

# Advertising Research

By Jerry W. Thomas

The rise of scanner data with its ability to measure the short-term effects of promotions, the growing American corporate interest in profits this quarter (never mind next quarter or the future after that), and the rapidly increasing media alternatives to the traditional “big three” (television, radio, print) are all working in concert to diminish the perceived value of traditional advertising in the packaged goods categories.

The companies with a longer-term perspective, however, will win the marketing wars through the effective use of advertising in the major media.

This is not to say that other media (trade shows, sports marketing, Internet, fax networks, telemarketing, etc.) cannot play an important supporting or supplemental role, for they certainly can. Here are some thoughts about how best to use advertising in the packaged goods categories.

Advertising is primarily a strategic weapon. Its total effects must be evaluated in the context of years, not weeks or months. Advertising cannot compete with sales promotion and direct marketing activities in generating short-term (less than one year) sales effects. But in the long-term, the cumulative force of good

advertising can achieve results which cannot be equaled by sales promotion or direct marketing activities.

Print advertising tends to work more slowly than television or radio, typically. Therefore, an especially long period of time (or an especially heavy media schedule) is required to fully evaluate the total effects of print advertising.

Advertising for new products is more effective than advertising for established products. It's easier to create effective advertising for new products, in other words, than it is for established products. The inherent “news value” of new products is the principal reason new product advertising is more effective. Given the greater effectiveness of new product advertising, one of the most common marketing mistakes is failure to take advantage of this inherent advantage (i.e., to underspend on introductory advertising for new products).

Perhaps up to half of all advertising for established products is not effective, or is only minimally effective, based on Decision Analyst's research. Perhaps no other industry has a failure rate as high as the advertising industry (with the exception of the promotion industries, direct marketing industries, telemarketing industries, and other alternatives to traditional advertising). The persistently high advertising failure rate results primarily from lack of an accurate feedback mechanism,

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a lack of testing and evaluation. If an agency doesn't know when its advertising is bad or why it's bad, how can the agency possibly improve its advertising? Marketing research can provide this feedback, but it's too expensive for the typical advertisement or commercial.

Among commercials that are effective, the degree of sales effectiveness can vary greatly from one commercial to the next. One commercial might be several times more effective than another. This indicates that the quality of advertising tends to be more important than the quantity of advertising. Nevertheless, the quantity of advertising (i.e., the media weight) must achieve a threshold level for the advertising to have any positive effects. Limited telephone tracking research (and this can be done with small budgets) can monitor the cumulative effects of advertising upon awareness, brand image, and consumer attitudes, and is one of the simplest and most effective ways to make sure that your advertising is doing its job.

Recall of specific messages from advertising is not a very good indicator of advertising effectiveness, and some very effective commercials produce little measurable message recall. Message recall is a positive factor, but its importance should not be overstated.

Brand registration, however, is always important (as opposed to message/element recall). If consumers don't remember the brand name, the effectiveness of the advertising is correspondingly reduced. Failure to register the brand name is one of the most common weaknesses of commercials. When next you review your advertising, just make sure that the brand name is clearly stated and clearly shown in the commercial.

Ultimate truth is elusive. Advertising effectiveness cannot be determined by any one measure, such as persuasion or recall. Recall is a good measure for some commercials, but not for others. Persuasion scores don't work very well for brands with high market shares and cannot be relied upon for brands in poorly defined product categories. Purchase intent works reasonably well for new products, but poorly for established products. A large number of important

variables must be examined to judge the potential effectiveness of advertising.

Radio commercials can be as effective, or more effective, than television commercials on the basis of sales return per dollar of media. However, radio commercials seldom achieve their true potential because radio commercials tend to be inferior to television commercials in content and production. Typically, radio production budgets are much less than television, and radio commercials are rarely submitted to the rigors of marketing research evaluation.

Advertising which offends the viewer, or is in poor taste, is almost always ineffective. The only exception to this rule is the commercial which presents a lot of relevant news, where the message is so important that how it is said doesn't matter much.

If viewers like a commercial, its chances of being effective are improved. Likeability, however, is not sufficient (in and of itself) to ensure advertising success.

From the researcher's perspective, what are the "secrets" to achieving every company's goal: advertising that really works? There is no simple "success" formula, unfortunately, but here are some thoughts which might be of some value:

- ***Advertising works in the arms of sound strategy.*** What role is advertising to play in the brand's marketing plan? What messages must the advertising communicate? What images should the advertising project? These are strategy issues, and they bring us to this conclusion: without sound strategy, the chances of advertising success are very low. Several research techniques are available to identify and resolve strategy issues before creative development begins.
- ***Homework and hard work are more likely to yield effective advertising than creative brilliance and flashes of creative genius.*** Great advertising evolves from trial and error, tinkering, and tweaking. Pretesting each commercial is a laboratory experiment, an op-

portunity to learn how to make the next commercial even better.

Big egos (creative egos, client egos, research egos, and agency egos) are barriers to the creation of effective advertising, because big egos tend to substitute wish and emotion for thinking, reasoning, and objectivity. If your agency (or your client) is unwilling to make creative adjustments—based upon objective consumer feedback—to improve the creative product, then you have the wrong agency (or the wrong client).

Test your advertising. Show it to members of your target audience and see how they react. No one (not the client, the agency, or the researcher) is smart enough to know how consumers will perceive and react to a given commercial. If you can't afford one of the advertising testing services, test it yourself. Show the new commercial and a couple of old ones, and ask some consumers which one would most influence their interest in buying the brand. If you can't afford that, then ask your spouse what he/she thinks of your advertising. The method is surprisingly accurate, but often leads to a bloody divorce.

Once you have chosen a testing system, stick with it so that you (the agency, the creatives, the brand managers, and the researchers) all learn how to use and how to interpret the test results for your product category and your

brand. "Sticking with" and learning a testing system is more important than which system you select. No testing system is perfect. No testing system can be used blindly. A large dose of intelligent human judgment must always be incorporated into the advertising evaluation process.

If budgets permit, test at the rough, as well as the finished, stages of creative development. Once you've spent \$300,000 producing finished commercials, you will not be very open to any research that questions the effectiveness of those commercials. Testing at the rough stage can help you refine the creative before spending the big dollars on production. The more rough executions you evaluate, the greater the probability the winning execution will be effective.

Testing at the finished stage can help guide final editing or re-editing of commercials or pool-outs, help determine how much weight should be put behind the creative, and provide understanding to help guide campaign evolution and the creation of subsequent commercials.

A couple of final suggestions. Be sure your advertising puts enough emphasis upon your brand name so that consumers will remember it. And, don't forget to give consumers some positive information about your product (i.e., a reason to buy it). Good luck at the supermarket.

## About the Author

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Decision Analyst is a leading international marketing research and analytical consulting firm. The company specializes in advertising testing, strategy research, new product ideation, new product research, and advanced modeling for marketing-decision optimization.



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