

# Advertising Research

By Jerry W. Thomas

**A growing share of consumer-goods media spending is shifting away from traditional advertising media (television, radio, print, and outdoor). The proliferation of new media alternatives (online advertising, YouTube, social media, mobile, search engines, apps, etc.) is attracting money once spent on traditional media.**

## Traditional Media vs. New Media

Traditional media are also suffering from a long-term trend toward promotional expenditures consuming a larger share of the marketing budget. Many consumer-goods companies are spending less on advertising in total, as their executives strive to please Wall Street with improved short-term profits. The hope that one's ads might "go viral" and accomplish advertising miracles on a low budget adds to the upheaval and distracts executives

from the hard work of building effective advertising campaigns.

This decline of traditional media advertising in many consumer-goods companies is creating an opportunity for companies that appreciate the power of traditional advertising.

Social media, online, search, and mobile advertising all grab the headlines and attract marketing executives like moths to the flame, but we should not be dazzled or awed by the new media. They have their advantages and can be a part of the

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media mix, but are probably still a distant “second fiddle” to traditional media.

Indeed, we would argue that mastery of the traditional media—especially television, radio, and outdoor advertising is a far wiser strategy than aggressive pursuit of the new media.

## **Media Choices**

The most important concept is strategic-investment spending in media advertising. Think of media advertising as the long-range artillery of marketing. Your goal is a long-term bombardment to take possession of the consumer's mind and preferences. A brand may have to take financial losses for a year or two while it builds awareness, tells its story, and crafts a brand image. This is the price of marketing success. Media choice is a daunting task in a world of infinite media choice, so here are some guidelines.



## **Television Advertising**

Not only does the term “television advertising” refer to a commercial with color, motion, and sound like those you see on television, it also refers to those same types of commercials you might see on the web, in social media, on YouTube, or on Facebook.

Thusly defined, television advertising is still the gold standard and the most effective of all media for consumer products. Television commercials have the greatest impact and tend to move awareness numbers up swiftly—with sufficient media weight. Generally, the equivalent of 100 GRPs (Gross Rating Points) per week is the lower limit of spending level if you hope to see measurable increases in advertising awareness. Also, television commercials (like all advertising) would be more effective if a higher share were tested among consumers before airing.

## **Radio Advertising**

Radio commercials can be as effective as television commercials, based on sales return per dollar spent on media. However, radio commercials seldom achieve their true potential because they tend to be inferior to television commercials in content and production quality. Typically, radio budgets are

much less than television, and radio commercials are rarely tested among consumers. If you plan to use radio, pretest the commercials to make sure they work.

### **Print Advertising**

Print advertising tends to work more slowly than television or radio. Therefore, an especially long period of time (or an especially heavy media schedule) is required to fully evaluate the total effects of print advertising. Print is an important arrow in the media quiver, however, because a share of the population tends to be heavy readers. You won't reach them with television, radio commercials, YouTube, or sponsorships of tractor races.

### **Outdoor Advertising**

Outdoor advertising (also called out-of-home or OOH) is especially effective as an advertising media, if used properly. First, the message must be (a) on strategy and (b) expressed in few words.

Outdoor advertising is great at extending or reinforcing the key theme of a television or radio campaign. If some of the visual elements and the key theme of a television or radio campaign can be condensed and shown via outdoor advertising, the awareness-build of television can be accelerated. Outdoor



advertising can add a visual element to a radio campaign (e.g., show the retail package), and it can help boost the awareness-build of a print-advertising campaign.

### **Social Media Advertising**

Social media continues to grow in importance and reach. Its ultimate value as an advertising media remains to be seen. Ads and commercials intended for online delivery or social media distribution operate by the same rules as all other advertising. Television-testing techniques, for example, can be applied to commercials that look like television commercials, regardless of where those commercials are aired. Static banner ads are similar to print ads and can be evaluated by those metrics. Many social media and online ads and commercials

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fall in between these extremes, and require some adjustments in measuring techniques. What's important is that these ads go through the same research processes as other commercials do.

