

**ARF GUIDELINES
FOR THE AUDIENCE MEASUREMENT OF
YELLOW PAGES**

Second Edition



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Adopted by ARF Board of Directors

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641 Lexington Avenue, New York, NY 10022

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Authoring Committee

Blanche McGuire, Ketchum Directory Advertising, Chair

Nancy Augustine, Association of Directory Marketing

David Bernstein, Verizon Information Services

Cheri Biton, Association of National Advertisers

Kathleen DeCaire-Aden, SMG Directory Marketing

Gail Einhorn, TMP Worldwide

Shonna Hughes, QwestDex, Inc.

Vicky Ann Nichols, SBC

Joel Raphael, Viewpower, Inc

Kathy Rary, BellSouth Advertising & Publishing

Gabriel Samuels, Consultant

Jeff Vidakovich, Wahlstrom Group

ARF Review Board

Bruce Goerlich, Insights, Accountability & Eyeballs, Inc.

Cynthia Evans, Mediaedge:CIA

Mark Kaline, Ford Motor Company

Larry Small, Yellow Pages Integrated Media Association, Inc.

Joanna Caproni, Consultant

Background

The first edition of the “ARF Guidelines for the Measurement of the Yellow Pages Medium” was developed by the ARF Yellow Pages Steering Council, and published by the ARF in 1995.

In late 2002, the Council initiated a drive towards revising the Guidelines and publishing a Second Edition to reflect and address the changing realities of the Yellow Pages industry today.

The specific marketplace dynamics behind this initiative are the following:

1. The publication of the ANA/AAAA White Paper

A July 2002 White Paper, jointly issued by the Association of National Advertisers (ANA) and American Association of Advertising Agencies (4A's), expressed concern about the industry's current lack of reliable, consistent and accessible directory usage research for national Yellow Pages advertisers. It called for the establishment of an acceptable, reliable and consistent, independent third-party audience measurement research service. Currently, publisher-sponsored proprietary directory usage studies do not provide consistent, acceptable measurements across all publisher territories and are often not available to advertisers and their agencies.

2. The changing technical environment

Today's new technology platforms (such as the Internet and CD-ROM) have greatly expanded delivery options for both Yellow Pages and other communication media and have produced a number of alternative choices for consumers. This makes the need for (acceptable and comparable) audience information – as the basis for trading in media -- much greater, while ironically, making the measurement process more complicated and costly.

3. Increasing competition

In major markets, competing publishers now offer consumers a vast array of both printed and electronic directory choices. This development has accelerated in recent years and is still growing. It also means that existing methods of selecting directories (by CMRs) for advertising are not adequate.

4. Growing advertiser sophistication

Advertiser calls for marketing and advertising accountability in all media have dramatically increased since 1995. This has forced media sellers and buyers to invest a good deal in infrastructure to provide required

audience information to their clients. As a result, today's audience measurement tools for other media such as TV, radio, newspapers and magazines, are much improved – and so are the capabilities of the users to expertly manage the growing stream of research-based audience estimates or ratings. In order to successfully compete, the Yellow Pages industry needs to catch up to the other major media.

This set of guidelines is presented by the Yellow Pages Steering Council of The ARF as a framework for credible research to support the needs of the industry at a national and local level.

Having acceptable, reliable, consistent, independent third-party audience research will demonstrate to both current and new advertisers the value of specific directories and the Yellow Pages medium overall. This initiative is especially critical in today's advertising climate when advertisers face a variety of media choices and are constantly asked to justify advertising expenditures.

Objectives

The objectives of the *Second Edition of the ARF Guidelines for Yellow Pages Audience Research* are similar to those of the 1995 Guidelines. The resulting document, however, is quite different and is singularly focused on achieving the ultimate goal: an audience measurement system that will provide the Yellow Pages industry with directory share and rating information that is credible and comparable to other mass media.

Specifically, to:

“Encourage and guide the creation of research comparable to other media that will provide necessary information to produce ratings for: a) advertisers to support the purchase of Yellow Pages directories; and b) publishers and agencies to facilitate the sale of advertising in Yellow Pages directories.”

