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Universe Estimate / Coverage
Universe Estimate (U.E)

- Total persons or homes in a given population

Universe Estimate = Impressions (000)
Rating %
Coverage

• The percentage of homes or persons able to receive an individual network or channel

Coverage Rating % = Coverage Projection (000)
Coverage Universe Estimate
Households Using TV / Persons Using TV
Households Using Television (HUT)

- The percentage of **Total Television Households** that are viewing Television during a given time period

\[
\text{HUT} \% = \frac{\text{HH Rating} \%}{\text{Share} \%}
\]

Or

\[
\text{HUT} \% = \frac{\text{# of Households with TV Sets in use}}{\text{Total Households Universe}}
\]
Persons Using Television (PUT)

• The percentage of Total Persons in a particular demographic group that are viewing Television during a given time period

\[
PUT \% = \frac{\# \text{ of Persons Viewing TV}}{\text{Total Person Universe}}
\]

or

\[
PUT \% = \text{Demo Ratings} \% \\
\text{Demo Share} \%
\]
Share
Share

- The **Percent of Households Viewing Television** that are tuned to a particular program/network during average minute of program or daypart

\[
\text{Share} = \frac{\text{Rating}}{\text{HUT} \%}
\]

**Share Can Help you Calculate Rating or HUT**

- Rating = Share $\times$ Hut
- HUT = Rating $\frac{\text{Hut}}{\text{Share}}$
Average Audience
Average Audience (AA)

- Average Audience reflects viewing for an average minute to a program and is an average of the audience at the specific minute (Min. 1, Min. 2, Min. 3, etc...)

- “AA” can be expressed as a Rating % or Projected Audience (000)

\[
\text{Average Audience Projection (000) = Rating \% x Total Universe (000)}
\]

Or

\[
\text{AA Projection (000) = Viewers Per Viewing Household (VPVH) x HH Projections (000)}
\]

Note: Impressions can be added together across demos, dayparts or stations/sources (ex: M18-49 + F18-49 = A18-49)
Ratings
Ratings (Live)

- The percentage of a specific population group which is tuned to the **Average Minute of a Program or Daypart**

  One Rating Point = 1% of the Population
  Five Rating Points = 5% of the Population
  Ten Rating Points = 10% of the Population

Ratings are **NOT** additive across different Demos;
Ratings must be weight-average when combined
Average Audience Rating %

- The estimate size of the Television audience relative to the total universe, expressed as a percentage. The percent of all TV Households or persons tuned to a specific station

\[
\text{AA Rating} \% = \text{Share} \% \times \text{Households Using Television} \% (\text{HUT} \%)
\]

Or

\[
\text{AA Rating} \% = \frac{\text{Average Audience Projection} (000)}{\text{Universe Estimate} (000)}
\]

Or

\[
\text{AA Rating} \% = \frac{\text{Gross Rating Points} \% (\text{GRPs} \%)}{\text{Number of Spots}}
\]
Ratings by Stream – Program Ratings

• With the increase in time-shifted viewing, Nielsen measures multiple types of ratings that include DVR viewing... these are called “streams”

• **Live + Same Day**
  • The number of households that watched a program either while it aired or watched it via DVR on *the same day of the program* was broadcast

• **Live + 7**
  • The number of households that watched a program either while it aired or watched it via DVR *within 7 days of its original airing*

Live + SD & Live + 7 ratings are based on average program ratings; not commercial ratings
Ratings by Stream – Commercial Ratings

- Agencies / Clients demanded a more precise measurement of their commercials, so in 2007 Nielsen released commercial ratings

- **C3 (Commercial Rating + 3 day DVR viewing)**
  - Measure of the commercials watched both live and three days after original airing with DVR playback

- **C7 (Commercial Rating + 7 day DVR viewing)**
  - Measure of the commercials watched both live and seven days after original airing with DVR playback

Does not measure specific commercials; average rating of commercials within the program

C3 is the National Currency – what the dollars are guaranteed on
Gross Rating Points (GRPs)
Gross Impressions

- The total number of Households, or Persons, exposed to an advertising schedule

- Gross Impressions = Gross Rating Points % (GRPs %) x Total Universe (000)
Gross Rating Points (GRPs)

- The sum of all ratings for all programs in an advertising schedule. One rating point equals one percent of total audience (universe)

  \[ \text{GRPs} = \frac{\text{Impressions (000)}}{\text{Universe Estimate}} \]
  
  or

  \[ \text{GRPs} = \text{Rating} \% \times \text{Number of Spots} \]
  
  or

  \[ \text{GRPs} = \text{Reach} \% \times \text{Frequency} \]

- The sum of all rating points in a given schedule
- Takes into account duplication
- Can exceed 100
- Describes the amount of media weight
Reach
Reach

- The number of \textit{different} households or persons who are exposed \textit{at least once} to a program, daypart, or advertising schedule over a given period of time; Also referred to as Cume, Unduplicated Audience or Net Audience

\[
\text{Reach} = \frac{\text{Gross Ratings Points (GRPs)}}{\text{Average Frequency}}
\]

- Does not take into account duplication
- Usually expressed as a percent
- Can never exceed 100%
- A one time rating is a reach
Reach is maximized between 100-150 GRPs; additional GRPs will hit the same consumers (frequency) and fewer new ones.
Frequency
Average Frequency

- The average number of times that each Household (or Person) is exposed to an advertising schedule or campaign. (Expressed as an absolute number)

Avg. Frequency = Gross Rating Points (GRPs) / Reach
Viewers per Viewing Household
Viewers per Viewing Household (VPVH)

