



CIRCULATIONS  
AUDIT BOARD

# **Profile Demographic Audit for Business to Business Publications**

## **Rules For Publishers 2002**

The following Rules and Guidelines are to be read in  
conjunction with the CAB Rules, September 2008

An Initiative of the Circulations Audit Board (CAB).

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## 1.0 INTRODUCTION

### 1.1

The Circulations Audit Board has developed an optional CAB Profile Demographic Audit (CPDA) in response to applications from Publisher, Advertiser and Advertising Agency members. The CPDA will provide the option of a detailed analysis of the readership of a business to business magazine.

### 1.2

The CPDA has been developed in line with International BPA and UK ABC and CAB audit standards. This provides a platform for publications competing not only in Australia but on the world stage as well.

### 1.3

The profile audit requires the Publisher to provide documentary proof of the readership of their magazines in two key areas, job title or job function and industry. Other optional demographic fields may be added upon request.

### 1.4

The CPDA provides an audit of a single issue of a publication to prove the demographic breakdown of the circulation of that publication.

### 1.5

The CPDA can only be undertaken by a Member of the CAB and is conducted in addition to the required circulation audits.

## 2.0 DEFINITIONS

### 2.1 *Qualified Circulation*

That circulation for which the mailing address, conformance to the field served and definition of recipient qualification, and correct classification are verified by auditable documentary evidence. This distribution is reported on the first page of the circulation statement and must be no less than 20% of the total circulation for the initial audit.

#### 2.1.1

*Qualified Non-Paid Circulation* – That circulation which meets the requirements of the above definition and which is distributed free of charge to the recipient or at less than 50% of the publication's basic annual subscription price.

#### 2.1.2

*Qualified Paid Circulation* – That circulation which meets the requirements of the above definition. Subscription payment orders must conform to the following conditions:

It must be paid for at no less than 50% of the publication's basic annual price. If subscribed for less than one year at no less than 50% of the prorated basic annual price.

### 2.2 *Non-Qualified Circulation*

That circulation which does not conform to the field served and definition of recipient qualification under section 2.1.

### 2.3 *Additions and Removals*

An addition shall be defined as a new name, either individual or company, appearing on the qualified circulation list for the first time.

A removal shall be counted when an individual or company is permanently removed from the qualified circulation list.

### 2.3.1

On labels addressed to individuals, with or without titles, any replacement of one individual's name with another's shall constitute a removal and an addition. A change in an individual's title shall not constitute a removal and an addition.

### 2.3.2

On labels addressed to a title only, the inclusion of an individual's name with or without a title shall constitute a removal and an addition.

### 2.3.3

The deletion of an individual's name from a label shall constitute a removal and an addition.

### 2.3.4

In the case of labels addressed to titles only (no individual's name), the change of, or deletion of a title shall constitute a removal and a deletion.

### 2.3.5

On company name only addressed labels, the inclusion of an individual's name, or the inclusion of a title, or both, shall constitute a removal and an addition. Labels addressed to a department only, shall be considered the same as a label addressed to a title only, for determining whether or not a removal and an addition are required.

### 2.3.6

The following individual or company names already appearing on the qualified continuous circulation list shall NOT constitute a removal and an addition when:

Moving from one location to another.

Changing from one qualified classification status to another.

Changing from qualified non-paid to qualified paid circulation status or vice-versa.

## 2.4 *Advances / Renewals*

A subscription renewed prior to expiration date of previous subscription.

## 2.5 *Advertiser and Agency Copies*

Includes checking copies and prospective advertising copies and shall be reported as non-qualified distribution.

## 2.6 *Duplications*

The same individual appearing on the qualified circulation list more than once shall be considered duplication. Two or more copies sent to the company name only at the same address shall be considered duplication. All such copies must be removed from the qualified circulation list.

