Ratings Variance Calculator and an understanding of Ratings 'bounce'

Regional TAM have released an online **Ratings Variance Calculator** to assist data subscribers in assessing the expected variance of ratings estimates.

The **Ratings Variance Calculator** can be found at:

www.regionaltam.com.au

Regional TAM's ratings estimates are based on a sample of households from the population and variations seen in the ratings results are known as '**sampling variance**' or '**bounce**'.

The **Ratings Variance Calculator** allows users to define:

- ⇒ A rating estimate as a TARP% (between 1.0% - 100.0%) that a program or daypart would be expected to deliver (not a campaign)
- ⇒ Level of averaging required, single day result or a 4 week average
- ⇒ Time segment for analysis, single minute, 1/4 hour or half hour average
- ⇒ Select specific markets, sub markets or aggregate markets
- ⇒ Choose targeted demographics from the predefined list

All results produced by the calculator are based on a 95% level of confidence at both the sub and aggregate market level. This means that data subscribers can be 95% confident that the result will fall within the variation range the calculator provides.

Ratings Variance Calculator and an understanding of Ratings 'bounce'

Interpreting the Results from the **Ratings Variance Calculator**

Based on the criteria you have selected, results will be generated against the following 3 variables.

Absolute CI (%) = "Absolute Confidence Interval" is the estimated difference between the sample survey results and the 'true value' of the TARP estimate

Actual CI (%) = "Actual Confidence Interval" is the range of values we expect the 'true value' of the TARP estimate to fall within.

The Actual Confidence Interval is calculated as follows:

Actual CI% = Estimated TARP +/- Absolute CI%

For example: if the TARP is estimated as 18.3 with an Absolute CI% +/- 5.2 then the Actual CI% of the TARP could be anywhere between 13.1 and 23.5 (i.e 18.3 +/- 5.2 TARPs)

Variation = "Variation on TARP" is the Absolute CI% expressed as a percentage to the TARP

So for the above example:

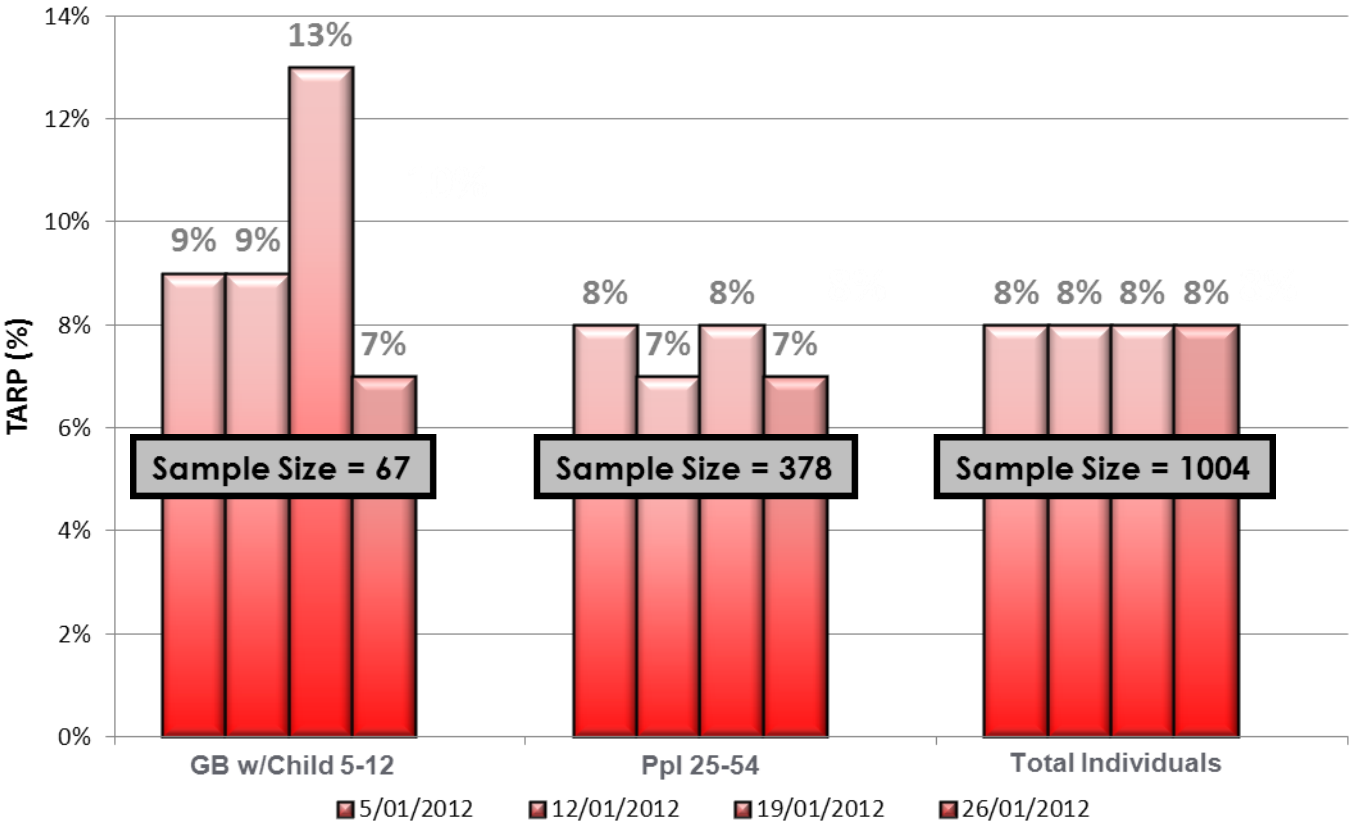
Variation on TARP = 5.2 divided by 18.3 multiplied by 100% = 28.4%

Ratings Variance Calculator and an understanding of Ratings 'bounce'

For further understanding of **'Sampling variance'** or **'bounce'** see below.

