

Issue #2: TAB's New Audit- How Independent Count Stations Translate To Greater DEC Credibility

What's a count station and why should you care?

TAB is on schedule to release audits based on our new methodology this year. I have asked several of our members, who were influential in the development of the new audit, to comment on the need for and benefits of the new audit procedures.

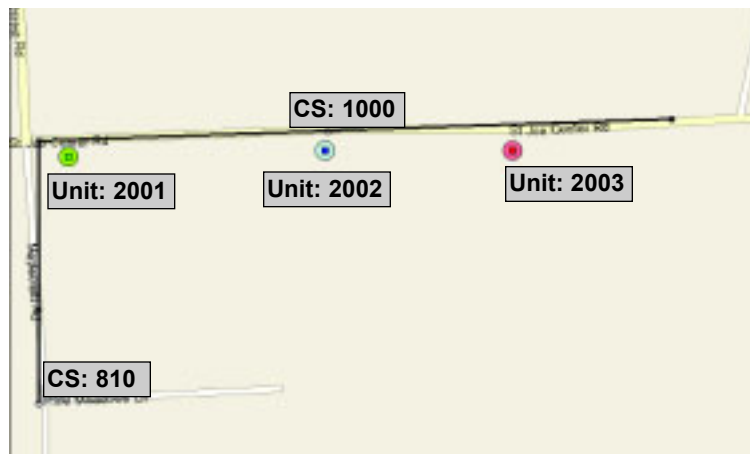
What was the fundamental problem associated with TAB's old audits? John Connolly, VP at MediaCom, gets right to the point. "What we've had in the past were too many instances of conflicting Daily Effective Circulation (DEC) quotes from competitive vendors whose units were virtually side by side. This never looked good to agencies and advertisers." The dilemma was that each plant operator audit and the collection of that plants' traffic counts was conducted separately. In essence, every plant operator's audit was compiled in a unique database, each with its own set of traffic counts.

In the new audit, count stations have gained their independence. This has been accomplished by separating the creation of count stations and the collection of traffic counts from the physical auditing of plants. No individual plant will have its own count stations. Instead, count stations are audited separately at the market level for all plants equally. Currently, TAB audits nearly 250,000 units of out of home inventory that are now assigned to approximately 75,000 independent count stations.

A count station is a unique section of a roadway that has a specific traffic count associated with it. Looking at our example, you'll find count stations 810 and 1000. You will also see units 2001, 2002, and 2003. A different vendor owns each unit. Under the old audit, each unit might have had its own count station. Now, under the new methodology, count stations are assigned to the market. All three are correctly assigned to the same count station in order to receive the same traffic count and DEC.

Randy Romig, V.P., Real Estate, Adams Outdoor explains, "The most immediate benefit of the new methodology is that we're going to be able to count on very objective figures because we're no longer auditing plant by plant and we're not preparing the audits within the plant, it's being done market by market and the computations are being made by an independent source. That is critical, there's a great deal of strength in it".

With the geo-coding of panels, it is becoming easier for TAB and the outdoor vendors to quickly and properly assign panels into one integrated database (I'll be discussing more about the benefits of geo-coding inventory and the integrated TABviews database in future TAB Briefs). For now, I'd like to stress the important relationship between technology and in-market knowledge. In our example, unit 2001 is at the intersection of two count stations, but has been assigned to count station 1000. A purely technical conclusion would have only



Example: Two Count Stations

used traffic counts from that count station. However, our auditors are consistently working with plant operators to make sure the appropriate traffic counts are applied. In this example, they would determine if the traffic from count station 810 should be included, or, perhaps, if a new count station needed to be formed.

The new count station assignments are nearly complete. I want to thank all the plants for their help in clarifying count station addresses. Now we enter the final stage of the transition to the new audit methodology. We are in the process of contacting all plant operators to clear up unit level discrepancies if any and to certify that their inventory has been correctly assigned into the new market level count stations. Cooperation from plant operators is crucial to meet our delivery deadline.

Dan Voorhees, Clear Channel Outdoor's Supervisor of Plant Development in Los Angeles sums it up best. "What we have to do now is cooperate and get the basic count station structure done accurately. Then all we'll have to do is follow through with any changes that have occurred over the past year. Once this count station structure is in place, we eliminate the problem of reinventing the wheel every time we do an audit - it won't matter who did the last audit - the information will be in place and will only need to be updated."

I hope you now have an understanding of why better numbers are on-the-way. In the near future, I'll also be explaining how this new system will be useful to other research companies as they pursue their own initiatives for the out of home medium. In the meantime, I'd like to leave you with the insight of Duncan Maurer, Director of Media and Production, Pernod Ricard USA.

"TAB's new audit methodology gives the media planning community a lot more confidence in information on the out-of-home medium," says Duncan. "As always, I will encourage my colleagues to only buy out-of-home locations that are audited. That will give more credibility and value to the whole process."

Joe Philport