

Online Client Letter – US Only

Subject: A Message from The Nielsen Company

Dear Nielsen Clients:

We are writing to inform you that we are actively investigating an erroneous decline in our Internet use data. We have determined the impact of this decline for the NetView service; however, the full effect on VideoCensus, MegaView Retail, MegaView Search, AdRelevance, and WebRF services, as well as custom research utilizing this data is not yet fully understood. We currently believe these products are affected to a lesser degree.

Our investigation has identified the major root cause of the decline in the US and several contributing factors. The primary cause is an increasing incidence of websites using very long URLs that are not properly recognized by our systems. When our system attempts to process session data including the very long URLs, which are more than 2,000 bytes in size each, it intermittently does not recognize the session, causing an estimated average 22% decline in time spent year-over-year, which can vary at the domain level. This issue will be corrected in December data, delivered in January 2011.

We are currently conducting a similar analysis in the other countries where we make these services available. Until our analysis is complete and the primary cause of the decline is fixed, we suggest limited use of data from the online audience measurement products mentioned above. We have also uncovered other contributing factors resulting in smaller declines. We are working to resolve these while also identifying areas for additional improvements. Our client service team will contact you directly to review this in greater detail.

This investigation, covering every element of our Internet measurement methodology, including the panel, collection capabilities, and processes, and nature of the root cause indicates that we need to do a better job keeping pace with the rapid evolution of the Internet.

We are putting new processes in place to add greater rigor to the continuous testing of our methodology and expanding our monitoring for anomalous events. We have also engaged the Media Rating Council (MRC) to review our findings and the additional processes.

Moving forward, we will provide you with bi-weekly progress reports starting next week and will notify you of important developments as they happen.

The extraordinary changes and complexity of how the Internet is used warrants our increased attention to help the entire industry mature with a trusted source of data. We sincerely apologize for these data issues and will work closely with you to rectify the situation.

Please feel free to contact your account manager with any specific questions or queries.

Sincerely,
Steve Hasker
President, Media Products

Ari Paparo
Executive Vice President, Online Products