

SUMMARY OF ISSUES FOR CONSULTATION

Q1. Which of the model described in para 4.4 should be followed for regulating television rating services in India?

We would recommend that there be self-regulation with an industry based organisation which commissions and oversees a research agency to actually create and operate the Television Rating service. The commission body will set up a full time supervisory body of research specialists and data analysts.

Our recommendation is based on the following:

- a) The Indian Readership Survey is also commissioned by an industry body and conducted a private agency.
- b) The Government is the largest player in this field and therefore it would be inappropriate for them to control the service.

Q2. Please give your comments on the eligibility conditions for rating agencies discussed in para 4.7.

In para 4.7.(d) we believe that Governments role should only be through Doordarshan as a member of the industry body and not as an independent monitoring agency.

We also recommend that the company so formed be headed by an individual who has at least 5 years' experience in research and surveys plus a minimum experience of two years with a television ratings service.

Q3. Please give your comments on the guidelines for methodology for audience measurement, as discussed in para 4.19, for television rating systems.

We believe that is it important to separate the three functions, Supervisory, Conduct of the establishment Survey and operation of the rating service. First we have already mentioned, the second and third should be separate entities. Finally we feel that it is important to have a large and robust policing service independent of the research agencies.

Q4. What should be the minimum panel size (in terms of numbers of households) that may be mandated in order to ensure statistical accuracy and adequate coverage representing various genre, regions, demographics etc. for robust television rating system? Should the desired panel size be achieved

immediately or in a phased manner? In case of implementing the desired panel size in phased manner, what should be the quantum of increase and periodicity of such increase in size?

The panel size in India is currently less than 10,000 based on a Nielsen US model of a homogenous population and has been restricted in size because of the reluctance of the foreign owners, Nielsen and Kantar, to spend an appropriate amount to expand the panel. Part of the problem lies in the monopoly of pricing of the set top boxes at \$3000 per box.

There is absolutely no doubt that the only way to prevent tampering and corruption of the data is to have a large sample size that cannot be influenced by a few households as is currently happening in niche categories

It is our understanding that, at a level of a 50,000 households, the ratings service would provide highly reliable indicators of viewer preferences and allow for greater coverage of the rural market. However, we think that this could be achieved in three steps; the first a starting sample of 30,000 with two annual increases of 10,000 each.

One of the first steps would be to issue a global tender for the boxes which should bring the price down to \$500 each and an overall cost of \$25m or Rs. 140 cr. This capital cost would be less than 1% of the current annual advertising spend on television.

In order to fund such a large purchase of boxes it is suggested that the industry ask broadcasters pay 0.25% of their advertising revenue over 4 years for the purchase of boxes. This would have the advantage of the boxes being owned by the industry and therefore be easier to switch agencies if required.

Q5. Please give your suggestions/ views on as to how secrecy of panel homes can be ensured?

We don't believe that there is a fool proof method of ensuring the secrecy of panel homes. That is why we feel that in a large sample the possibility of small number of corrupted households would not have a major bearing on the data. Currently, in the Nielsen system, a few households make a huge difference especially in niche markets.

We feel it is important that the minimum households for niche markets not be less 5,000 to protect against manipulation.

We also require a policing system that would investigate all outliers on a regular basis and eliminate those that were found 'tampered' without reference to the agency conducting the survey.

Q6. Please give your comments on the cross holding restrictions for rating agencies as discussed in para 4.23.

There are four types of possible cross holding:

1. Broadcaster and Ratings Agency
2. Rating agency and Advertising agency
3. Advertiser and Rating Agency.
4. Any individual who has substantial stakes in two or more of the above.

Currently, TAM is held 50% by Kantar and its associates who are owned by WPP, the world's largest Advertising Group.

We should ensure that such crossing holdings are completely barred.

Q7. Please give your comments on the complaint redressal mechanism discussed in para 4.25.

