As the previous chapter illustrated, social, political, and media institutions routinely gather information about the public through a variety of measurements, although these measurements sometimes speak more to the goals of the institutions in question than to the specific needs and self-conceptions of the public. Corporations and other commercial institutions also have a vested interest in measuring media audiences. In order to be responsive to consumer needs and desires and ultimately generate revenue, advertisers and marketers have devised elaborate means for obtaining feedback.

Wal-Mart, the largest retailer in the United States, stands out in the industry when it comes to turning information into profit. It is perhaps obvious to say that Wal-Mart is in the business of selling products such as electronics, toys, and clothing to consumers. What is less obvious, however, is Wal-Mart’s other business, which emerges out of its primary retail function. The firm uses the transaction records of millions of customers to compile a vast database of purchasing behavior by American consumers. Most national retail businesses today routinely gather and store information about consumer purchases. However, Wal-Mart’s sheer size, volume of business and almost universal penetration into the U.S. market allows the company to monitor the purchasing patterns of American consumers on a much larger scale. What does Wal-Mart do with all of this customer information? By matching customer purchasing records, universal product codes (UPC) and radio frequency identification tags (RFIDs) on products, Wal-Mart knows what customers are purchasing, in which stores these products are being bought, and in what quantities. One way Wal-Mart keeps prices and overhead low (besides purchasing cheaper goods from China and keeping wages and benefits for employees to a minimum) is by using its profile of customer behavior to minimize warehousing costs. As soon as a product is purchased from a Wal-Mart store, an order to refill that item is communicated instantaneously to the warehouse (Smith & Young, 2004).

In fact, one of the keys to Wal-Mart’s market success (and its most jealously guarded proprietary asset) is the ability to utilize this massive information source to track and, yes, predict consumer behavior. Shortly before the landfall of Hurricane Frances in Florida in 2004, Wal-Mart consulted its vast customer databases to predict that demand for certain
types of products would increase. In short order, truckloads of flashlights, batteries, blankets, strawberry Pop-Tarts (this was a top-selling item in previous hurricanes), and beer were rushed down to the areas in the path of the hurricane. These goods quickly sold out (Hays, 2004). Wal-Mart’s use of consumer information demonstrates two fundamental principles that are the foundation of this chapter: (1) that sophisticated surveillance mechanisms have been put into place in modern post-industrial economies to be able to measure and track individuals’ thoughts, attitudes, and behaviors and (2) that these tools are often used by powerful institutions and organizations to advance their own goals, thus bringing into play fundamental issues of power.

Overview of the Chapter

As the Wal-Mart example suggests, the concentration of information about the behavior of individuals in the hands of a single organization or corporation can have powerful consequences for consumers, even though we may not even realize that we are being monitored. A research tradition that examines these fundamental issues of power and access to resources in the communications industries is called the political economy of communication. This chapter will briefly outline the field of political economy of communication in broad strokes, and explore how it connects to the study of audiences by outlining the theory of the “commodity audience.” Next, we will examine some of the methods by which major corporations such as A. C. Nielsen and Arbitron measure and therefore imagine media audiences. Finally, newer forms of target marketing and “relationship marketing” via the use of personal consumer information will be discussed. What does the collection, analysis, and strategic use of this audience information mean for us and for the economy? Unfortunately, as we’ll see, the end result is not necessarily the kind of consumer or audience-oriented media environment that corporations often tout as the payback for increasingly intrusive forms of audience surveillance. Instead, as the case of minority audiences demonstrates, narrower targeting of media audiences often encourages exclusionary business practices that threaten to further marginalize some members of our society.

THE POLITICAL ECONOMIC APPROACH TO COMMUNICATION

Political economy is a long-standing intellectual tradition, dating back to Adam Smith’s The Wealth of Nations, published in 1776 and the foundation of modern economics today. At its core, political economy focuses broadly on social theory by connecting the systems of the economy—the organization of corporations, the structures of a marketplace and the behavior of market players—with notions of resource availability and power. Renowned scholar Vincent Mosco has defined political economy as “the study of the social relations, particularly the power relations, that mutually constitute the production, distribution, and consumption of resources [emphasis in original]” (Mosco, 1996, p. 25). Political economy examines
society through a number of different lenses, but this perspective is generally identified through its focus on three particular aspects: (1) profound historical shifts, particularly the transformation from agrarian to industrial-based economies in the late 19th century and the rise of capitalism; (2) understanding the connections between systems of the larger economy and social forces such as race, class, and gender; and (3) a connection to what Mosco calls “moral philosophy,” that is, social values and the notion of ethics when discussing issues of resource allocation in society. This means that political economy is critical in nature, centering on problems of inequality and social justice by exploring the economic, social, and institutional forces that support the status quo. Political economists also explore avenues for expanding democratic access to scarce resources, thereby going beyond a strictly functional understanding of the workings of modern economies to “engage with basic moral questions of justice, equity, and the public good” (Golding & Murdock, 1991, p. 20). Rather than simply describing or analyzing economic systems in society (“what is”), political economy engages these issues from the standpoint of social critique (“what ought to be”) (Wasko, 2004, p. 322).

As you can see, political economic theory covers quite a bit of ground. The political economy of communication uses the tradition of this general theory to explore a few key issues, most notably the history, development, and current structure of mass communication technologies and their close connections with profit-seeking organizations in capitalist societies. Scholars such as Robert McChesney and Ben Bagdikian, for instance, have charted the increasing consolidation among media companies in the United States (Bagdikian, 2004; McChesney, 1999, 2008). What distinguishes political economic analyses from other types of inquiry, however, is the fact that these scholars focus on many of the challenges that the increasing commercialization and corporatization of the mass media pose for citizen choice, access to information, and participatory democracy. The internationalization and global domination of American media products has also been a topic of concern for scholars writing in the political economic tradition (see Herman & McChesney, 1997; Schiller, 1992).

Political economy is closely attuned to the relations between management and labor. As you might suspect given this overview, political economists tend to concentrate their focus on the labor side. These scholars pay close attention to the impacts of the consolidation of media and the rapid globalization of American media production on communication workers. Take the U.S. motion picture industry, for example. Janet Wasko’s political economic look at Hollywood, How Hollywood Works, explores the institutions responsible for making movies today, from the studios and distributors to the bankers and the unions that still serve as a powerful voice for labor in this industry (2003). Other political economists have noted that the production of Hollywood motion pictures is increasingly being shifted outside of the United States so that the studios can avoid union rules and pay scales, resulting in a “new international division of cultural labor” (T. Miller, Govil, McMurria, Maxwell, & Wang, 2005). More recently, in their edited book Knowledge Workers in the Information Society, Catherine McKercher and Vincent Mosco (2007) have documented major shifts occurring in a number of “knowledge” industries whereby the Internet and instant global telecommunications have begun to spread out labor across the globe. These shifts in information work have been presented in the popular press and among business elites as the
natural evolution of a globalized economy. Political economists have observed, however, that this new economic environment forces many media workers into precarious, temporary employment. The easy movement of capital from countries where wages and labor standards are high to those where salaries and governmental oversight of working conditions are low has facilitated both unskilled and skilled job outsourcing. These labor shifts, in turn, have reshaped the economic lives of millions of information workers.

**POLITICAL ECONOMY AND THE COMMODITY AUDIENCE**

As you can see from this brief introduction, political economy is a rich theoretical tradition that explores many key aspects of our social and economic lives in modern, industrialized economies. But what does it have to do with the study of audiences? The connections between media audiences and political economy may seem tenuous, but there are a number of central insights that political economy has added to our understanding of media audiences.

