

## Understanding Early PPM Results

Updated 7/17/07

Although the early Personal People Meter (PPM) ratings are somewhat similar as those from the written diary method, the results are derived in two very different ways:

- 1: Cume for each station has practically doubled
- 2: TSL for any individual station has dropped to half of its previous level

Therefore, the ratings look similar because there are twice the number of people with half the time spent listening (TSL).

So, while the Total numbers are more or less the same as the diary, we'll get there differently using the PPM.

Just like the diary, five minutes of listening gets you credit for the quarter hour. However, the PPM will present many more stations with shorter tune-ins. As a result, we will see lower TSL levels from more stations since the PPM reflects "more stations listened to" than the diary does. The very nature of the diary methodology did not encourage listeners to write down more than three or four stations. Lighter listening to stations five, six, and seven were probably not recorded at all in the diary. With PPM, those stations will show up in a station's sharing pool, albeit with much shorter listening spans, or lower TSL. Keep in mind, the offset of this is Cume for virtually all stations will skyrocket.

In the diary, listeners tended to write down their listening time sequentially and probably never entered three minute listening spans. PPM will change this and those three minute periods will count toward quarter-hour credit if they come inside a 15 minute block.

Using the old diary, listeners typically wrote down three or four stations. Now, the new PPM says most listen to many more stations. Also, your station will likely get more credit for your P3 and P4 listening whereas you may not have before with the diary. The credit that you'll get is more cume, although there will likely be very few quarter hours from the P4, P5, and P6s (etc.) for most stations. This, again, is a reason for TSL going down.

With the diary, recall meant *everything*. Recall is still very important with PPM, but for a different reason: You want your listeners to remember who and where you are so they can find your station and listen to it as opposed to trying to recall which station they listened to.



Like the diary method, PPM's early results suggest that there are different values for different types of listeners to your station:

- 60% of Average Quarter Hour (AQH) listening comes from P1s...those who listen more to that station than any other. This result is quite similar to the diary results.
- 20% of AQH listening comes from P2s.
- 10% of AQH listening comes from P3s.
- 10% of AQH listening comes from P4s.

The difference is PPM uses data from an ongoing "panel" of respondents, so it is now possible to track listening changes over time. Early on, it appears that a full 50% of all P1 listeners will change the station listened to most within six to eight weeks. For this reason, Paragon has dubbed "Loyal P1s" as those P1s who do not change their most listened to station, and "Fickle P1s" as those who do.

#### Summary

Even though it will be years before PPM is used in all radio markets (if ever), it is clear that PPM ratings reflect a sea change in ratings for those markets that do have PPM ratings. This sea change in ratings methodology alters programming strategies significantly. In alignment with Rule #1 "Don't Panic," we seek to keep on top of significant programming response changes to the PPM, which rolls out in the Top 10 markets in 2008.

As a service to Paragon clients and the entire radio industry, Paragon Media Strategies has produced the following PPM rules to suggest programming strategy changes and ways to maximize ratings in PPM markets.

As the intelligence on PPM activities grows, so will the PPM Rulebook. Paragon will be blogging on this subject on a regular basis and we invite anyone to contribute new rules for consideration directly to the PPM Rulebook page at [www.ppmrulebook.com](http://www.ppmrulebook.com), or through our website at [www.paragonmediastrategies.com](http://www.paragonmediastrategies.com).