All complaints concerning data reliability must be made public through the website of the Industry body and the industry body's supervisory council along with the policing mechanism would investigate all complaints and will impose penalties where required.

Q8. Whether the rate card for sale and use of ratings should be published in the public domain by the rating agencies?

Yes, we agree with your analysis. There should a rate card based on the total channel viewing share and additional data beyond the minimum package of viewership data should also have a rate card.

Q9. Whether other users apart from broadcasters, advertisers and advertisement agencies be allowed to obtain the rating data from the rating agencies? If yes, who all should be allowed to obtain and use the data from the rating agencies? What restrictions should be imposed on use of the rating data by users?

Yes anyone who is willing to pay for the data should be allowed access. This would increase the revenue stream and therefore add to the ability to increase samples, provide more supervision etc .

Q10. Whether the user should be allowed to share the data provided by the rating agency with third parties or publically accessed media.

Users may provide the data to their clients, i.e. advertisers, and for limited publicity purposes, but not provide the full data base to any third party.

Q11. Please give your comments with regard to the parameters/procedures, as suggested in para 4.34, pertaining to mandatory disclosures for ensuring transparency and compliance of the prescribed accreditation guidelines by rating agencies.

In addition to the excellent points made in the paper, we would recommend that the agency be asked to publish the range of error for any viewership data that they present e.g. if they say the GRPs of a channel are 20, the range would be 3-37 as the sampling error could be +/- 17.

Q12. Please give your comments with regard to the parameters/procedures, as suggested in para 4.37, pertaining to reporting requirement for ensuring effective monitoring and compliance of the prescribed accreditation guidelines by rating agencies.

We entirely agree with your submission that they must provide information for transparency but this information must be submitted to the Industry body and be available on the website.

Q13. Please give your comments on the audit requirements for rating agencies as discussed in para 4.42.

No comment.

Q14. Who should be eligible to audit the rating process/system?

Independent audit committee which includes a Statistician and a Market Research Expert. The committee is hired and fired by the supervisory body of the industry and paid for by the agency. This could be an accountancy company or any other body that meets the requirements set out above.

Q15. What regulatory initiatives are required to promote competition in rating services?

While we agree with your suggestion that the survey and the operation of the panel be split, we don't feel that that multiple agencies in different areas would be a workable solution. This was tried in the NRS and failed.

Q16. In case guidelines/ rules for rating agency are laid down in the country, how much time should be given for complying with the prescribed rules to

existing entities in the rating services sector, which are not in compliance with the guidelines?

We believe that the accreditation process has to be done and overseen by the industry body and that TAM must not been given more than 3 months to comply with the new guidelines.

Q17. Do you think integrating people meter with set top boxes is a good solution? If yes, how to encourage such systems?

This is an excellent suggestion as it would allow the panel to continue to grow organically. To implement this there would be a need for a "return path" for DTH boxes.

It should be easy to do but would need some technology to provide individual handsets for the householders.

Q18. Stakeholders may also provide their comments on any other issue relevant to the present consultation.

We believe that the ownership and control of such a service should be in Indian hands. Currently it is in foreign hands which means 1) they are not strictly under India's laws and regulations 2) foreign ownership implies a lack of understanding and disregard of Indian conditions (e.g. heterogeneity in language, regions, caste, rural/urban, class, etc.) 3) redressal for Indian parties including the government is more difficult, time consuming and expensive 4) whit foreigners controlling the "process" in India, they blindly apply foreign processes to Indian conditions. 5). whenever there is shown to be criminal and illegal tampering of Indian viewership data, foreign owners have done nothing to correct these issues, despite the Indian subsidiary pleading with their overseas owners to invest in changes 6) the overseas owners tend to take a short term view of investments in India; instead of investing in a "process" (including a larger and more appropriate sample size) that is suitable for India - overseas owners tend to look for immediate quick profits, which is the fundamental reason for their unwillingness to increase sample size.