Political economic analyses place particular emphasis on the social and economic transformations that have occurred as a result of industrialization and rise of corporations within a capitalist system. What the industrialization and shift to wage-labor system has created, argues Thomas Streeter (1996), is an artificial divide between the realm of production (in other words, our work lives where we are economically productive) and consumption (our leisure time, where we are consuming instead of being productive). Streeter (1996, pp. 287–288) uses Raymond Williams's (1975) notion of mobile privatization, which refers to "a pattern of social life characterized by high mobility, a consequent uprootedness, and the construction and valorization of privatized family homes whose contents were both easily transportable and conducive to isolation from the surrounding community." Unlike agrarian economies where work (production) and leisure (consumption) happens in the same physical and social spaces, capitalism has created a divide between the spaces of production—where workers expect to be closely monitored by their employers—and spaces of leisure—where the home and domestic sphere are separated from the public realm and individuals are granted autonomy and privacy. This divide, notes Streeter, has been ingrained into the fabric of our modern lives in terms of space (we live sometimes far away from work sites) and time (days are for work, nights are for leisure), as well as in the social structure.

This divide has some fundamental consequences for the mass media as well. Since our experiences as media audiences occur largely within the domestic, privatized sphere—after work, on our "leisure" time—the production/consumption divide has created a profound crisis for capitalist institutions that want to continually monitor our viewing habits and purchasing activities. Media corporations must find some way to break into this private realm to measure and catalog consumers’ behaviors for commercial purposes. This corporate desire to penetrate the home made it necessary to develop sophisticated measurement practices to try to understand, quantify, and monitor the behaviors of the audience. Overcoming this divide is the primary purpose behind the types of audience ratings and market research strategies that we’ll explore later on in this chapter. What's important to note here
is that the political economy perspective can help us to contextualize these audience measurement regimes and to realize their historical, economic, and social origins.

Dallas W. Smythe and the “Blindspot” Debate

It is perhaps most obvious that the core business of profit-driven mass media is to produce communication products (such as television programs, radio shows, motion pictures, etc.) and market those products to consumers. The price that consumers pay for “free,” over-the-air TV programming is the advertising that they are forced to endure during each show. However, like the earlier Wal-Mart example, the transaction between producer and consumer is not the only one happening when you turn on your television. At the same time that the television program is being “sold” to the audience, the attention of the audience is being “sold” to advertisers.

This dual transaction idea first emerged from the writings of Canadian media scholar Dallas W. Smythe. Smythe sparked a spirited debate among political economists in 1977 when he argued that the mass media, rather than simply serving an ideological function supportive of capitalism, was instead part of the economic system of capital itself. While Marxist scholars for years had identified the media as part of a larger ideological apparatus charged with supporting the capitalist status quo, Smythe considered the content of the media to be rather less important, calling it instead “an inducement (gift, bribe, or ‘free lunch’) to recruit potential members of the audience and to maintain their loyal attention” (1977, p. 5). The real value of audiences to media producers was their viewership. Viewers essentially became a new product that media corporations could sell to advertisers: the audience commodity. The key to understanding the audience commodity lies in the fact that audiences perform labor for advertisers by learning about brands of consumer goods featured in the commercials. While we are socialized to think that our media consumption is primarily a leisure-based activity, Smythe suggested that audiences continue to generate economic value to the system of commercial broadcasting by internalizing advertising messages and turning them into demand for consumer goods and services. Smythe described the phenomenon of audience labor as the “blindspot” in Western Marxist thinking.

Smythe’s ideas about the audience as a commodity within the capitalist system were highly influential among political economists. While some disagreed with Smythe’s premise that the audience is part of the capitalist system, critical scholar Sut Jhally believed that Smythe’s argument did not go nearly far enough. Smythe had argued that the audience’s purchasing decisions (and perhaps the mental energy required to remember brand names and slogans, etc.) constituted the “productive” aspect of audience economic activity. Jhally, however, was keen to clarify that advertisers were actually buying viewers’ attention and time in front of the television and not their potential future brand loyalty. He noted that “when media sell ‘time’ to a sponsor, it is not abstract time that is being sold but the time of particular audiences. . . . That is all the media have to sell” (Jhally, 1987, p. 72). And what was precisely occurring during this time that audiences devoted to their favorite television shows and to the commercial advertising that was nestled among the programming? Jhally’s answer to this question took Smythe’s original contention to its logical
conclusion: The audience was working as a labor force. Without the labor of the audience to actually watch the advertising, he reasoned, the very structure of commercial media was threatened. Far from the popular notion of listless couch potatoes in front of the television, Jhally connected the act of watching commercials to a form of productive labor that generates economic value (and surplus value) for broadcasters, for which the audience receives “payment” in the form of the programming itself. The sale of the audiences’ attention to advertisers then becomes part of the integral functioning of the commercial broadcasting system.

RATINGS AND THE CONSTRUCTION OF THE AUDIENCE PRODUCT

By now it should be clear that commercial media companies rely heavily on the viewership of millions of people so that they can sell their attention to advertisers for a profit. Although a number of scholars have disputed the precise nature of what is being sold to advertisers, political economists are in general agreement that media audiences in capitalist societies are incorporated into the economic system of exchange. But what precisely is being bought and sold here? Given the inability of television broadcasters to reach through the television screen and physically monitor the individual behaviors of millions of anonymous viewers, how is the commodity audience defined and by whom?

Toothpicks and Trees: The “Natural” Audience as Taxonomic Collectives

The answer to this question about the measurement and definition of “the audience” turns out to be critical to understanding the centrality of the audience concept to commercial media systems. As Smythe’s “blindspot” argument continued to spark debate and discussion in the early 1980s over whether or not the audience was truly a commodity of exchange, Eileen Meehan (1984), herself a political economist of communication, argued that no picture of the audience is complete without a close analysis of the systems for measuring those audiences. Her main targets of inquiry were the most widely used metrics for calculating the size and the composition of television and radio audiences in the United States: the ratings.1

One of Meehan’s key insights was to shine the spotlight on the ratings themselves. She argued that the ratings were not a simple numerical representation of a real audience out there. Instead, she argued, the ratings are a very specialized form of information about the television audience. Not all viewers are equally in demand, and therefore not all viewers are valuable (or even measured) by the ratings companies. Ratings numbers exist to create a saleable commodity that advertisers will buy—this is the key to their importance and centrality in the broadcast television industry. So, she argued, “at the level of cross-industrial analysis, neither messages nor audiences are exchanged: only ratings” (1984, p. 223). Since “actual” audiences were captured only through the ratings systems, the transaction between

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1Given the continued importance of ratings for the structure of commercial media in the United States, a more detailed discussion of the ratings is included later on in the chapter.
Media companies and advertisers was guided by the ratings numbers themselves, not actual audience viewing as Smythe and Jhally suggested.

Media professionals assume that the audience is a “naturally occurring phenomenon” that can be accurately measured with the right tools. By this reasoning, “measuring the audience becomes analogous to measuring trees” (Meehan, 1993, p. 385). However, as Meehan pointed out, the ratings numbers themselves are not simply mirror reflections of the audience, since different types of measurement strategies will offer different types of errors in the calculation—this is a natural byproduct of statistical measurement and estimation. The type of measurement technique that is selected to generate audience research numbers “becomes a matter of corporate strategy” (p. 387). Instead of measuring something that occurs in the natural environment, ratings serve as extensions of the needs of media corporations and advertisers—to facilitate financial transactions. Therefore, “the relationship of the commodity audience to the general audience is rather like that of toothpicks to trees: one, a manufacture, is whittled out of the other, a natural phenomenon. The commodity audience and commodity ratings are entirely artificial and manufactured” (Meehan, 1993, p. 389). Audience ratings, in Meehan’s view, are analogous to toothpicks; manufactured entities carved from the actual audience.

