentation of media audiences, coupled with continued reliance on recall-based methods.

Consumer use of media has changed and will continue to do so. Technology is driving the creation of new media outlets and venues for distributing advertising messages. The Internet is blurring the traditional boundaries between TV and print. Magazines are exporting content to cyberspace and "Web-zines" are becoming more common. Presented with more choices, consumers are creating personalized media sets and integrating media into their lifestyles. Time spent with media may remain fairly stable, but its allocation is fluid and changing.

Just when our need to know about consumer behavior is escalating, respondents are becoming increasingly resistant to our research efforts. When they do volunteer to cooperate, we burden them with lengthy interviews or questionnaires and tax their memories with detailed inquiries about their use of media and products from the ever growing array of possibilities.

Among users of syndicated print research, requirements and expectations have become more demanding and diverse. There are still shared concerns about things like volatility of readership estimates, declining response rates, and data utility. Adding to the noise are a variety of vested concerns reflecting the individual needs of media sellers and buyers.

To say that readership research faces a crisis is too dramatic and exaggerated. However, there clearly are problems and issues which need to be addressed and solved. Research systems must be dynamic and adapt to the changing environment in which they operate. Common sense tells us that.

In the past, the traditional approach has been to focus on research methods and procedures as the source of the problem. Fix the methodology and the problem, whatever it is, will be eased or eliminated. It is not that simple anymore. In the current environment, putting research systems first is dead wrong.

To use a metaphor, we have been looking through the wrong end of the telescope. Our view of syndicated print research has become distorted. Issues and problems have been framed principally in terms of research needs and this holds us back. We need to turn the telescope around and start with a discussion of business needs.

Research information must be viewed as part of a larger business model in which decision making and the pursuit of profits are the central elements. The economic value of research rests entirely in its business applications.

Put simply, syndicated print research studies must be directly relevant to the business operations of the organizations using the information. Business needs must drive research solutions.

Identifying the business needs

The major constituent groups using readership studies are publishers, advertising agencies, and advertisers. Research suppliers have ties to each segment and thus represent a fourth interest group.

Each user segment has its own set of business needs which guide its expectations about the data. The groups have some shared needs and others which are unique. This has implications for achieving industry consensus on objectives, priorities, and strategies for improving the research systems.

Publisher Needs

The business need for publishers is selling ad space. Syndicated readership studies facilitate ad sales by providing a transactional currency and a basis for competitive positioning against other publications.

Publishers require the following from syndicated print research:

- Estimates of audience size and composition for both demographic and marketing targets which can provide a currency for advertising sales;

- Stability and predictability in audience estimates from survey to survey. This helps publishers set ad revenue goals and manage the sales operation;

- Qualitative measures of reader behavior, attitudes or responsiveness which can be used as indicators of potential advertising effectiveness;

- Comparative measures for those publications it competes against for ad sales. Complete coverage of a competitive set is more important than the total number of measured titles;

- Respondent level data, for maximum analysis and utility;

Publishers also require print research to help define and describe markets. The narrower the market segment, the greater the need for a focused, niche study.

Agency Needs

Advertising agencies have a more varied set of needs. Like publishers, agencies also require functional measures of audience size and composition, for demographic and marketing targets, which can serve as buying currency. Respondent level data access is another shared requirement.

Agencies also share the publisher's need for stable readership estimates. Volatility detracts from confidence that the data are accurate and adds uncertainty to the magazine planning and selection process.

Agencies have several unique needs, tied to both media and marketing data, which set them apart from publishers:

- A deep list of measured publications;

- Measures of coverage and frequency for print schedules;

- Detailed multi-media data which can be used in comparative media planning analyses;

- A broad range of marketing data, both for current clients and to assist in new business development. While category level data is acceptable, brand measures are often preferred.

