

## Comments on feedback channel measurement

---

Berne, 18. June 2008

**Feedback channel measurement has recently become a frequent topic of discussion and is being recommended in the press and in specialist magazines. In this way, it is claimed that data on the TV consumption of several 100,000 households can be obtained without having to resort to elaborate and costly panels. However, this research approach has not been sufficiently critiqued or investigated.**

A variety of reports has appeared in the press recently claiming that a number of market research companies are negotiating with cable and satellite TV suppliers to record the usage patterns of more than 100,000 households, initially in the US, using feedback channel measurement. Can the new research approach using feedback channel measurement really generate data on media behaviour in line with the current standards of electronic media research without having to fall back on an elaborate and thus costly panel?

### **Brave new world thanks to feedback channel measurement?**

Compared with traditional panel research, feedback channel measurement represents a different approach to research: instead of addressing the user, measurements are carried out on the side of the medium. With this method, the content consumed by users is not measured. Instead, measurement focuses on which medium content is supplied to the end user's device.

In technical terms, the user's set-top box is asked which media have been consumed at what time. This usually takes place via an analogue modem, which is integrated into more modern set-top boxes. If – as with IP-TV – the Internet protocol is used as a transport protocol, the process is even easier: the standard Internet protocol has a feedback channel – in the case of IP-TV, content is requested by the user via this channel. With IP-TV, the operations centre thus already knows which broadcasts have been collected.

Carried out consistently, a full survey of the public by content suppliers themselves almost immediately after broadcasting thus appears to be possible using feedback channel measurement without the need for any costly panels, household installations and without a market research institute – the dream (or nightmare) of every market researcher becomes a reality. Unfortunately, however, feedback channel measurement is more complicated and problematical in reality than would appear at first sight.

### **The flip side of the coin of feedback channel measurement**

The problems that occur are manifold: one technical problem is, for example, that set-top boxes fitted with integral modems require an additional cable to link the set-top box to the household's telephone connection. If both the telephone socket and the TV socket are not in the same location – as is so often the case – the connection between the set-top box and the telephone socket has to be laid within the apartment. Accordingly, this research approach also needs a technician to carry out the installation work in the household. In the case of cable TV, the set-top box can be fitted with a cable modem in advance – an analogue modem with installation work to connect it to the telephone line is unnecessary in this case. Based on the higher prices of cable modems, research becomes much more expensive in this case, however.

In the case of IP-TV, it must be noted that not all suppliers also save the consumer information – polling is thus impossible. Technical problems also arise with the multitude of set-top boxes used. Because each model has to be specially controlled, a simple, central query is impossible – the number of available households is reduced to those with compatible set-top boxes.

At any rate, cooperation both with set-top box manufacturers as well as with media suppliers is essential as research is dependent on cooperation from both of them.

However, there are other disadvantages: firstly, the legal situation should be mentioned at this point. In Europe at least, the passing on of a household's consumer information is only possible with their consent – which further limits the number of households available for an evaluation.

The fundamentally different approach of feedback channel measurement by the content supplier mentioned at the beginning results in the problem that it is not people who are actually being measured but set-top boxes; no information whatsoever can be given about the person(s) sitting in front of the TV set. However, it is precisely this information that is of importance for programme scheduling, advertising scheduling and evaluation as the basic issue is always whether one has reached one's public and thus one's target group. Accordingly, it is impossible to collect any information on the number of people, on age, on gender or any other demographic details without additional studies. It is true that this data can be added to the evaluation using data fusion. Nevertheless, the question arises in this case as to whether important target groups have been forgotten and what the point of measurement is if fusion is the determining moment in the end anyway. From the viewpoint of research, the fact that there are many factors that can influence the result is also a matter for concern: once again we see here the dependence of content suppliers and set-top box manufacturers that was mentioned above, problems with the evaluation of different set-top boxes (for example, do all models evaluate broadcasts that have been consumed as having been "viewed" according to the same criteria?). With feedback channel measurement, it is also impossible to guarantee without further studies whether there are additional reception vectors in a household, whether the set-top box is only used to record broadcasts and not for live viewing or whether the TV is switched on. The consumption of DVDs, recorded broadcasts, games, etc. cannot be evaluated at all.

### **Conclusion**

The GfK Telecontrol Group welcomes the new options for research that have resulted from digitalisation in the shape of feedback channel measurement and is taking a very close look at research in this area. It is beyond dispute that feedback channel measurement – particularly in connection with the Internet protocol – will be of increasing significance in electronic media research.

At the same time, however, the GfK Telecontrol Group feels that it is essential to assess the possibilities offered by this emerging research approach in line with reality.

Using the current set-top boxes, research is still limited in scope without any technical installations in a household. The data gained from feedback channel measurement does not contain any socio-demographic information and the quality of the data falls short of today's standards. Until the problems and disadvantages that accompany feedback channel measurement are solved, there is no alternative to a traditional panel if electronic media research is to be of a high quality.

### **The GfK Telecontrol Group**

The GfK Telecontrol Group is a wholly-owned subsidiary of GfK AG in Nuremberg, Germany – the fifth-largest market research company in the world. Located in Switzerland, the GfK Telecontrol Group is a good example of "Swiss Quality": its products Telecontrol and Mediawatch – both of which are in-house GfK Telecontrol Group developments – have been in use in a total of 28 countries worldwide for 22 years. The Swiss Broadcasting Company, in particular, has been using Telecontrol since 1985 to survey TV viewing habits and Radiocontrol or the Mediawatch since 2001 to survey radio listening habits. However, Telecontrol or the Mediawatch are also used worldwide to survey TV and radio consumption in Germany, Austria, Cyprus, many Eastern European and Asian countries like Rumania, Bulgaria, Armenia, Georgia and India and other countries.

### **Contact**

Telecontrol AG  
c/o Berakom AG  
Haslerstrasse 21  
CH-3008 Berne  
Tel. +41 31 380 80 40  
Fax +41 31 380 80 44  
office@telecontrol.ch  
www.telecontrol.ch