Australian critical scholar Ien Ang addressed similar issues in her 1991 book Desperately Seeking the Audience. She argued that television broadcasters seek to “freeze” the ever-changing behaviors of the audience into a fixed, static concept, thereby “colonizing” the audience into a durable, reliable entity that can be relied upon for steady profits. Broadcasters create what Ang called a taxonomic collective, which is “an entity of serialized, in principle unrelated individuals who form a group solely because each member has a characteristic—in this case, spectatorship—that is like that of each other member” (Ang, 1991, p. 33). The notion of the audience here is a very particular one: geographically dispersed, too large ever to be observed (since you could not even fit most groups of viewers for a U.S. television program into a single location at the same time), and imagined as a mass or undifferentiated collective. Individuality is subsumed in this notion of the audience: The only thing that commercial broadcasters care to know about the audience is whether or not they were watching a particular message at a particular time. As we’ll see later in the chapter, the connection between the “actual” audience and the audience created through the ratings has been a flashpoint for confrontations between media companies and advertisers in recent years.

MEASURING AUDIENCES: THE RATINGS SYSTEM

As the discussion thus far in this chapter has revealed, the notion of the audience is critical to the economic structure of profit-driven, advertiser-supported media. The theories of political economic scholars have laid bare the economic underpinnings of the role of the audience commodity, while Meehan’s and Ang’s research suggests that an analysis of the audience is not complete without a closer examination of the ways in which the audience is imagined by media corporations. In the United States, the United Kingdom, and elsewhere around the world, the bedrock of audience measurement for the broadcast television,
cable, and radio industries is the ratings system. In this section of the chapter, we will briefly explore how audiences are operationalized by the ratings, how the Nielsen and Arbitron companies sample the viewing population, and how audiences are assigned different economic value according to their appeal to major advertisers. This section is meant to be a basic primer on the methodology of the ratings system and not a detailed overview of the ratings, which can be found in a number of other excellent sources (such as Buzzard, 1992; Webster, Phalen, & Lichty, 2006).

**Audience Research and the Ratings**

The history of research into the size and composition of media audiences stretches back to the 1930s during the heyday of network radio in the United States. Today, there are a plethora of companies offering what Peter Miller terms “made-to-order” audience research studies, which are customized studies to investigate specific questions like how many *Grey's Anatomy* viewers drink Pepsi or whether *Outside* magazine readers are more likely to purchase RV trailers (Miller, 1994). For media companies and consumer product manufacturers, conducting research on consumers has been integrated into their organizational structures. Almost every modern corporation selling products or services directly to consumers has a department of “research” which conducts studies of consumer preferences, desires, and exposure to advertising messages. Even in the television, cable, and radio industries, there are a number of syndicated research studies that examine different aspects of audience response to media from both quantitative (numerical) and qualitative (observational, conversational, or written) data. The most important tool for audience measurement in the electronic mass media industries, however, is the ratings system.

The ratings are dominated by two primary companies in the United States: Nielsen in television and cable TV ratings (and increasingly in online audience measurement) and Arbitron in broadcast radio. Because these forms of audience measurement are the most important in terms of setting advertising rates for individual programs and for packaging audiences into saleable commodities, they occupy the central focus of this chapter. Nielsen and Arbitron operate as essentially monopoly suppliers of audience data within their respective media, despite the availability of many smaller niche audience research studies. Their monopoly status has been preserved for decades because the enormous upfront cost of launching a nationwide survey of audience viewership serves as a natural deterrent to new competitors (Webster, Phalen, & Lichty, 2006, p. 108). Additionally, advertisers and media companies must agree upon a currency or “coin of exchange” that will allow for smooth financial transactions with one another. The ratings serve this purpose. Despite some of their methodological shortcomings, ratings continue to dominate the decision-making about mass media.

**Operationalization of the Audience Concept: Quantification**

In the spirit of the critical and political economic theories explored earlier in the chapter, it is worthwhile to examine the assumptions that lurk behind this widely influential system of audience measurement. The logic of the ratings is identical to that of
public opinion surveys (see Chapter 3): It aims to estimate the size and composition of
the audience as clearly and accurately as possible. It’s important to keep in mind that all
information about audiences is meaningless without interpretation or judgments on
behalf of those who gather and use this information. In other words, the numbers do not
speak for themselves. The figures can only be understood within the specific contexts in
which they are generated and analyzed.

Let’s first look at how the audience is operationalized. **Operationalization** is a term used
to describe **how to specify empirical “things” that are taken to represent an outside construct
under consideration.** Since social scientists cannot possibly capture all of the complexity of
our social lives in their analyses, they must simplify complex realities into more general-
ized concepts for easier understanding and comparison. This turns out to be quite impor-
tant because audience research can only tell you information about something that has
been operationalized in the research itself. In the case of audience ratings, for example, we
cannot make any claims or statements about viewers’ critical responses to television pro-
gramming (such as what they thought about it) because these types of responses are not
included in Nielsen’s operational definition of viewing. If this kind of information were
important to advertisers, Nielsen would certainly alter the way it constructs the concept of
television viewing to address this question. In the absence of this data, media executives
and advertisers have typically equated audience size with quality or viewer satisfaction.

Like public opinion surveys, the ratings operationalize viewing by **quantifying** audience
responses. The ratings structure essentially reduces audience viewing to a simplistic binary
choice: watching or not watching. If you are “watching” television (and the definition of
this is very nebulous), then you are counted as part of the viewing audience. Nielsen does
collect quite a bit of other information about television viewers, such as demographic
details (age, gender, socioeconomic status, education, etc.), but the core of the ratings sys-

Reducing television viewing to a single binary (viewing/not viewing) is quite a limited
way of understanding the audience, of course. If you think about how you watch television,
there are probably times when you are sitting rapt with attention when your favorite pro-
gram is airing and other times when the television serves merely as background while you
focus on other tasks such as reading, checking e-mail, or cleaning. These nuances of audi-
ence behavior are lost by simplifying the notion of television viewing to “on” or “off.” So
why don’t audience research firms like Nielsen develop more sophisticated and qualitative
measures of audience response to television? The answer, as Len Ang (1991) pointed out, is
that this type of simplified quantification is “institutionally enabling.” Media companies
can more easily assimilate and understand hard numbers. These figures can also be easily
plugged in to mathematical formulas for analysis. Quantification of the audience is also a
practical choice because it eliminates by design any particularities of audiences or their
responses to media by reducing all media interactions to homogeneous data. This allows
audiences to be easily exchanged as commodities in financial transactions between media
companies and advertisers. Finally, and not least, numbers take on a life of their own—they
are seen as legitimate by industry practitioners because hard figures carry with them an air
of objectivity. When push comes to shove, it becomes difficult to “argue with the numbers,”
as the phrase goes, even though they may arise from highly questionable sampling and data-gathering techniques. For all of these reasons, quantification of audience response to media is the foundation of the audience construct in media industries today.

