

General Overview of Station Encoding

Over the course of the PPM™ rollout, Arbitron developed and refined a dynamic body of policy related to station encoding. This policy brief provides a broad overview of PPM encoding equipment and a review of key encoding policies.

The PPM Encoder

A PPM encoder is a piece of audio equipment that inserts inaudible information into a radio station's signal. When a PPM panelist listens to an encoded station, the panelist's Meter stores the station's PPM encoding and appends additional information to it. Arbitron uses this information to prepare PPM audience estimates.

The PPM Encoding Monitor

A PPM encoding monitor is a piece of audio equipment that is always "listening" to the station's signal for its encoding. In the event that the monitor does not "hear" the station's PPM encoding, the monitor will alarm.

Arbitron encourages all station engineers to integrate the station's PPM encoding monitor into the station's critical alarm systems; an engineer who does so helps ensure that he or she will be notified *quickly* in the event of a monitor alarm.

What to Do If the Monitor Alarms

When a station temporarily goes off air, the station's encoding monitor will alarm. In most instances, encoding will automatically resume (and the monitor will cease alarming) once the station is back on air.

In circumstances where a station is on air and its encoding monitor has alarmed for three minutes or longer, Arbitron recommends that the station engineer enable the station's backup encoder and contact Arbitron immediately for additional instruction.

Stations need not be concerned about monitor alarms that are shorter than three continuous minutes in duration as these generally indicate either a temporary lessening of encoding quality or a pause in encoding continuity that is unlikely to affect a station's listening credit.

The PPM Rollout and the "Invite to Encode" Program

Between the years 2007 and 2010, Arbitron commercialized its PPM service in 48 U.S. radio Metros.

Approximately 12 months in advance of the release of a Metro's first Currency PPM *Radio Market Report*, Arbitron reached out to eligible stations in that market and invited them to encode.

Due to the long lead time of Arbitron's invitation program, the majority of radio stations that accepted Arbitron's invitation to encode had installed and tested the encoding equipment well in advance of the debut of PPM Currency in the Metro.

The "Eligible to Encode" Policy

In Metros that converted to PPM Currency prior to 2010, Arbitron invited radio stations to encode that were FCC licensed to a county in the PPM Metro's DMA®. (The DMA is an area that includes Metro and non-Metro counties.)

In Metros that converted to PPM Currency in 2010, Arbitron invited radio stations to encode that had signal coverage in the PPM Metro.

In April 2011, Arbitron elected to formalize its "eligible to encode" policy in all Metros to include *both* stations that are FCC licensed to a county in the PPM Metro's DMA and stations that reach the Metro.

(In mid-April 2011, Arbitron invited stations to encode that are now eligible to encode that were not eligible during commercialization.)

Encoding New Stations That Sign On Air

As a part of the normal course of business, Arbitron carefully monitors the facility information it collects from radio stations and information on file with the FCC.

Should Arbitron learn that a new station has signed on air that is eligible to encode, Arbitron will reach out to that station and invite the station to encode.

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Should that station elect to encode, Arbitron will work to encode the station as quickly as is practical for the station's staff.

Stations That Elect to Encode After Declining Arbitron's Invitations

Arbitron's invitation to encode does not have an end date; Arbitron will provide encoding equipment upon request to any eligible station that declined Arbitron's invitations to encode.

Stations Home to Diary-Measured Areas

Stations that are home to Diary-measured markets, and stations that have no reach into a PPM-measured Metro, are not eligible to encode.

From a local ratings perspective, it is not necessary for these stations to encode; Arbitron measures these stations' markets by diaries.

The Unique CBET Policy

The information that a station's encoder inserts into the station's signal is unique to that station. As such, Arbitron's **firm policy** is that an encoded radio station may not retransmit the PPM encoding of another station, nor may it provide encoded audio to another station for retransmission.

Station encoding activities that do not comply with the Unique CBET Policy violate the terms of the station's Arbitron Encoding Agreement and may constitute Rating Distortion. Should Arbitron determine that a station violated the unique CBET policy, Arbitron reserves the right to take whatever action is warranted, in Arbitron's judgment.

(Supplemental service broadcast facilities such as FM translators, boosters, and repeaters are exempt from the unique CBET policy; as the FCC requires these facilities to retransmit another station's signal, they must also retransmit that station's encoding.)

PPM Encoding and the Emergency Alert System (EAS)

Arbitron requires that a radio station install its PPM encoding equipment in its air chain so that it does not interfere with the clarity, reception, or transmission of EAS messages. Arbitron does not consider a station's retransmission of another station's encoding in an EAS message to violate the unique CBET policy.

Stations That Elected Not to Encode

While the majority of radio stations accepted Arbitron's invitation to encode, there are stations in each market that declined Arbitron's invitation. By declining Arbitron's invitation to encode, a station excludes itself from Arbitron's PPM audience estimates.

It is important for users of Arbitron data to bear in mind that when a station excludes itself from PPM, that station does not affect—in any way—the currency AQH or Cume estimates that Arbitron publishes for any other station in the *Radio Market Report*.

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