## 3.0 RECORDS

### 3.1 *Sources for qualification*

The following sources serve to qualify a reader for the purposes of audit given they contain auditable documentary evidence outlined in paragraph 2.1.

- I. Total Personal Direct Request From the Recipient
  - a. Written
  - b. Telecommunication
- II. Total Request From Recipient's Company
  - a. Written
  - b. Telecommunication.
- III. Total Association or Society Membership
  - a. Individual
  - b. Organisation

- IV. Total Communication From Recipient or Recipient's Company (other than request)
  - a. Written
  - b. Telecommunication
- V. Total Sources other than above
  - Association rosters and directories
  - Business directories
  - Independent field reports
  - Licensees-Federal, State or Local Government
  - Manufacturer, distributor's or wholesaler's lists
  - Other sources

### 3.1.1

The publisher shall insert opposite each source the number of recipients for which he or she claims qualification.

### 3.1.2

Proof of classification as reported in paragraph 3.1 of the CPDA shall be available for all recipients on the qualified circulation mailing list. This proof must be no older than three years as specified in section 3.9.

### 3.1.3

A separate signature from the subscriber is necessary to establish a request for each publication.

### 3.2 *Additions and Deletions*

An accurate count of recipients added to and removed from the qualified continuous circulation shall be maintained issue by issue. This count shall be supported by printout proofs of recipients added, and/or removed.

### 3.3 *Use of Questionnaires*

Whenever a questionnaire is used to elicit information from a recipient, the questionnaire and attendant material must not improperly lead the recipient to give the desired qualification data in order to receive the publication.

#### 3.3.1

Whenever a questionnaire is used to elicit information about a recipient's business, except the establishments Standard Industry Classification, a question approximating one of the following must be asked on the form:

"What is your primary business (Check one only.)"

"The primary business of my firm at this location is (Check one only.)"

"Please indicate the primary end product (or service performed at your business location) by writing the corresponding letter of the alphabet in the box."

#### 3.3.2

When eliciting information about an establishment's International Standard Industrial Classification (SIC) a check-off response format may be used with the following question.

"What is the primary end product manufactured (or service performed) at your business location? (Check one only.)"

#### 3.3.3

Whenever a questionnaire is used to elicit specific information about a recipient's job function, a question approximating one of the following must be asked on the form:

"What is your title? (Check one only.)"

"What is your primary job function? (Check one only.)"

"Please check the one category that best describes your primary job function. (Check one only.)"

"Job function (Please rank in order of importance 1,2,3, etc.)"

### 3.4 *Record Maintenance*

Original order, dues invoices, membership application forms and proof of payments for all qualified paid subscriptions shall be available to the auditor as to price, term, source and premium if any.

#### 3.4.1

Publishers shall maintain on file for use of the auditor, copies of all contracts made with solicitors, subscription agencies or any other parties through whom subscriptions are obtained for their publications.

#### 3.4.2

Publications shall code the printout used in the audit, to denote classification, source and date of qualification, length for each subscription and its expiration date.

#### 3.4.3

For publication's reporting their qualified paid circulation throughout the CPDA, the publisher shall run separate lists for the qualified paid list and for the qualified non-paid list respectively separated by Type of Business, Job title and Job Function.

#### 3.4.4

Publishers shall provide the auditor with proof of mailing for the issue being audited. This proof shall be in the form of receipts from the Post Office. In addition, receipts for moneys deposited with the Post Office must be retained for auditor's examination.

### 3.5 *Age of records*

Source records used for qualification shall be no older than 3 years from the date of the publication to be audited.

## 4.0 **Qualification Records**

### 4.1 *Written Requests*

Written communication between the recipient and the publisher is acceptable for qualification and must be signed by the recipient or company representative (if being sent to a job title/function) and include name, title, company address and telephone number of the recipient

### 4.2 *Telecommunication Requests*

Telecommunications such as telephone calls; facsimile or email requests from individuals or companies requesting the publication for a specific person or job function/title may be reported as qualified telecommunication requests.