Constructing the Nielsen Sample

As with public opinion polling, it is a practical impossibility to measure every single viewer of a television program or listener of a local radio broadcast. So the Nielsen and Arbitron companies must sample the population of viewers and listeners in order to arrive at an estimate of total media exposure that has any connection to actual audience behaviors. Audience researchers must first select a sampling unit from the population at large. Since radio listening often occurs individually, Arbitron uses a single individual as a sampling unit. Although Nielsen is moving in the direction of sampling individual television usage (see later on in this section regarding personal peoplemeters, or PPMs), the sampling unit that is used in the ratings is the television household. Households that have been included as part of the Nielsen sample are commonly referred to as “Nielsen families.” According to Nielsen, as of September 2007, there were roughly 113 million TV households in the United States (Nielsen Media Research, 2008). Nielsen’s national sample for its overnight ratings service consists of about 14,000 television households from local markets across the country (Story, 2008).

Once a sampling unit has been selected for calculating TV ratings, Nielsen begins the process of selecting families. Those familiar with statistics will recall that the best method of sampling a population is to conduct a simple random sample. This would mean that each and every television household in the United States would be known and would have an equal chance of being selected for the sample. While this sampling technique is clearly the most valid (in terms of being able to accurately estimate the size of the audience in the population as a whole), the impossibility of creating a list of every American household makes this sampling technique unavailable. Instead, Nielsen breaks down the complexity of sampling TV households by using two sampling techniques: multi-stage cluster sampling and stratified sampling (see Figure 4.1). Let’s take the first technique. While it may be impossible to generate a list of every television household in the United States, it is possible to compile a list of every county in the United States and then to randomly sample those counties. This is what Nielsen actually does. Nielsen then divides those counties into city blocks and streets, and randomly samples from those smaller groupings to arrive at a list of households to approach for inclusion in their sample. Since the population is divided into separate sections or clusters that are used for random sampling, this technique is called multistage cluster sampling. Instead of organizing a simple random sample of the population, Nielsen randomly samples different clusters of the population. It is important to realize, however, that at each clustering stage, some amount of sampling error can occur. Certain regions of the country could be overrepresented, for example, which could call into question the accuracy of the sample.

Some of this type of error can be addressed by incorporating the second sampling technique, called stratified sampling. Nielsen divides up the viewing public into specific homogeneous groups called strata. The strata of most interest to the ratings companies are
specific demographic categories such as gender, income, age, and race. By dividing the population into the strata of “male” and “female,” for instance, Nielsen can randomly sample a category of individuals to get an appropriate number from each group to match the proportion in the population at large. Combining the sample obtained through this technique with the sample drawn through multistage cluster sampling ensures that the resulting sample better resembles the general population (in terms of gender, age, etc.). The Nielsen ratings use both of these sampling techniques in order to arrive at a national sample of television viewing across the United States.

As you might imagine, there are a number of potential sources of error that can emerge in the final ratings sample. The most common one is sampling error, which is built into the process of conducting any type of survey research. Like public opinion surveys, ratings also have margins of error built into them, though we rarely hear about these other figures. For example, if the overnight rating for a program like American Idol were a 10, depending upon the sampling error, it could mean that the true rating might actually be a 9 or 11. While that may be a difference of only one rating point, that rating point represents roughly 1.1 million viewers, which translates into a lot of advertising dollars. In order to determine how far off the estimate might be from the true number, researchers can compute the sampling error. Although an extended discussion of sampling error is beyond the scope of this basic introduction to ratings methodology (for that see Buzzard, 1992; Webster et al., 2006), it is enough to note that the goal of any survey is to obtain the lowest sampling error possible to be confident of the estimate that you generate. Furthermore, sample size is inversely related to sampling error. In other words, the larger your sample
size, the less likely it is that your estimate will deviate from the true rating for a program. Given the size and heterogeneity of the U.S. broadcast and cable television audience, companies like Nielsen must have rather large samples to maintain the credibility of their numbers, which can become quite a costly undertaking.

Another potential source of error is what we might call a conceptual error, or an error that results from conceptualizing the notion of television viewing in a particular way. By sampling television households instead of individual viewers, for example, Nielsen simplifies the process of operationalizing viewing at the cost of leaving out up to 44 million potential viewers who are watching TV in nondomestic spaces like bars, restaurants, airports, and on college campuses (Consoli, 2006; see Box 4.1).

Box 4.1 The Nielsen Ratings and Undergraduate Students

Think about how often you and your friends find yourselves watching television in your dormitory or apartment during the academic year: probably a fair amount and roughly consistent with your viewing behavior while you are back at home. The same is probably true for hundreds of thousands of undergraduate students at other colleges and universities across the country. These students are generally about 18–25 years of age and, as a major consumer demographic, are tremendously valuable to advertisers.

Now, consider this: Up until January 2007, the value assigned to you by Nielsen was zero. That was because college and university dormitories were not included in the operational definition of a “television household” used by Nielsen. After years of complaints and inquiries from TV and cable networks that actively targeted young people with their programming (such as Turner Broadcasting, owner of cable networks Cartoon Network and TBS), Nielsen relented in early 2007 and began installing peoplemeters on televisions in student dormitories across the country. Interestingly, Nielsen did not create a new sample of college students, but instead contacted their existing Nielsen “families” and asked if they had sons or daughters in college who would be willing to have their viewing patterns measured while on campus.

The result of this shift in the operationalization of the television audience was quite dramatic in some cases. Some programs were much more appealing to college-aged audiences than to the general population of viewers. Comedy Central’s animated program Drawn Together, for example, emerged as a very popular program for 18- to 24-year-old male viewers, increasing its audience size by roughly 60% after the inclusion of college audiences (see Figure 4.2). This case is just one concrete demonstration of the significant impact that different sampling techniques can have on the ultimate size and definition of the television audience.
A third source of error that can occur in the sampling stage is nonresponse error. Once Nielsen has decided upon the sampling technique, it goes out into the field to recruit participants, offering a nominal stipend as an incentive. Due to the rather invasive nature of having an outside company monitor your everyday television viewing habits, however, it is not surprising that just about half of all households asked to join the Nielsen ratings survey refuse to do so. This could very quickly become a major source of bias in the Nielsen sample, because those households that agree to become...
part of the sample may have inherent qualities that make their members different from other viewers. They might watch more television, for example, or perhaps they are in greater need of the money that Nielsen offers, thereby skewing the sample to favor lower income groups. To deal with this problem, Nielsen recruits extra households to add to its sample when some households decline to join the sample. Ideally, the replacements are as similar as possible in key demographic categories to the original households to avoid any kind of systematic bias.

Measuring Audience Viewership:
Diaries, Household Meters, Peoplemeters, and PPMs

As you can see, arriving at a sample of viewers is a challenging task. But the difficulty in capturing viewing behaviors does not stop there. Nielsen and Arbitron must also measure actual audience viewing patterns, which turns out to be a lot more complicated than it appears at first glance. What we mean here by measurement is “a process of assigning numbers to objects, according to some rule of assignment” (Webster et al., 2006, p. 126). The objects of interest here are specific viewing behaviors, such as tuning into a program at a certain time of day. Here we are confronted with another thorny problem: What does it mean to be “watching television”? Does a viewer need to be paying close attention to the set in order to be counted as part of the audience for a particular program? Since most of us tend to channel surf with the remote control while viewing, how much attention do we need to pay to a particular program to be counted as part of the audience?