The Yellow Pages Council continues to support and use all parts of the 1995 Guidelines that have been time-tested, but at the same time, it will avoid recommendations that are either wrong or irrelevant in today's environment.

- The Second Edition does not discuss the general merits of specific data collection methods. Given the clear need for creative solutions to the myriad issues at hand, it is the Council's judgment that research companies should not be bound to accept *only* traditional research methodologies; e.g., telephone interviews.

- Issues that are generic and affect *all* survey research are not addressed by the Second Edition. Instead, the practitioner is referred to the ARF's "Guidelines for Market Research." (See Appendix B for an outline of those guidelines.) On the other hand, issues that are specific and relevant to directory advertising research (e.g., validating directory identification through directory spinal codes) are explicitly addressed.
- The Council also rejects the lengthy operational definition of audience given in 1995, for a variety of reasons. First, the approach was too complicated. More importantly, the definition tended to penalize Yellow Pages audiences when compared to other media. A simpler alternative, one more compatible with the way other media are measured today, is recommended in the *Common Currency* section of these guidelines.

In summary, this document will:

- Provide a new definition of audience for Yellow Pages usage
- Offer no specific research methodology solution
- Not deal with generic research issues
- Recommend that research providers adhere to ARF research standards

Common Currency

The ARF Media Model (see Appendix C) identifies eight levels at which media performance can be measured. The common currency for major media in the United States is the advertising "impression" (the third level of the ARF Media Model.) It is difficult, if not impossible, to measure "impressions" in a way that will be fair to all media. Is "watching" television equivalent to "looking into or reading" a magazine?

However, since this quantity, labeled "impression," is often the actual basis for comparing media proposals from media sellers, it is imperative at this time for the Yellow Pages industry to embrace this terminology as a necessary component in their sales and purchases of advertising.

With regard to Yellow Pages, the impression is defined as:

a reference to a directory within the last 30 days.

The actual operational definition and the rationale for it may be more clearly understood in Section 9, Metric and Definitions.

This impression definition is a major departure from the 1995 Guidelines that defined Yellow Pages usage as a "three phase process." We replace that

definition in favor of the widely accepted **impression**. There are several reasons for this replacement:

- “References” and “Occasions,” while clear and simple terms in the Yellow Pages industry, are not useful as a general, competitive “currency” in the rest of the advertising community.
- Not only is the terminology “reference” not well known by the general advertising practitioner, but also the use of “three phases” adds unnecessary complication to what we need to simplify.
- Finally, while “Product/Service Need” can lead to an exposure or Impression, the “Product/Service Need” is not part of the actual impression itself. (See the 1995 Guidelines definitions in Appendix B.)

Geography

Defining the area to be reported is a separate issue from defining the area to be measured.

For reporting purposes, there exist a number of geographic areas that are of interest to prospective buyers and sellers of Yellow Pages advertising. Chief among those is the Directory Distribution Area (DDA), which is the usual unit that advertisers can purchase. In most cases, the DDAs vary by publisher. Areas other than DDAs may also be relevant to different constituencies. For instance, a national advertiser may *only* be interested in the media delivery statistics (Impressions or OTS) for the Metro area, DMA or MSA – regardless of the fact that one can only purchase directory advertising by DDA.

To allow additional customized reporting, configured to any area desired by a user, the sampling units for measurement must be very small and must be selected in such a way to permit aggregation of the sampling-unit measures into audience measures for alternative custom geographies that are representative and meaningful.

The actual size and number of such “small” units will vary by market and will depend on market conditions (i.e., competition) and on the economics involved. These sampling units may be defined using ZIP codes, block groups, or some other geographic building blocks.

Sampling Procedures and Definition of the Universe

The use of a probability sample design is a requirement for any [projectable] study of Yellow Pages usage. In a probability sample, "...the sampling units at every level (e.g., persons, households, families, purchases, stores, business firms, etc.) are selected on a random basis..." (See "*The ARF Guidelines for Market Research*," p. 23.)

The sample universe should be defined as adults 18 years of age and over who reside in households within a market geography.