Advertiser Needs

Advertisers' needs generally align with the agencies -- but with one important addition. Syndicated print research is expected to provide:

- A buying currency which meets the tougher standard of providing an accountable measure of campaign performance that can help quantify return on the advertising investment;

- Data stability across surveys, as this inspires confidence in the accuracy and credibility of the readership currency;

- Detailed marketing information for the product categories in which the advertiser competes. Depth of data within a relevant category is more important than the breadth of categories measured;

- Measures or indicators of advertising effectiveness and/or reader responsiveness;

- Respondent level data utility

Matrix of Needs

The matrix below summarizes the respective business needs of publishers, agencies and advertisers, and differentiates the relative importance of these needs. A "1" indicates it is a top priority, an essential "must have" characteristic for the research study. A "2" designates a lower priority, a desirable but not essential feature.

	Publisher	Agency	Advertiser
Stable Audiences	1	1	1
Detailed Demographics	1	1	1
Product Category Info	1	1	1
Product Brand Info	--	1	1
Respondent Level Data (Utility)	2	1	2
More Publications	--	1	2
Multi-Media Data	2	2	--
Qualitative Measures	2	2	--
Ad Effectiveness/Response	--	2	2

Supplier Needs

Research companies have a completely different -- but no less important -- set of needs as compared to their customers. After all, research is their business and readership studies are the product they sell.

First and foremost, suppliers need to make a profit. Print studies must be conceived, designed, executed and sold to customers with that objective in mind.

Second, suppliers need their research study to have sufficient credibility to support customers' confidence and faith in the value of the readership currency. It can be argued that a supplier's revenues and profits are linked to customers perceptions of credibility.

A third supplier need is an educated customer base that understands the appropriate uses and limitations of survey data and shares a common view of what constitutes research quality and how quality translates to a credible currency.

Furthermore, suppliers have an interest in their customers' desire for stable audience estimates. Data consistency strengthens the perception of credibility, particularly in the absence of an independent validation system. Volatility and unexplained fluctuations weaken credibility and confidence, particularly among publishers since they have the greatest economic risk in the seller-buyer equation. And publishers are the main revenue source for the research company.

Of course, data consistency does not actually prove accuracy or validity. It merely makes it easier for sellers and buyers to manage and transact business. From the supplier's perspective, an additional dimension of customer education is an enlightened view of what data stability does and does not represent.

Choices and Trade-offs

Despite differences between constituencies in their business needs for readership research, there is some common ground to bring these factions together. These shared needs represent the essential (and minimum) attributes for syndicated print research studies:

- Audience estimates which can serve as a robust, stable currency;

- Comprehensive, detailed demographic measures;

- Product category usage data;

- Data credibility

For agencies and advertisers, an additional concern is the number of publications which are measured. This is a dimension of data utility and is sufficiently important to affect their support and use of a research study.

With these requirements come choices and trade-offs which impact research methodology, users perceptions of data quality and credibility, and costs.

First, there is the balance between data quality and data quantity. How much information can be collected, especially if we must rely on respondent recall, before the measurement process begins to collapse? If improved quality costs more money, how much are customers willing to pay to achieve a level of quality which fulfills their expectations for data credibility and a strong, robust audience currency?

The data quality issue is best exemplified by the twin debates over number of titles to measure and marketing information. Fewer publications or more? Product data at the category or brand level? These choices symbolize the trade-offs between breadth versus depth of data in print research.

Caught in the middle is the research supplier who must reconcile and mediate the varied needs of a vocal, demanding customer base; provide an affordable research product which meets customer requirements for a credible, accurate, and utile currency; and decide how and where to invest scarce R&D funds towards meeting the measurement challenges of tomorrow.

Where do we go from here?

Consensus is rarely easy to achieve. But never has it been more important to achieve consensus, as an industry, on business needs and research objectives for strengthening a currency that is the basis for billions of dollars in print advertising spending.

The common needs of buyer, sellers and suppliers -- as previously discussed-- suggest a common objective for the industry to rally around:

> Objective: To improve the quality and business usefulness of syndicated print research, in both the near and long term.

The short term imperative demands that efforts continue to learn and understand what affects current methods, whether positively or negatively, and to make improvements where needed.

Training and education of data users has an important role here. Traditionally, these have been aimed at those people directly involved in the buy-sell process: the media planner, the magazine sales representative, and perhaps even a brand manager at the advertiser. That is not enough. Education needs to be pushed upwards and outwards, particularly to management levels.