In answering these questions, the ratings attempt to strike a balance between validity and reliability. First, the ratings attempt to capture the real behaviors of viewers as accurately as possible—this is an attempt to maximize validity. The more specific information you gather about each individual’s viewing behaviors, however (thereby maximizing validity), the more difficult it becomes to compare one person’s viewing with another’s, which would make the entire process of gathering viewing information rather useless for advertisers. Consequently, the tools for measuring viewing behavior must be general enough to be able to be applied consistently to different audience groups in multiple settings. This is called reliability. Nielsen threads this needle by defining television viewing as exposure to a particular program, thereby assuming that viewers are attending closely to the screen whether or not they are actually doing so. Additionally, Nielsen measures viewing in four 15-minute time blocks. So, if you have your TV set tuned to a particular channel for a majority of that 15-minute time period, Nielsen counts you as having been exposed to that particular program for that quarter hour block. One other interesting aspect of the Nielsen ratings is the use of the household as the unit of analysis. This means that the ratings are actually a measurement of household television viewing, which is then extrapolated back to determine the actual number of viewers that

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2Efforts were made in the 1980s by the Corporation for Public Broadcasting and Arbitron to devise a system of qualitative ratings by measuring viewers’ preferences for and level of attention to specific television programs. This type of ratings system never caught on with advertisers and was subsequently abandoned.
watched a particular program. It's important to realize here that there is nothing “natural” about these definitions of television viewing. These are arbitrary decisions made by Nielsen that allow it to quantify human behaviors in a way that is useful and meaningful for its prime customer, advertisers.

There are a number of techniques that Nielsen uses to measure television viewing. We will briefly explore each of them and some of their potential limitations. The most traditional and widely used technique is to distribute diaries to Nielsen families. Thousands of diaries are distributed by Nielsen to generate viewing estimates in local TV markets across the country. The diary is a small paper pamphlet that records viewing of a single TV set over the course of one week. The diary keeper must track the time spent viewing (broken down into quarter-hour time segments on the left-hand side), the station and program that was viewed during that time period, and the members of the household who were present at the time of viewing. This technique can provide a wealth of data, but the quality of information depends upon the willingness of the viewer to put in a significant amount of work to maintain an accurate snapshot of viewing within the household. This can lead to some significant errors as a result of natural human tendencies. For example, most people aren’t terribly diligent about filling in their viewing choices as they are watching TV, waiting until the end of the week to do so and relying upon their memory of what they watched. A more serious problem with the diary technique in recent years has been the proliferation of channels on most Americans’ cable and satellite boxes, making it difficult for viewers to determine what channel they are on when they are watching a program. When it comes time to fill out the diary, viewers may report that they watched a program on a more familiar channel (usually a broadcast network affiliate station) rather than on a more obscure cable network, thereby skewing the ratings in favor of local network stations and recognizable cable networks such as CNN and HBO. Indeed, beginning in the early 1980s, cable networks urged Nielsen to abandon the diary method, arguing that it vastly underestimated audiences for their channels.

To combat this problem, in the late 1980s Nielsen began using household meters to measure TV set tuning. The household meter is a small electronic box that sits on top of the TV and measures what channel the set is tuned to at any given moment. The box is plugged into a telephone line and the data are downloaded by Nielsen at the end of the day. Since this is a passive monitoring system, it requires no human intervention to record viewing and is therefore a much more reliable tool for generating the ratings. What was missing when this system was implemented was any indication of who was in the room during viewing. This problem was addressed in the fall 1987 with the introduction of the people-meter. Peoplemeters are household meters with an extra remote control added. Using the remote, viewers enter a special code for themselves when they are in the room with the TV set. They press another button when they leave the room, thus giving Nielsen a tally of who is watching a particular program. Despite their widespread use today in generating the all-important overnight TV program ratings, peoplemeters are not without their own measurement errors. For instance, the peoplemeters have not been terribly effective at measuring the viewing behaviors of children, who are much less likely to be conscientious about logging themselves in and out of the system. Additionally, Nielsen has found that, over time, the average amount of television viewing in a Nielsen household decreases. This has been
interpreted not as a gradual decrease in television viewing, but as the increasing “button fatigue” of viewers within the household who grow weary of logging themselves into the system each time they wish to watch television. This problem became so acute that Nielsen decreased the time that it metered its television households from five years to two years, though this has done little to quiet critics of this method.

Newer technology attempts to develop an even more comprehensive measurement of television exposure without the persistent problem of reliance upon the viewer to register his or her own media use. In 2005, in response to advertisers’ increasing dissatisfaction with peoplemeter data, Nielsen introduced the portable peoplemeter (PPM), which was meant to defy the limitations of set-top metering within TV households. Radio ratings company Arbitron began utilizing portable peoplemeters as well (see Figure 4.3). The PPM consists of a small device the size of a pager, which is worn at all times by viewers in a Nielsen household. Small inaudible tones, embedded within both television and radio programming, can be picked up by the PPM, which indicates that a person is within range of a particular media program. At the end of the day, viewers deposit their pagers in a base that both charges the PPM and uploads the viewers’ data to Nielsen. There are two enormous advantages to this type of technology: It is nearly completely passive, requiring little effort on behalf of viewers, and it measures media exposure both inside and outside of the household (Gertner, 2005). PPMs are still in the experimental stage and have not been implemented across the country yet to generate ratings data. However, Nielsen began pursuing the widespread implementation of PPMs as part of a proposed overhaul of its audience measurement in 2006, which it dubbed “Anytime Anywhere Media Measurement,” or A2/M2 (Higgins, 2006). Through its A2/M2 initiative, Nielsen determined to eliminate diaries in all of its local market ratings measurement. PPMs also allowed the company to do two

Figure 4.3  Arbitron Personal People Meter (PPM)

Source: Stephanie Plumeri.
other important things: track “time-shifted” television viewing via digital video recorders (DVR), and link television viewership with Internet usage data (Nielsen Media Research, 2006; Elliott, 2006). This effort has hit some snags, however, since Nielsen discovered that most viewers did not want their web usage tracked along with their television viewing behaviors (Story, 2008). These examples demonstrate that Nielsen’s goal of a truly passive television monitoring system is still a long way off.

Online Audience Measures

The logic surrounding the measurement of online audiences is similar to that of television and radio audiences in that the ultimate goal is to match a specific advertising impression or exposure to a single individual. Unlike television and radio, however, there are numerous techniques available to audience measurement firms for generating these data. For instance, Internet webpages keep logs of every visitor to access that page, and these records, called server logs, allow for passive monitoring of the online audience. This passive method has limits, however, because it cannot identify an individual user, so its utility is limited to counting the amount of traffic to an individual website. Server logs record the date and time of access, what page referred the user to that page, “cookies” stored in the web browser software (identification files) and the IP (internet protocol) address of that user, which provides general location information (Bermejo, 2007, pp. 120–121). More active methods of online audience measurement include online surveys, though these techniques often attract individuals who seek them out, thus potentially skewing the sample. The most accurate metrics of online media usage are found in electronic measurement panels, which provide a mixture of active surveys and passive online metering. Just like the Nielsen household sample, individuals are recruited randomly to participate in these panels in exchange for a small sum of money. Software is installed on panelists’ computers that precisely tracks their online movements and communicates this information back to the measurement company (Bermejo, 2007, p. 155). Using this technique, companies such as Media Metrix, NetRatings, and NetValue can match online viewing behaviors with specific individuals. Thanks to the randomness of the sample, these results can also be generalized back to the larger population as well.