'Sampling variance' or **'bounce'** is the extent to which the ratings estimates vary when obtained via a sample, as opposed to those based on the entire population.

To demonstrate, the following example highlights "bounce" in the ratings over 4 weeks across 3 different aggregate trading demographics of a peak night program in Regional Victoria.

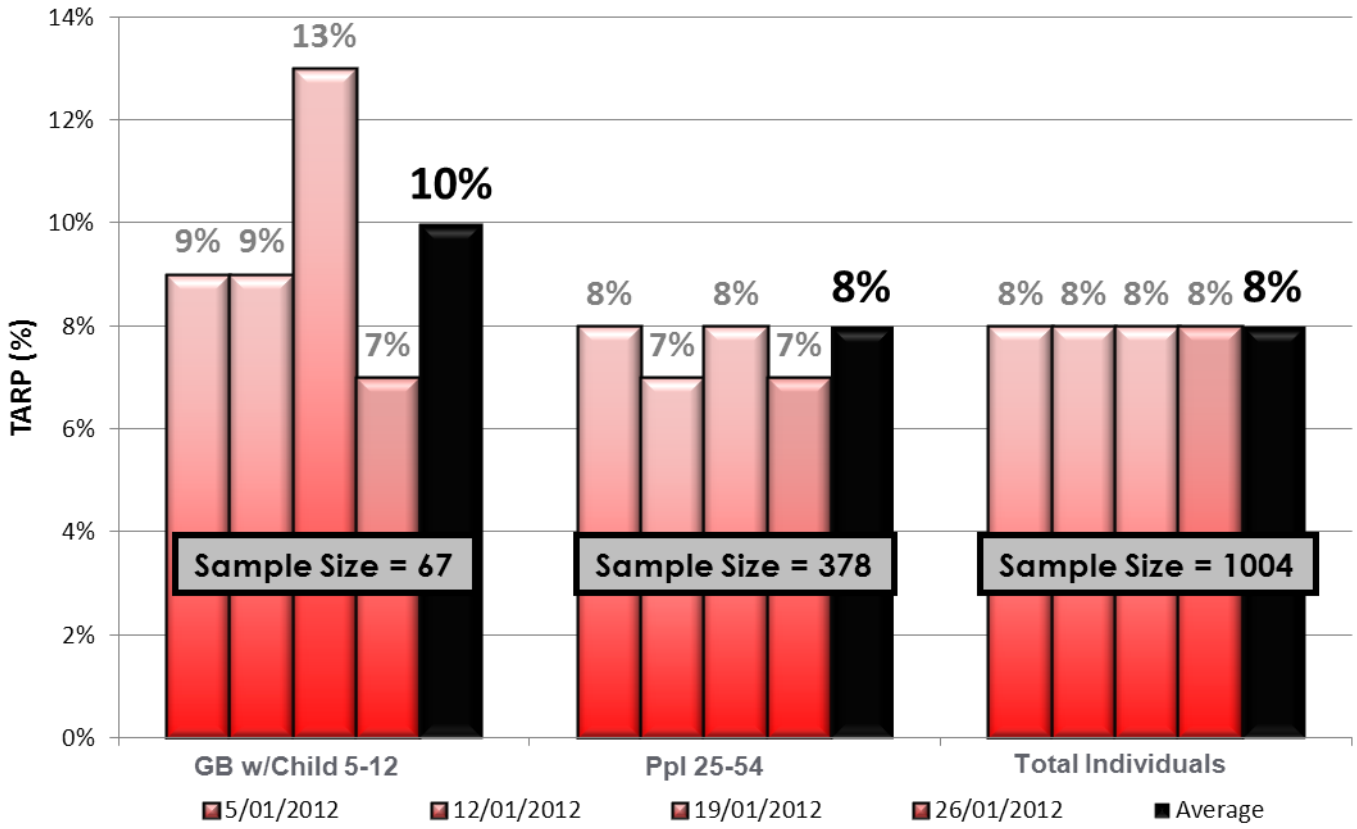


Note: The more a target is defined, the smaller the sample size will be and therefore the 'bounce' is more pronounced. There is much more variation in GB w/Child 5-12 with a sample size of 67 than Ppl 25-54 with a sample of 378.

**Denoted 55+ demographics only available in Regional WA*

Ratings Variance Calculator and an understanding of Ratings 'bounce'

So, to increase the reliability of results Regional TAM recommend using a 4 weekly average to estimate future ratings rather than an individual episode. Using broader dayparts across 4 weeks can also help to reduce the variation in results.



For more information contact us on

1800 555 026

or go to **www.regionaltam.com.au**