I am constantly impressed at how knowledgeable top management at U.S. TV networks are about the Nielsen audience measurement system. By comparison, their counterparts at publishing companies tend to be much less informed and interested in the syndicated readership studies. Yet for both groups audience measurement directly impacts ad revenues.

Improving print research systems for the long term starts with acknowledging that:

- Consumer media options will continue to grow;

- Media audiences will continue to fragment;

- Recall measurement will progressively fall short of providing a credible currency.

Therefore, alternatives to current approaches must be aggressively pursued and tested. This should proceed along two tracks: (1) exploring modifications and enhancements to current techniques to get us through the short term; and, (2) looking at new types of systems to meet the measurement challenges of the 21st century.

A top priority for the short term is updating our knowledge about title confusion to deal with the growing number of publications that have both paper and Web-based versions. In a recall-based system, can respondents distinguish and differentiate the two?

With respect to new types of measurement processes, significant efforts and resources should be put against direct measurement of readership via electronic technology.

The concept and basic elements of an electronic system have been discussed at previous Symposia and at other research forums. It starts with placement of an electronic or audio code in the publication which would identify the specific issue. Codes would be transmitted by microchips or microdots, activated when the copy is open.

The codes would be picked up by a receiving device worn by the respondent. Put the receiving device in some sort of a docking station and data could be automatically downloaded by telephone line to a remote computer for processing and tabulation.

Direct electronic measurement is a different paradigm. It could eliminate some to the potential weaknesses in current systems. Things like:

- The screening question

- Title confusion

- Parallel and replicated reading

- Interviewer effects

- Length of interview

In their place would be a new set of complexities familiar to those who have worked with TV meter systems:

- Panel recruitment and maintenance procedures;

- Data editing rules

- Data processing and reporting protocols;

- Possible non-response bias attributable to technographic characteristics of acceptors and refusers;

- A fundamental change in the definition of "readership"

Direct electronic measurement would be an entirely new currency. That is neither a reason to embrace or reject the concept. The objective is to improve the quality and business usefulness of print research and as a byproduct, strengthen the currency. If a new currency can accomplish that, it bears examination.

An electronic system will take time and money to complete technology development and to thoroughly test in the market. Where does the money come from? Who controls the testing process?

Advertisers are a key part of the financial equation. Their active support, especially if backed by seed money, could launch the process and attract technology providers and research suppliers who need evidence of a business opportunity and revenue potential before committing their own time and money to the project.

The advertiser model has a U.S. precedent. Intelliquest successfully launched a syndicated print study of the computer market behind the support of three major manufacturers --IBM, Intel and Microsoft-- who were dissatisfied with the absence of a viable audience currency for the technology trade press.

Advertiser participation, even at very small monetary level, also has great symbolic impact and can be a catalyst for attracting wider financial support. Another U.S. example is the SMART initiative for improving TV measurement and reporting systems. Original funding was provided by the terrestrial networks. When participation was extended to the general industry, three major advertisers immediately --and publicly-- signed on at the US$10,000 asking price. Their quick, visible response has been credited with helping to bring in 15 additional sponsors from the agency and media sectors.

Even if electronic technology proves economically impractical for a syndicated print measurement system, there are potential intermediate applications for which it might work:

- An independent validation standard for current readership techniques;

- The relationship between average issue and specific issue audience;

- Controlled experiments on magazine audience accumulation patterns.

Who controls the development and testing process? The preferred model is a multi-partite steering committee operating under the auspices of an independent organization like the ARF, empowered to operate a "Print Lab" focused on developmental research projects which have the potential to help improve the business usefulness of print research. Its charter would cover both short-term initiatives (e.g., title confusion) and long-term efforts (e.g., direct electronic measurement).

Summary

Identifying and understanding the differing business needs of publishers, agencies, advertisers and research suppliers is the starting point for developing objectives, strategies and priorities to improve the usefulness of syndicated print research. There are enough common needs among constituent user groups to forge an alliance. All parties must work together as an industry if gains are to be made.

This debate about the efficacy and adequacy of our print research systems is not about research per se, although research is the critical element. It is about strengthening an existing currency or establishing an entirely new one, a currency which is the foundation for selling and buying print advertising. That is the dominant business need for all constituencies.