Ratings and Shares in the Television Industry

Now that you have a basic overview of the methodology of ratings systems and some of their shortcomings, we will turn briefly to the actual outcome of all of this concentrated effort—the ratings numbers themselves. In order to compute two of the most important numbers used by advertisers and television networks, ratings and shares, we need to have two other numbers in hand. First, we need to know the total number of television households (HHs) in the United States (or Total TV HHs) and the number of television households using television (HUTs) at a particular moment in time. From these numbers, we can then compute both the rating and the share of a particular program (see Box 4.2). Ratings and shares are simply different kinds of measurements of audience size. Although you won’t see a percentage sign after them, ratings and shares are calculated as ratios or percentages.
Let’s break down each of these key numbers, one at a time. One thing to notice right away is that ratings and shares have the same numerator—the number of households watching a particular program or station at any one time. This is what is measured by Nielsen through the peoplemeter or diary. The denominator in each equation determines the difference between ratings and shares. A rating is a ratio of how many households are watching a particular program out of all television households in the United States. As of January 1, 2008, Nielsen estimated that there were roughly 112.8 million television households in the United States (Nielsen Media Research, 2007). To get the rating for a particular program, you would divide the number of households watching that program by the total TV households in the United States, or 112.8 million. One rating point, therefore, equals roughly 1.13 million households, or 2.86 million people, according to Nielsen estimates (Nielsen Media Research, 2007). A program with a 10 rating, for example, would represent 11.3 million households (10 x 1.13) watching the program.

Ratings are useful in generating a numerical value of audience size, but advertisers often want to know the popularity of a program in relation to other programs that are being seen at the same time. To do this, Nielsen provides data about the share of a program. A share is a ratio of how many households are watching a particular program out of all households that are watching television at that particular moment (or HUTs). Let’s say that only about half of all television households are on during a particular program (roughly 50 million HHs—this is our HUT number). If 10 million TV households were watching a particular program at that moment, then the share would be a 20 (10 ÷ 50 x 100 to express it as a
percentage). This would mean that roughly 20% of all televisions turned on during that
time period were watching that program. If a program has a low rating but a 20 or 30 share,
for instance, it could indicate that the program was garnering a significant part of the audi-
ence during a time of day when not many people are watching television (such as during
late-night TV or early in the morning).

There are a number of ways in which ratings and shares are used to assist advertisers in
making decisions about purchasing time on various media outlets. Although there are many
computations that use both ratings and shares, we will only explore a few here. First, many
advertisers will want to know approximately how many people (or households) were
exposed to their commercial message, which may have run across different television chan-
nels and time periods. To do this they compute the gross rating points (or GRP) for the ad
campaign by simply adding up the rating points of each time period in which the advertise-
ment was placed. Advertisers also measure the efficiency of their media buys by calculating
how much it costs them to reach each individual viewer. The standard measurement of
efficiency is to calculate the cost per thousand (or CPM, where “M” is the Roman numeral
for one thousand), which is computed by dividing the cost of the commercial by the audience
size, multiplied by 1,000. Advertisers can also evaluate for the cost of each ratings point that
their advertisement garnered (called the cost per point, or CPP) by dividing the cost of the
commercial by the rating for the channel and time period in which it appeared on screen.

RATINGS, MARKET RESEARCH, AND THE AUDIENCE COMMODITY:
ASSIGNING MARKET VALUE TO MASS AUDIENCES

So far in this chapter we have explored the theory of political economy and sketched out
its importance in developing a critical understanding of audiences as commodities in a
capitalist media system. We have also outlined the operationalization and methodology of
the Nielsen television ratings, one of the most important forms of mass audience feedback
used in today’s commercial media environment. In the last section of this chapter, we will
use the political economic perspective to explore how the process of commodifying the
audience in many ways challenges taken-for-granted freedoms in liberal democracies, such
as equality of opportunity and nondiscrimination. This section will explore how ratings
companies and market research firms have developed highly sophisticated constructions
of media audiences that go well beyond simple notions of audience size and exposure to
media stimuli. These new techniques aim to split the audience into smaller niche segments
so that advertisers and marketers can target pitches more specifically at these segments.
Audiences are also assigned differential market values according to their desirability to
advertisers, threatening to polarize an increasingly diverse society.

The Importance of Audience Demographics: Age, Gender, and Income

The main goal of the ratings is to provide advertisers and television programmers with
an estimate of audience size. However, total audience size is rarely the most important
number for advertisers these days. Instead, advertisers look at the size of specific subgroups
that are of particular interest, based upon certain basic social features of these audiences such as age, income, gender, geographic location, and race. These social groupings are called **demographics**. Demographic groupings are so fundamental to the ways in which advertisers direct their appeals to potential consumers that Nielsen routinely reports the ratings for particular programs by listing the audience size for key demographic groups such as gender (men, women) and age (18–24, 25–49). As scholar Philip Napoli has observed, “Because most predominant systems of audience measurement do not link individual audience members’ media consumption habits with their product-purchasing behaviors, demographics are the proxy used by both advertisers and content providers” (2003, p. 104).

The three most important demographics for advertisers are age, gender, and income (Napoli, 2003). In the case of age, it is not surprising that Madison Avenue places a higher premium on younger viewers than on older ones. Even though there is little evidence that older viewers consume less than their younger counterparts, advertisers assume that older viewers have built up decades of brand loyalty and are therefore less likely to change their habits in response to advertising messages. It is important to realize that the “brand loyalty” argument is a supposition on behalf of the advertising community and not established fact, yet it results in some stark market realities. Because consumers over 50 years old are of little interest to advertisers, the ratings for this group are not reflected in the standard reports that Nielsen provides to television networks and advertisers. As a consequence, television programmers are not looking to cater to an over-50 audience.

Gender is another critical form of demographic segmentation that affects the value of audiences to advertisers. In general, male audiences are valued more highly in the marketplace than women, though type of product being advertised plays a large role (see Figure 4.4). Why would advertisers value men more highly than women, particularly when market research demonstrates that women generally make a majority of household purchases on a day-to-day basis? The answer may lie in the scarcity of male audiences. Because women typically consume more media than men, they are easier to reach with advertising messages. This in turn “exerts downward pressure on their value, while the greater scarcity of men raises their value to many advertisers” (Napoli, 2003, p. 105). The same pattern occurs for income—those with lower income typically consume more media, thereby decreasing the value of their attention to advertisers.

As each of these examples demonstrate, advertisers assign different market values to certain audience members because of their demographic makeup. What is important to note, however, is that these distinctions and valuations are not natural, but are instead the creations of advertisers and media companies. In fact, as Napoli diplomatically argues, more often than not these demographically based valuations are based upon flimsy or nonexistent evidence. He writes that “the valuations of audiences on the basis of demographic distinctions bear an uncertain relationship to the true value of these audiences to advertisers” (Napoli, 2003, p. 107). Here, political economists such as Eileen Meehan would notice that the process of assigning value to audiences is fraught with problematic suppositions and tendencies on behalf of advertisers. The consequence of this is that profit-driven media companies will gear their content toward the types of audiences that are most valuable, thereby discouraging program diversity in our media environment.
### Figure 4.4  CPM Estimates for the 2007–08 Television Season (30-second commercials)