- A measure of a program’s audience composition (or profile) relative to the Households tuned to the program

\[
VPVH = \frac{\text{Persons or Demographic Projection (000)}}{\text{Household Projection (000)}}
\]

- Shows the audience skew of a program/network
- Can be expressed in Hundreds (.10) or Thousands (.100)
- Is additive between demographics
- Used in estimating a program’s target audience
Average Hours of Viewing

- HUT / PUT converted to the average hours of viewing per home or per person

Average Hours of Viewing = Duration of Period x Households Using Television % (HUT %)
Cost Per Thousand / Cost Per Point
Cost Per Thousand (CPM)

- The cost of delivering One Thousand Impressions within a defined population group

\[
CPM = \frac{\text{Media Cost (in Dollars)}}{\text{Gross Audience (000)}}
\]

or

\[
CPM = \frac{\text{Bucks}}{\text{Schmucks}}
\]

- Basic Formula of negotiation among cable networks
- Measures efficiencies of media schedule
- Allows for cross media evaluation
Cost Per Point (CPP)

- The cost to deliver a single rating point (1% of the defined population)

CPP = \frac{\text{Average Unit Cost}}{\text{Rating} \%}

Or

CPP = \frac{\text{Total Schedule Cost}}{\text{Gross Rating Points} \% \text{ (GRP} \%)}
Industry Definitions & Terminology
Viewing Sources Definitions

- **Broadcast Networks** - Tuning to any ABC, CBS, NBC, FOX, iON, CW, MNT, Estrella, Unimas, Telemundo, Univision broadcast network affiliated station.

- **Other Broadcast** - Tuning to a broadcast station identified as Independent from any of the above listed broadcast networks. Independent broadcast networks include Emerging networks such as Azteca America.

- **PBS** - Tuning to all station affiliated with the Public Broadcasting Service.

- **Premium Pay** - Tuning to Premium Pay Cable services (Encore, HBO, Multimax, Showtime and Starz)

- **Ad-Supported Cable** - Tuning to all advertiser supported cable networks. Only includes Cable Networks that run advertisements. (AMC, CNN, ESPN, TNT, etc...)

- **All Other Cable** – Tuning to those cable networks that are neither ad-supported nor premium pay. Includes pay per view, interactive channels, home shopping channels and audio only feeds but excludes the Disney Channel

- **All Other Tuning** – Effective with installation of the A/P meter in 7/05, reports tuning to a distributor that could not be identified due to a lack of encoding and/or monitoring.
Local Terminology

- **Designated Market Area (DMA)**
  - DMAs are a way of designating particular geographic markets and are often ranked by the size of the population.

- **Interconnect**
  - A large group of cable systems within a DMA that are “connected” together. Interconnect gives advertisers the option to reach all cable households within a given market with one buy, one contact and one tape.

- **Head-end(s)**
  - The physical location(s) from which a cable system process signals and broadcasts.
Abbreviations & Demographic Derivations
# Commonly Used Abbreviations

<table>
<thead>
<tr>
<th>Abbreviation</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>NTI (Broadcast)</td>
<td>Nielsen Television Index</td>
</tr>
<tr>
<td>NSI (Syndication)</td>
<td>Nielsen Syndication Index</td>
</tr>
<tr>
<td>NHI (Cable)</td>
<td>Nielsen Home Video Index</td>
</tr>
<tr>
<td>NHTI (Hispanic TV)</td>
<td>Nielsen Hispanic Television Index</td>
</tr>
<tr>
<td>ADS</td>
<td>Alternate Delivery Source</td>
</tr>
<tr>
<td>DBS</td>
<td>Direct Broadcast Satellite</td>
</tr>
<tr>
<td>DMA</td>
<td>Designated Market Area</td>
</tr>
<tr>
<td>MSO</td>
<td>Multi Systems Operator</td>
</tr>
<tr>
<td>SMATV</td>
<td>Satellite Master Antenna Television</td>
</tr>
<tr>
<td>AOT</td>
<td>All Other Tuning</td>
</tr>
<tr>
<td>TELCO</td>
<td>Television Cable Operator</td>
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</tbody>
</table>
## Demographic Derivations

<table>
<thead>
<tr>
<th>To Derive</th>
<th>Computation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2-5</td>
<td>2-11 minus 6-11</td>
</tr>
<tr>
<td>35-49</td>
<td>18-49 minus 18-34</td>
</tr>
<tr>
<td>25+</td>
<td>25-54 plus 55+</td>
</tr>
<tr>
<td>35+</td>
<td>18+ minus 18-34</td>
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<td>50+</td>
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<tr>
<td>65+</td>
<td>18+ minus 18-64</td>
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<td>50-64</td>
<td>35-64 minus 35-49</td>
</tr>
<tr>
<td>18-64</td>
<td>18-34 plus 35-64</td>
</tr>
<tr>
<td>25-64</td>
<td>25-54 plus 55-64</td>
</tr>
<tr>
<td>18-24</td>
<td>18+ minus (25-54 plus 55+)</td>
</tr>
<tr>
<td>25-34</td>
<td>18-34 minus 18-24</td>
</tr>
<tr>
<td>50-54</td>
<td>(18+ minus 18-49) minus 55+</td>
</tr>
<tr>
<td>55-64</td>
<td>55+ minus 65+</td>
</tr>
<tr>
<td>25-49</td>
<td>18-49 minus 18-24</td>
</tr>
<tr>
<td>35-54</td>
<td>(18+ minus 18-34) minus 55+</td>
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<tr>
<td>12-24</td>
<td>12-17 plus 18-24</td>
</tr>
<tr>
<td>18-54</td>
<td>18-24 plus 25-54</td>
</tr>
</tbody>
</table>
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