In the absence of a representative person-based sampling frame, a two-stage sampling procedure may be used where a suitable household-based sampling frame exists. The first stage would be based on a household frame from which a random selection of households is made and in the second stage a random selection of one, or possibly more, adult(s) would be obtained from those selected households. The process used to select those adults should be performed in a manner that closely approximates the desired outcome of "an equal probability of selection for each adult among all adults identified in the set of randomly selected households." The complete sampling process should be fully and clearly described in the technical documentation provided to users of the study.

The ARF-recommended weighting procedures to address probability of selection and non-response should be followed. (See "*The ARF Guidelines for Market Research*," pp. 59-60.)

In those instances where a discrepancy may exist between the original sample parameters and population parameters, multiple attempts to contact all remaining non-respondents should be made to try to eliminate that discrepancy. If, however, it is not possible to produce a sample consistent with population parameters by making additional callbacks, sample balancing may be used. (See "*The ARF Guidelines for Market Research*," p. 59, for cautions and limitations associated with sample balancing.) Census data compiled by several national companies provide key population parameters by directory distribution area. These data can be used to compare population with sample parameters.

The necessary sample size depends on the desired precision of the study results and the subgroups or custom geographies that are to be examined. Please consult "*The ARF Guidelines for Market Research*" for a more detailed discussion of sampling considerations.

In no event should any directory total audience (or rating) be based on a sample of less than 100 in its own DDA.

However, the maximum error associated with this sample size is approximately plus or minus ten percentage points. Where greater precision is required, the

sample should be supplemented.

For all acceptable studies, standard errors – and their computation procedure – [Note: the difference in dashes.]should be reported in conjunction with study results.

Products to Be Measured

It is clearly recognized that the Yellow Pages marketplace is in need of acceptable [audience] measurement of print Yellow Pages (including the classified sections, covers, and other advertising options), print white pages, Interactive (online) Yellow Pages, and Yellow Pages on CD-ROM.

At the same time, we are faced with the urgent need to address the primary objective that calls for the establishment of a common currency for local Yellow Pages directories (print and CD-ROM).

The two needs above present a dilemma:

Either do a thorough job of creating a common currency that will cover ALL of the directory advertising/business products, but this will require a more complex, more costly and more time consuming effort . . .

Or,

Concentrate on the single, most important product: the printed and CD-ROM versions of Yellow Pages directories, but this will leave a number of products without acceptable currencies.

In the interest of achieving a successful outcome in the shortest possible time, the Council recommends that the second option be taken. This recommendation is offered with the understanding that work on a Third Edition of these Guidelines – which will fully address Yellow Pages online, as well as other advertising options -- will commence as soon as possible.

Data Collection Method

Many factors will ultimately determine the data collection method used for audience measurement of Yellow Pages directories. Issues such as timing and geography must be taken into consideration.

For these reasons, and due to the need for expediency, the Council will not, at this time, limit the choice of data collection method. Acceptable methods could include: telephone interview, personal interview, online interview, self-administered questionnaire delivered by mail, email, or Web, or any other method that meets “*The ARF Guidelines for Market Research.*”

One other consideration that may affect the selection of a methodology is the

growing presence of Hispanic, Asian, and other non-English speaking populations in many markets along with the increased attention to bilingual education. These ethnic/cultural realities combine to indicate that the survey methodology selected and the sampling procedures used need to accommodate these subgroups.

Timing

The Council recommends a *continuous measurement cycle* with a minimum of 12 months of data collection, and with *reporting at least annually*, as corresponds to directory publication frequency and the life cycle of advertising placement.

Data collection shall be scheduled so that equal numbers of interviews are conducted throughout the year and by day of the week. This minimizes effects of directory delivery patterns and usage variability due to seasonality and duration of product and service purchase cycles.

The reporting interval must provide as a basic unit a 12-month period. The data can be reported for *any* contiguous 12-month cycle (i.e., January-December or July-June.)

Metrics and Definitions

The new ARF Media Model identifies eight levels at which media performance can be measured and compared to help marketers plan their advertising campaigns. Appendix C contains brief descriptions of the eight levels of the model and their suggested equivalents for the measurement of Yellow Pages.