Each publication request must be obtained through a single telecommunication. Multiple publication requests on a single telecommunication shall not be acceptable under any qualification source category.

Publishers electing to use telecommunications for qualification must comply with the following conditions:

A. A question approximating the following must be asked and answered during the telephone interview: "Do you wish to receive (continue to receive) this publication? Yes ... No."

To permit future verification the name and personal question eg. "mothers maiden name" shall be asked of the person responding for the recipient.

B. A telephone interview form &/or instructions for the use by email or fax shall be submitted to the CAB for approval prior to use and must.

- (a) Contain adequate instructions (script) to the telephone interviewer (outbound calls) or to the recipient (inbound calls) including a statement at the outset if the phone call is to be recorded.
- (b) Contains the name, title, company address and telephone number of the recipient.
- (c) Contains an acceptable request question with a personalised data question couple to the request (as defined in paragraph 1)
- (d) Is consistent with Field Served (Industry) and Definition of Recipient Qualification.
- (e) Is signed and dated by the interviewer (outbound) or receiver (inbound) of the call.

- C. Facsimile and Email requests must be stored and available on request by the auditor and must contain the name, title, company address and telephone number of the recipient.

## 5.0 Mailing Lists

The complete mailing list for the issue being audited must be frozen and duplicated for the auditor's examination. A printout proof of all names on the qualified circulation mailing list for the issue analysed shall be provided for the auditor. It may be on uniform size cards, strips, or printout sheets, each containing an equal number of label impressions.

## 6.0 Audit Procedure

### 6.1 *Initial visit*

An Initial visit will be conducted as soon as possible after the registration fee has been paid with a view to ensuring that the publisher (and any third parties if applicable) are fully aware of the records that will be required along with the tests, sample sizes and methodology that will be used during the audit.

This will be used to discuss the main audit requirements with the Publisher and agree which optional analyses will be produced. During the initial visit the CAB auditor will, if applicable, inspect circulation records and discuss with the publisher the feasibility or otherwise of conducting the audit.

The meeting is intended to help plan the Profile by discussing the timetable, audit procedures, recent rule changes etc, and to ensure that the publisher's systems will be able to make the audit test selections, and that the publisher will be able to locate the source documentation to prove the demographic data. The type of computer system and software will need to be discussed, as well as the accessibility of data held by third parties (such as subscription houses, newstrade distributors, mailing list bureaux, etc). The aim of the meeting will be to assist the publisher to present the data in the best possible format.

### 6.2 *Actual audit*

Once an issue has been chosen for CPDA all records pertaining to that issue must be frozen. A duplicate set of mailing labels must be printed and qualified readership to be audited determined.

#### 6.2.1

It is the publisher's responsibility to ensure that all records asked for by the CAB auditor and/or stated in these rules, including those maintained and/or retained by third parties, are available in an auditable form.

#### 6.2.2

The audit takes place wherever the data is held. It aims to establish that auditable source documentation exists in support of the claimed demographic data, that the information on the sources has been correctly interpreted.

#### 6.2.3

The publisher and circulation staff may be asked to clarify methodology and must be available for consultation during the audit.

#### 6.2.4 *Tests*

During the audit the auditor will conduct tests to ensure the accuracy of qualified records. The auditor will choose a minimum random sample of 7½% of the qualified circulation for crosschecking purposes. Written and/or Telecommunication Records for the sample recipients must be retrieved and presented to the auditor on request. The random sample must never be fewer than 200 records for any publication.

##### 6.2.4.1

The auditor in line with his or her professional judgement to establish the validity of demographic data will conduct random third party checks. The third party check may be in the form of telephone calls, e-mails, facsimiles, or written communication with the recipient.

##### 6.2.4.2

Discrepancies in results found at this stage of audit may carry penalties under CAB rules and regulations 1989 and may be referred to the CAB Board for further action.