

**From:** National Institute for Latino Policy [info@latinopolicy.org]  
**Sent:** Monday, October 27, 2008 6:24 PM  
**To:** National Institute for Latino Policy  
**Subject:** NiLP FYI: Arbitron - Take Lessons from Nielsen Controversy



## Arbitron: take some lessons from the Nielsen Controversy

By Edward T. Rincón, Ph.D., Rincón & Associates  
[HispanicAd.com](http://HispanicAd.com) (October 9, 2008)



The transition from paper diaries to the Portable People Meter (PPM) has not been smooth for Arbitron. While the PPM technology promises more accuracy and efficiency than traditional paper diaries in measuring radio listening behavior, its introduction has also created a storm of protests from Spanish-language and urban broadcasters who have seen their audiences drop significantly in markets where the PPM was initially introduced. As Arbitron continues to defend the quality of their sample composition and other aspects of the PPM measurement system, the FCC has launched an investigation into Arbitron's measurement practices, while the New York Attorney General has decided to sue Arbitron. The stakes are indeed high for the impacted broadcasters who fear declining advertising revenues as the PPM system expands into more markets, and an erosion of the progress that they have made in diversifying the radio industry. The sizeable investment in the PPM technology means that the stakes are also high for Arbitron.

To facilitate the dialogue, perhaps Arbitron and other stakeholders could take some lessons from a similar controversy with The Nielsen Company who, just a few years ago, also faced protests from industry and community groups surrounding the accuracy of its television ratings methodology for Hispanic audiences – a controversy that also captured the attention of the FCC and selected members of Congress. Relatively little commentary is evident today surrounding the Nielsen controversy, suggesting that the methodological issues in question were resolved; however, our own experience suggests that the relative silence on the topic resulted more from a carefully crafted public relations campaign than any meaningful changes to their ratings methodology. Our company, Rincon & Associates, was commissioned in 2004 by The National Latino Media Coalition to conduct *The Latino Television Study* – a telephone survey of 1,538 Hispanics aged 16 and over – to measure their television viewing behavior and offer a “second opinion” on Nielsen's Hispanic audience estimates. Among its various findings, the study raised questions about the accuracy of Nielsen's Hispanic audience estimates and the wisdom of using a home language scale to adjust media ratings.

Rather than engaging in constructive dialogue to resolve specific methodological issues, however, Nielsen opted to kill the messenger. Following are a few of the lessons learned from one attempt to create a dialogue with one of the giants in the media ratings business.

### **Public relations should not preclude a methodological solution**

Rather than disclose key information that was requested about their measurement practices, The Nielsen Company opted instead to launch a public relations strategy that included an image building advertising campaign directed to ethnic audiences, various donations to selected community groups, and criticism of *The Latino Television Study* on the Nielsen website that was based on false information. The public

relations campaign undoubtedly benefited The Nielsen Company, but did little to further the dialogue on key methodological issues.

### **Do you really need hired guns to silence your critics?**

To supplement their public relations campaign, The Nielsen Company hired a team of scholars with The Tomas Rivera Policy Center to dissect *The Latino Television Study* and “debunk” its findings. While this tactic cleverly distracted attention away from Nielsen’s methodological problems, the critique was less than objective and designed to further Nielsen’s public relations objectives. The issues raised by *The Latino Television Study* survived Nielsen’s public relations strategy and hired guns, and remain relevant in the current controversy surrounding Arbitron.

### **The value of hand-picked committees**

The Nielsen Company did not stop with the hired guns, but created more groups of advisers whose mission typically lacked authority. One group of business and civic leaders deliberated for over a year and issued a report with a long list of recommendations that were mostly not implemented. A subsequent relationship with The Willie Velasquez Research Institute continued the Nielsen legacy of obtaining expert advice from carefully selected sources. There is no doubt that hand-picked experts can provide valuable input, but how valuable is their advice if it must first pass Nielsen’s approval before any disclosures are made to the public? Worse yet, how valuable is the expert advice if Nielsen is not required to follow it?

In this regard, the current investigation of Arbitron’s practices by the FCC and the lawsuit by New York Attorney General are a breath of fresh air which will hopefully compel Arbitron to disclose important information that will help judge the accuracy and fairness of the PPM system. Even more important is the possibility that Arbitron may be required to modify its measurement practices if compelled to do so by these investigations. By using hand-picked committees composed of industry experts that are muted by non-disclosure agreements, media giants like Nielsen and Arbitron can effectively limit the scope of criticism directed at their measurement services.

### **Do we really need language weighting?**

In addition to the common practice of weighting survey data by objective Census demographics like race/ethnicity, gender and age, Nielsen and Arbitron also employ the more questionable procedure of language weighting to adjust their Hispanic television and radio ratings. Because the Census Bureau collects only limited English-language proficiency data, Nielsen creates its own home language usage data from an on-going national telephone survey of U.S. Hispanics – referred to as the Language Universe Study. Although five language groups are derived from the Language Universe Study, in actual practice Hispanics are classified into just two categories: English-dominant and Spanish-dominant.