The third level of The ARF Media Model, Advertising Exposure, is where these guidelines are primarily focused. The key metric here is a count of the people exposed to the media vehicle. It is the highest level of measurement that is still a mostly pure media effect. For Yellow Pages, it is the count of references to a specific directory, explicitly identified by its code. This is (or should be) the comparable number (when presented as a percentage) to other media **ratings**.

In addition to the overall rating for any given directory, it must be clearly understood that a measure of At Work impressions should be required. The actual derivation of the **total audience** estimates for a directory should therefore include two components:

Personal: The count of individuals who referenced a specific directory, explicitly identified by its code, at least once in the past 30 days, for a personal use, regardless of WHERE the reference takes place.

Business: The count of individuals who referenced a specific directory, explicitly identified by its code, at least once in the past 30 days, for a business use, regardless of WHERE the reference takes place.

Demographics

A primary consideration for media planners and advertisers as they select a target audience is the selection of key demographic groups. The Yellow Pages Steering Council recommends that, at a minimum, Yellow Pages audience measurement surveys include the following demographic variables:

Age

Gender

Income

Education

Race, ethnic group and language

Type of dwelling (single-family, multi-family, own/rent)

Number of adults in household

Number of children in household

Whether books was used for business purposes, at home or at work.

Minimum sample size reporting standards should be carefully adhered to when reporting demographic segments.

Other Methodological Issues

In its Principles document which served as a basis for these guidelines, The ARF Yellow Pages Steering Council identified a number of methodological issues that are not specific to Yellow Pages and that are covered in detail in other guidelines documents. The Yellow Pages Guidelines authoring committee elected to focus our efforts on the objectives detailed at the outset of this document, and to refer the reader to *“The ARF Guidelines for Market Research”* and *“The ARF Handbook”* for the other topics that are not covered here explicitly.

APPENDIX A

The 1995 Guidelines Definition of Usage

The following discussion, which we excerpt here from the 1995 Guidelines in its entirety, can help one understand the complexity of this medium and the need for simplification. [Note: because it is an extract, I will not edit.]

“AN OPERATIONAL DEFINITION OF YELLOW PAGES USAGE: A THREE PHASE PROCESS

Magazine and newspaper media audience measurement has been traditionally based upon "readership." For radio, it has been "listenership" and for television, it is "viewership."

For the Yellow Pages, the standard unit of measurement will be termed the "reference." A reference is a term with which Yellow Pages stakeholders are familiar and which they typically employ to describe the use of the Yellow Pages.

Yellow Pages referencing is a three-phase process, with each phase having value for the purchaser of Yellow Pages advertising. The operations used to define the reference at each phase follow:

1) Product/Service Need

Consumers turn to the Yellow Pages to satisfy a need that is related to a product or service. It is this need that drives the act of going to and picking up a directory. The Yellow Pages is not a medium that people are exposed to without an information related purpose in mind. The first phase in the Yellow Pages referencing process will be termed the "Product/Service Need." For example, the consumer may have a product/service need relative to taking a cruise.

2) Yellow Pages Occasion Reference

To satisfy the product/service need, the consumer turns to the classified section of the Yellow Pages. This second phase in the referencing process will be termed the "Yellow Pages Occasion Reference." It involves each and every occasion that the consumer opens a directory to the Yellow Pages.

For example, relative to taking a cruise, a Highland Park, Illinois consumer may look into a directory for Highland Park, a suburb of Chicago, or a directory for the city of Chicago itself. Or the consumer may look into both of these directories. Looking in two directories would constitute two

occasion references because the consumer opened directories to the Yellow Pages twice.

3) Yellow Pages Heading Reference

For each occasion reference, the consumer may refer to one or more headings. The "Yellow Pages Heading Reference" is the third phase of the referencing process. It represents those headings to which the consumer turns in the course of satisfying a product/service need. For example, the consumer relative to taking a cruise, may reference such headings as travel agencies, travel clubs, and cruises.

Two categories of heading references will be documented. The first is to the heading or headings that meet a product/service need. The second is to the heading or headings that do not meet a need, but which were investigated as part of the information seeking process. The number and type of headings referred to reflect how effectively the consumer uses the Yellow Pages and/or how well the heading structure of a directory is organized.