<table>
<thead>
<tr>
<th></th>
<th>Sex</th>
<th>Age</th>
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<th></th>
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<td></td>
<td></td>
<td>18–34</td>
<td>18–49</td>
<td>25–54</td>
<td></td>
</tr>
<tr>
<td>Men</td>
<td>Women</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Broadcast networks</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Early morning</td>
<td>$20.76</td>
<td>$13.28</td>
<td>$37.42</td>
<td>$18.36</td>
<td>$15.79</td>
</tr>
<tr>
<td>Daytime</td>
<td>–</td>
<td>7.33</td>
<td>15.84</td>
<td>10.42</td>
<td>11.22</td>
</tr>
<tr>
<td>Early news</td>
<td>16.58</td>
<td>13.01</td>
<td>41.16</td>
<td>18.86</td>
<td>17.57</td>
</tr>
<tr>
<td>Prime time</td>
<td>34.46</td>
<td>25.22</td>
<td>47.25</td>
<td>28.88</td>
<td>29.93</td>
</tr>
<tr>
<td>Late fringe</td>
<td>33.73</td>
<td>29.23</td>
<td>37.44</td>
<td>22.69</td>
<td>26.22</td>
</tr>
<tr>
<td>Syndication</td>
<td></td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Daytime</td>
<td>–</td>
<td>5.76</td>
<td>14.19</td>
<td>8.02</td>
<td>9.08</td>
</tr>
<tr>
<td>Early fringe</td>
<td>18.74</td>
<td>12.76</td>
<td>28.15</td>
<td>14.98</td>
<td>17.77</td>
</tr>
<tr>
<td>Prime access</td>
<td>29.35</td>
<td>22.77</td>
<td>41.94</td>
<td>33.92</td>
<td>23.07</td>
</tr>
<tr>
<td>Late fringe</td>
<td>23.22</td>
<td>17.87</td>
<td>18.64</td>
<td>12.89</td>
<td>16.07</td>
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<tr>
<td>Cable networks</td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Daytime</td>
<td>6.55</td>
<td>4.77</td>
<td>9.58</td>
<td>6.10</td>
<td>5.75</td>
</tr>
<tr>
<td>Early/late fringe</td>
<td>15.14</td>
<td>11.12</td>
<td>21.22</td>
<td>10.90</td>
<td>11.97</td>
</tr>
<tr>
<td>Prime time</td>
<td>19.42</td>
<td>15.86</td>
<td>31.55</td>
<td>18.24</td>
<td>15.42</td>
</tr>
</tbody>
</table>

*Source: Reprinted from *TV Dimensions 2008* with permission from Media Dynamics, Inc. For more information, visit www.mediedynamicsinc.com.*

### The Role of Psychographic and Lifestyle Measurements in Targeted Marketing Appeals

As the number of media choices has expanded for consumers, including more cable channels, satellite channels, online media options such as YouTube, and digital video downloading such as Apple TV, media audiences have fragmented into smaller and smaller pieces, making it much more difficult for advertisers to reach them in large numbers. Advertisers and marketers have coped with this trend by devising even more particularized...
methods of identifying media audiences, breaking them down into ever smaller marketing niches in order to direct more personalized advertising appeals to these segments (in the hopes that those audiences will pay more attention to them). This process of directing promotional messages to a specific subsection of the audience is called target marketing, and it is the primary focus of today’s advertising community (Turow, 1997).

Besides demographics, another tool used by marketers and advertisers to segment audiences is called psychographics. Psychographics, a term that merges two words, “demographics” and “psychology,” refers to the general association of personality or psychological traits with groups of consumers in an effort to create even finer distinctions among them (Vyncke, 2002). Marketers may define audiences in terms of personality qualities such as leadership, sociability, independence, conformity, status-seeking, or compulsiveness, to name a few examples. More recently, psychographics have been combined with what marketers call lifestyle measurements. These measurements essentially define a group of individuals according to their product and media consumption habits. Individuals might be classified as “frequent travelers” if they make more than four airline trips per year. Moreover, if someone is willing to take risks and enjoys new experiences, the individual might be identified by marketers as an “adventurer” and then actively sold to retailers who specialize in outdoor merchandise, such as Eddie Bauer or L.L. Bean.

Marketing and Social Stereotypes:
Minority Audiences Struggle With Big Media

What are the consequences of these increasingly detailed institutional constructions of the audience? You might conclude, as many advertisers and marketers do, that all of these new methods of defining audiences as increasingly tiny niches allow companies to more narrowly define their target audience in order to provide customers with higher quality services and products that meet their specific needs. In fact, the dynamics of this new system of “narrowcasting” to ever-tinier audience groups mean that the individuals who are most valuable to advertisers are more likely to receive targeted messages about products they are more interested in. These sought-after customers may also receive substantial discounts that are not available to the general public (Turow, 2006, pp. 183–185). But what about the flip side of this coin? What happens to those audiences that are of little interest to advertisers? What are the consequences for them in a commercial media system designed to cater to the desires of small subsections of the audience?

Minority audiences have found themselves precisely in this situation: ignored by advertisers and thereby rendered essentially invisible to the commercial media apparatus. The case of Hispanic and Latino audiences in the United States is indicative of some of the ways in which ethnic and racial minorities have had to struggle with marketers to raise awareness of their needs. These groups have been attempting to carve out a notion of their own identity that challenges the type of demographic, psychographic, and lifestyle categories that had relegated them to marketplace footnotes in the past. As critical scholar Oscar Gandy points out, “For the most part, when Whites identify minority audience segments, either for commerce or for public service, there is a tendency to be guided more by convenience than by consideration for the identities actually held by members of target populations” (2000, p. 51).
The story of advertisers’ awareness of U.S. Hispanic consumers began in advertising and trade magazines in the late 1960s, in which Hispanic business executives complained that their customers were ignored and neglected by major advertisers, partially as a result of their invisibility in the mainstream media (Astroff, 1988). One of the major reasons for the lack of desirability of Hispanic audiences to advertisers was the persistence of negative social stereotypes of U.S. Hispanics and Latinos. As Arlene Dávila points out, “Dominant stereotypes of Hispanics in mainstream society revolve around the poor and welfare-dependent population—views that repel corporate clients, who are interested in middle-class and affluent consumers, and have long challenged advertising executives to convince them that Hispanics are indeed a worthy target population” (2001, p. 68). The goal of Hispanic community leaders was both to raise awareness of their community such that they would gain visibility and greater acceptance among advertisers and to dispel some of the persistent social stereotypes of Hispanics as poor.

The first marketing research study of the U.S. Hispanic population was completed in 1979 by the marketing firm Yankelovich, Skelly, and White (Rodriguez, 1997). For the first time, this study constructed the Hispanic audience in terms that Madison Avenue could understand—as demographic, psychographic, and lifestyle categories. The study concluded that Hispanics were a good investment because “(1) as a group, Hispanics were younger than the general population and so ripe for instilling ‘brand loyalty’; (2) Hispanics had larger households than the general market and so bought more food, disposable diapers, and many other consumer items; (3) Hispanics spoke Spanish, patronized Spanish-language media, and so were easily ‘targetable’ through the Spanish-language media offerings” (Rodriguez, 1997, p. 290). This study heralded the beginning of advertiser interest in U.S. Hispanics as a potential target market for consumer goods, and eventually led to a pilot study by Nielsen in Los Angeles in 1990 that focused on generating a more valid measure of Hispanic television viewing. The downside of this new interest in U.S. Hispanics, however, was that advertisers’ and Nielsen’s desire to capture and compare audiences meant that specific subcultural groupings within this diverse community (such as Cuban Americans, Puerto Ricans, and Mexican Americans) were lumped together as one umbrella ethnic group by advertisers. Rather than spend money on separate marketing plans to reach each of these communities with different histories and cultures, advertisers developed a generic “Hispanic” audience construct, even going so far as to replace Spanish-speaking on-camera actors’ accents with a “Walter Cronkite Spanish” that masked national origins (1997, p. 290).

