

March 05, 2007

Audience Research Monopolies Under Threat in USA

Advertising expenditure on major media totaled up to US \$435 billion in 2006, out of which North America had a share of 42%. Globally television advertising corners 38% of all advertising expenditure (figure 1 and 2). Looking at the US advertising expenditure on television, it is estimated to be US \$65 billions. Most of the communications specialists too generate 40 to 50% of their revenues from this particular market (table1). This makes the US television advertising market the largest in the entire world and there are some very interesting changes that are happening in the television audience measurement and some futuristic technologies are being introduced in the radio measurement as well.



These changes threaten two existing monopolies in the country viz. that of Nielsen Media Research and Arbitron in television and radio audience measurement respectively.

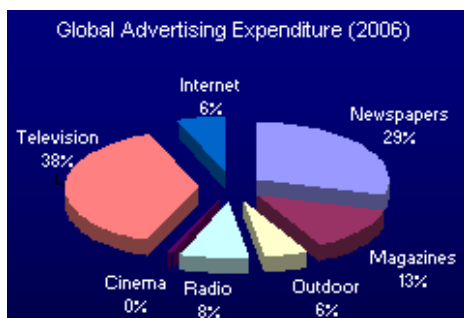


Figure 1: Source ZenithOptimedia Forecast (December 2006)

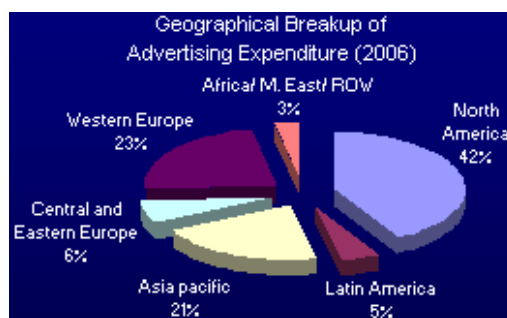


Figure 2: Source ZenithOptimedia Forecast (December 2006)

TV Ratings Start-Up erinMedia attracts US \$25 million in funding

As per the reports in Media Daily News in January and February 07 Boston-based venture capital firm Spark Capital has bought into erinMedia with \$25 million in equity financing and a promise to help attract strategic partners in the advertising and cable TV industry that can take it to the next stage in its battle against Nielsen Media Research. The report also talks about Publicis backing up the new service to along with broadcasters and key advertisers.

In another development Publicis-owned media network Starcom USA has become the first client of Taylor Nelson Sofres' InfoSys – a system that provides second by second commercial ratings.

Did you know ?

Did you know the trends in Hindi News channels for this year?

Click [here](#) to know more.

WHAT'S NEW AT aMAP ?



aMap inks a strategic tie-up with Medialogic Pakistan

aMap enters into strategic tie up with Medialogic, that is setting up an overnight television audience measurement service in Pakistan.

MOBILE RATINGS ALERT

Register [here](#) for ratings alert for ICC Cricket World Cup, 2007.

WHAT IS OXYGEN ?

Oxygen is an aMap (Audience Measurement and Analytics Ltd) publication that aims at bringing fresh perspectives to the practicing media professional. It will be our endeavor to inform you of the issues that are shaping the media industry around the globe and their possible impact on the direction in which Indian media industry could move.

RELATED LINKS

[TV ratings startup attracts US\\$ 25 million equity funding](#)
(requires a simple registration)

[Publicis Backs erinMedia, Big Auto Advertiser, TV Network Too](#)

[Erinmedia](#)

[Electronic Radio Audience Measurement in USA](#)

Company	North America
WPP	39%
Omnicom	56%
Havas	37%
Publicis	42%
IPG	59%

Table 1: Revenues by geography
(Source WPP Annual Report 2006)

These two developments clearly indicate the awakening in the largest television advertising market about the perils of allowing monopolies in an industry that determines the fate of \$65 billion every year.

Media Audit/Ipsos Scores Radio Group funding



February has been the month of changes not only in the television audience research in USA but similar winds of change have been flowing in the Radio Audience Measurement also. Till now the same has been the monopoly of Arbitron and the radio listenership is reported with the use of diaries. Broadcasters have

backed up plurality in this field by backing Smart Phone Initiative of Media Audit – IPSOS combine to compete against Portable People Meter (PPM) that Arbitron wishes to introduce to replace the diary system that it operates. The groups funding the test for the new challenger includes Clear Channel, Cox Radio, Cumulus Media, Radio One, and Entercom Communications.

These developments in the USA clearly indicate towards a trend where broadcasters, media agencies and advertisers alike are investing into alternate measurement services to improve the deployment of technology in this most important component of the communications industry.

The trend is to bury the monopolies and encourage competition.

Write to us

Please feel free to send in your comments to Ravi Dixit - Director Research and Knowledge Management (ravi.dixit@audiencemap.com) and we can assure you that we will try and respond to all your information requirements through this periodical.

Periodicity

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REGULAR FEATURES

- [TV Competition Grid](#)

PROMO VIEWERS TO PROGRAM VIEWERS

This research deals with the viewers of program promos of three dailies (Program A, B and C) on two leading GEC's. It aims at understanding the viewership habits of the viewers who consumed at least one promo for the respective program in week 7 and went on to watch the program in week 8. [More](#)