References to headings that do not meet a product/service need have value because a) the consumer may store away information he or she saw for use during a future need search and b) they provide insight into how the consumer uses the Yellow Pages. A diagram that represents and relates the three phases of the referencing process in the "cruise" example is provided in Appendix B.

Reference phases associated with the 1) satisfaction of product/service needs, 2) the number of occasions on which the Yellow Pages are opened, and 3) headings referenced will all be considered part of the standard unit of Yellow Pages usage. While each of the three phases of Yellow Pages referencing can be measured individually, it is the combination of phases that will comprise the measurement system. Even though the three phases of referencing are designed to be measured concurrently, a situation may arise in which a stakeholder wants to measure only one or two of the three phases of the referencing process. For example, a particular publisher may only want to measure occasion references. The modular nature of this system will allow for this kind of measurement. See Appendix C for the number of product/service needs, occasion references and heading references associated with 12 usage scenarios. Sub-committee agreement on the number of references associated with each of these scenarios indicates a measure of face validity with the operational definition.

In summary, a reference to the Yellow Pages will be defined in terms of three separate and distinct phases. They are:

- ~ Product / service need.
- ~ Occasion reference.
- ~ Heading reference.”

Appendix B

2002 ARF Media Model

The 2002 ARF Media Model identifies eight levels at which media performance can be measured to help marketers plan their advertising campaigns. This model is a particularly appropriate basis for establishing comparable and acceptable metrics. Following are brief descriptions of the eight levels of the model and their suggested equivalents for the measurement of Yellow Pages.

1. Vehicle Distribution. This is a count of physical units through which advertising is distributed. It is a pure media effect. For Yellow Pages, this is an audited count of printed or electronic (CD-ROM) circulation. By “circulation” it is understood to mean “certified as delivered” rather than “printed” copies.
2. Vehicle Exposure. This is a count of the people exposed to the media vehicle whose eyes or ears are open. It, too, is a pure media effect. For Yellow Pages, it is a measure of usage of the directory; in current Yellow Pages terminology: “Occasion Reference,” in our recommended new terminology: Yellow Pages Exposure. This is akin to “net circulation” for a television station and should always be referenced by the time-period it refers to; i.e., weekly exposure to a particular directory or total exposure annually.
3. Advertising Exposure. This is a count of the people exposed to the media vehicle who also are exposed to its advertising. It is the highest level of measurement that is still a mostly pure media effect. For Yellow Pages, it is the count of references to a directory. This is the all-important **impression** or OTS. This is (or should be) the comparable number (when presented as a percentage) to other media **rating**.
4. Advertising Attentiveness. This is the degree to which those exposed to the advertising are focused on it. It is the first measurement level at which the effects of the medium are significantly confounded with the effects of the creative. For Yellow Pages, it could be the counts of specific Product/Service References and specific Ads or Listings References.

In the general advertising marketplace this is comparable to “ad exposure.” It is a useful metric (to assess positioning or size of ad) but it should not be confused with Vehicle Exposure which is the main currency for all other media.

Appendix C continued

5. Advertising Communication. This is a measure of the information retained by the consumer after exposure to the message. (Current measurement techniques include advertising and brand awareness tracking, copy testing/recall, advertising recall studies, etc.) There does not appear to be a useful metric with reference to Yellow Pages.
6. Advertising Persuasion. This is a measure of the shift in intentions produced by Advertising Communication. Here we are interested in the medium's ability to frame the message in ways that make it more credible, more relevant, and hence more persuasive. This metric may not be easily tracked for the Yellow pages medium. More discussion is needed.
7. Advertising Response. This refers to measures of consumer response short of sales. Examples include visiting a showroom, calling a toll-free number, clicking on an online ad, requesting a brochure, etc. For Yellow Pages, it is the counts of advertisers contacted and the total number of contacts.
8. Sales Response. This is purchase of the advertised product or service in response to the advertising. Of all the measures listed, it is the most relevant to the advertiser but the least dependent upon advertising and media effects. For Yellow Pages, it is the counts of actual purchases of product or services.

APPENDIX D

ARF Guidelines for Market Research

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