The case of U.S. Hispanics is just one of many that involves the struggle of minority groups to achieve visibility in the mainstream media. As this episode demonstrated, overcoming invisibility among advertisers and marketers was achieved only by perpetuating Latino stereotypes. This process, which Astroff terms racial formation, occurs when “social, economic, and political forces determine the content and importance of racial categories” (1988, p. 156). As a result of their newfound visibility through marketing categories, Hispanics saw their individual group social and cultural characteristics subsumed within a “denationalized,

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3Because Nielsen had not used bilingual neighborhood recruiters in the past, for instance, the Hispanic audience size had been grossly underestimated by the national TV ratings sample. The results of this pilot study demonstrated that the size of the actual Hispanic television viewing audience was 64% larger than previously reported.
racialized U.S. Latino panethnicity” (Rodriguez, 1997, p. 291). These images may have also shaped how millions of non-Latinos perceived this minority group. In this instance, the ability of minority communities to define themselves was hampered by advertisers’ stereotypes, illustrating the disconnect between institutional constructions and notions of self-identity. The fact that many of these audience misconceptions persist points to the unequal power distribution between media producers and audiences.

CONCLUSION: HOW EFFECTIVE IS INSTITUTIONAL CONTROL OVER AUDIENCES?

In this chapter, we have explored the institutional construction of media audiences by focusing on the most prominent forms of commercial audience measurement—the Nielsen ratings and marketing research. The political economy of communication perspective, which frames the issues in this chapter, is quite useful for understanding these trends because it foregrounds issues of the economy and power. Because of the separation between the zones of production and consumption in modern capitalist societies, advertisers and media producers will continually struggle to monitor and measure media audiences. The ratings, the dominant form of audience feedback in a commercial media system, are prone to numerous types of error, which calls into question the notion that the market is responsive to the will of consumers. As advertisers and marketers have tried to wrestle with an ever-fragmenting audience, newer forms of segmentation through demographic, psychographic, and lifestyle categories have further problematized the connection between commercial audience constructions and our own sense of identity.

Given the shortcomings in these forms of commercial audience measurement, then, how effective is institutional control over audiences? Scholars such as Ien Ang (1991) argue that, because institutional surveillance of the audience is always fleeting and incomplete, audiences will continue to enjoy power over media institutions due to their relative anonymity. However, as political economists point out, while the connections between the ratings and the “natural” audience may be fleeting at best, we must realize that these numbers are the basis upon which decisions most of the programming available to American audiences are made. Indeed, the flow of millions of dollars between advertisers and media conglomerates are predicated on the notion that the ratings numbers are meaningful and represent a real connection to the invisible viewing public out there, despite some of the methodological criticisms of the ratings that erupt from time to time.

Outside of debates among scholars about the role and function of the audience commodity in capitalist societies, does it really matter to the average American how the ratings construct audiences? As the examples about the sampling of college students and the construction of Latino consumers should make clear, the choices that ratings companies make about imagining the audience can have significant real-world consequences. Fundamental aspects of life in a democratic society such as access to goods, services, and information are to a large extent determined by the image of the audience that is fed back to media companies through the ratings. Without reform of the ratings system, it is unlikely
that market-driven media corporations will have any incentive to offer alternative types of
programming that will appeal to audiences who are of less interest to advertisers (older
television viewers, for example). As this chapter has outlined, the political economy per-
spective helps us to uncover the economic underpinnings of the ratings system and the
structural features that keep it more or less resistant to change.

**DISCUSSION ACTIVITIES**

1. Look at some of the headline results provided by Nielsen about media usage in
the United States that was provided as part of its 2009 “Three Screens” report:
http://blog.nielsen.com/nielsenwire/online_mobile/tv-internet-and-mobile-usage-
in-us-continues-to-rise/. Watch the brief video presentation featuring John
Burbank, CEO of Nielsen Online, and then answer the following questions:
   - What are some of the key trends in audience data highlighted by this report?
     What do we learn about media consumption trends?
   - What assumptions (either implicit or explicit) are being made about media
     audiences in this report? Is there a connection being made between quantity
     (audience size) and quality of the media experience? If yes, how is this
     connection made?
   - Do you see any connection between these findings and your own media
     consumption experiences? What kind of information do you feel is missing, if
     anything, from this overview of media consumption? Can you link this back to
     the theory of political economy?

2. Download the following weekly network television programming grid from
pdf. The grid shows all programs on the major U.S. television networks as well as
the ratings and shares for those programs. Look carefully at this grid and answer
the following questions:
   - What five shows on the weekly schedule had the highest rating and which
     network aired those programs?
   - Which five shows on the weekly schedule had the highest share and which
     network aired those programs? Were they the same shows that had the highest
     rating? If not, why do you think there was a discrepancy?
   - Do you see any patterns in audience viewership (across networks, times, or
days of the week)? What are they? What might these patterns reveal about
     audience viewing habits?

3. Take a sheet of graph paper and make five columns from left to right across the
top, one for each weekday (Monday–Friday). Then, on the left-hand side, create
one row for each hour of the day beginning at 9:00 a.m. and ending at 11:00 p.m.
You have now created a basic time diary similar to those used by Nielsen. Use this
sheet to track your media exposure as precisely as you can for an entire week.
Write down what you watched on television, what network it was on, and how long you watched the program. If you streamed a program on the Internet (on sites such as YouTube, Netflix, Hulu, and ComedyCentral.com, for example), then indicate that as the source of the video. At the end of the week, discuss the following questions:

- What patterns did you notice about your viewing behaviors? How much television did you watch and when? Compare your viewing to others in the class.
- Reflect on the process of keeping the viewing diary: How difficult was it to keep up with the diary? Did you fill it out as you went along or go back later in the week to record your viewing? Were you able to recall specifically what you watched and on what channels or networks? Talk with others in the class about some of the challenges involved in keeping the diary.
- What lessons can you draw from this experience about the accuracy of diaries in measuring audience viewing?

ADDITIONAL MATERIALS

- Nielsen ratings 101: Introduction. [Video presentation]. Available at https://www.youtube.com/watch?v=r4jyhQnl5Vo
- Nielsen ratings 101: Designing the sample. [Video presentation]. Available at https://www.youtube.com/watch?v=2AZ3ftjcJU4

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Up to this point in the text, we have been examining media audiences primarily through the lenses of outside agents, considering audiences as they are imagined by scholars (in effects-oriented research), public opinion pollsters, advertisers, and media companies. As we have seen, these agents have different and sometimes competing motivations for “constructing” the audience, resulting in complex and sometimes contradictory characterizations. The theories in the previous two sections of the book also tend to objectify audiences and place them into neat conceptual categories. While these categories are useful for the purposes of systematic study, they are potentially limited in their ability to accurately capture the complexity of audience responses to media messages. These perspectives also tend to regard audiences as objects of media influence or control—as if audiences existed in a “null” state and were activated only when exposed to media stimuli. The upshot of these theories is that audiences are relatively powerless vis-à-vis media content and institutions to determine their own thoughts and behaviors.

This section of the book will outline a number of theories that ask not what media do to people, but rather what people do with the media and why. Instead of considering media audiences as inert entities that are activated in some way by media, uses and gratifications theory (Chapter 5), notions of audience interpretation (Chapter 6), and reception theory (Chapter 7) all consider audiences to be alert, active participants in their media use. These models operate under the assumption that viewers bring with them a preexisting set of beliefs, experiences, and expectations about what they hope to gain from watching a particular TV program or listening to a particular song. The usefulness of media choices does not stop at the individual, however. Active audience theories also explore how our immediate social environment—such as the presence of friends, family, or strangers—can shape our experiences with media at any particular point in time. Scholars using these “active audience” paradigms assume that individual audience members are the best source of data on their own decisions and actions. While active audience theories had been a part of audience research since the 1920s, they became increasingly visible in the scholarly literature beginning in the 1970s. As we’ll see, the gist of audience theories began to focus more on notions of agency than on the structures that constrain audience responses.