By measuring the proportions of English-dominant and Spanish-dominant Hispanics in each of Nielsen’s markets, Nielsen can thus correct or adjust the language usage data for Hispanics in any market if a particular panel does not conform to the proportions measured by the Language Universe Survey. Thus, if the language dominance of a New York panel of Hispanics produces segments that are 30 percent English-dominant and 70 percent Spanish-dominant but the Language Universe Survey indicates that it should be 40 percent English-dominant and 60 percent Spanish-dominant, the proportion of English-dominant Hispanics is adjusted upward while the proportion of Spanish-dominant Hispanics is adjusted downward. In all likelihood, the ratings of the television or radio stations used by these segments would also experience increases or decreases.

### **Why does Nielsen go to so much trouble and expense to adjust the ratings by language dominance?**

Essentially, language weighting was developed to address the concerns of Spanish-language television broadcasters who believed that it was needed to ensure a proper level of representation of their core audience -- Spanish-dominant Hispanics – in the Nielsen television panels. However, for the reasons discussed below, the continued use of the language weighting procedure by Nielsen and Arbitron adds an element of instability to the estimation of audience ratings that warrants its removal.

*In the first place*, the Nielsen home language scale does not really measure what it claims: language dominance. Language dominance is better defined by the language that one chooses when given a choice coupled with superior proficiency in the chosen language. For example, if a Hispanic person is provided both an English and Spanish-language interviewing option and he/she chooses Spanish, one can say with more certainty that they are Spanish dominant and have more proficiency in that language. By contrast, it is hardly “language dominance” – as defined by the Nielsen home language scale -- to ask a Hispanic person to describe their home language usage in a household situation where the language that one speaks depends on the language used by other members of the household. Language dominance is not a subjective impression, but rather an observable behavior that varies with the persons engaged in a communication or a particular task.

*Secondly*, the subjective nature of Nielsen’s home language scale suggests that it has questionable reliability and validity. Using the Nielsen home language scale, for example, the Latino Television Study found that Hispanic household members were very inconsistent in describing the language dominance of household members when measured at different points in time. In addition, a recent study of Dallas/Ft. Worth Hispanics found that even though nine in ten adults rated their Spanish-speaking skills as “very well” or “well,” fully 30 percent of these persons elected to continue a telephone interview in English when given the choice of English or Spanish. Thus, self reported measures of language behavior sometimes produce inflated estimates of actual proficiency in a language.

*Thirdly*, the long-term value of measuring home language usage to ensure the representation of Spanish-dominant Hispanics becomes questionable in light of some recent trends. For example, our past research experience shows an increased tendency for English-dominant Hispanics to utilize Spanish-language media, and a corollary tendency for Spanish-dominant Hispanics to utilize more English-language media. Moreover, English-dominant Hispanics increasingly listen to more urban formatted music, which has implications for the audience estimates of these stations.

As media usage patterns become more diverse, their relationship to home language usage becomes weaker over time. Moreover, projections of language usage by the Pew Hispanic Center reveal that, unlike past Hispanic growth, the future growth of the U.S. Hispanic population will be fueled primarily by the children of immigrants – a trend that is expected to create a higher demand for English-language media. In summary, the language weighting procedure has probably outlived whatever benefit it was originally intended to provide Spanish-language broadcasters, and may have a role in producing unstable measurements of their audiences.

The media ratings services provided by Nielsen and Arbitron, like many other U.S. institutions, impact the quality of life for many Americans, and are not immune from errors associated with their services. Indeed, stories abound regarding the errors associated with college admissions tests, voting machines, and credit scoring services – errors that were discovered primarily through independent organizations that observed some type of irregularity and had the authority to mandate a change. By contrast, the media ratings industry is allowed too much discretion in defining the accuracy of their services, and appears increasingly indifferent to the decisions of the Media Ratings Council. According to a recent story in the *Media Daily Post*, Arbitron is not the only media ratings service that appears to snub the Media Ratings Council. The Nielsen Company also operates their measurement services in many markets that are not accredited by the Media Ratings Council, a disturbing trend that underscores the need for government intervention.

It is time to remove the cloak of secrecy enjoyed by the media ratings industry. Arbitron should be required to be transparent and accountable to regulatory agencies rather than hand-picked committees whose advice is muted by non-disclosure agreements and often lack the authority to act. Aside from ensuring that the PPM system is accurately measuring the radio listening behavior of Hispanic and African-American audiences, both Arbitron and its stakeholders should pay particular attention to the composition of the sample of respondents and the weighting procedures that are used to transform the measured ratings. In the end, it is important that the Media Ratings Council along with independent measurement experts not chosen or paid by Arbitron give their stamp of approval to the PPM methodology. And, just as importantly, that radio broadcasters accept their decisions.

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