## Strategy

Advertising is primarily a **strategic** weapon, as previously noted. It's the heavy, long-range artillery. 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 sales effects. But in the long term, the cumulative force of strategically sound media advertising can achieve results that cannot be equaled by sales promotion or other marketing activities.

## Advertising Effectiveness

Advertising for new products tends to be more effective than advertising for established products (it's the "news value" of the new product). In other words, it's easier to create effective advertising for new products than it is for established products.

Given the greater effectiveness of new product advertising, one of the most common marketing mistakes is failure to take advantage of this inherent benefit (i.e., the failure to fully exploit the new product advertising advantage).

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 the lack of an accurate feedback mechanism—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 often 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 online surveys or telephone tracking research (that can even be done with modest budgets) can monitor the cumulative effects of advertising upon awareness, brand image, and consumer

attitudes. This is one of the simplest and most effective ways to make sure that your advertising is doing its job.

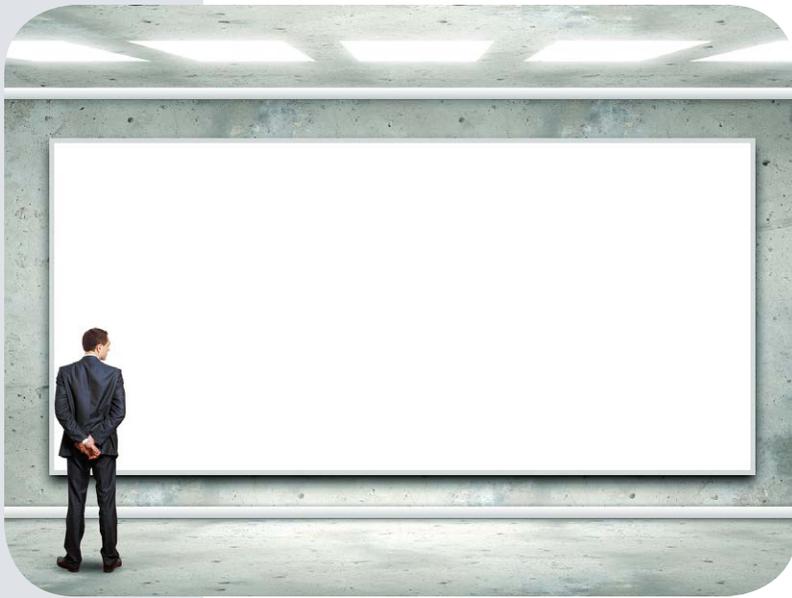
Recall of specific messages from advertising is not a very good indicator of advertising effectiveness, and some very effective commercials produce little measurable message recall. Message recall is a positive factor, but its importance should not be overstated. **Brand registration**, however, is always important (as opposed to message or element recall).

### **Brand Registration**

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 advertising mistakes. The

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next time you review your advertising, just make sure that the brand name is clearly stated and clearly shown in the commercial. If your brand name is not easy to remember, then more emphasis must be placed on the brand name in commercials.

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 not so well for established products. A large

number of important variables must be examined in concert to judge the potential effectiveness of advertising.

Advertising that offends the viewer, or is in poor taste, is almost always ineffective. The only exception to this rule is the commercial that 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 marketer'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 guidelines:

**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 research feedback, tinkering, and tweaking. Pretesting each commercial is a laboratory experiment, an opportunity to learn how to re-edit current creative and 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).

## Advertising Testing

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 latter method is surprisingly accurate, but often leads to a messy divorce).

Once you have chosen an advertising-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.

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If budgets permit, test at the rough, as well as the finished, stages of creative development. Once you've spent \$900,000 producing finished commercials, you might not be very open to 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 that the winning execution will be effective.

Testing at the finished stage can help guide final editing or re-editing of commercials, 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.

## Final Thoughts

Be sure your advertising puts enough emphasis upon the brand name so that the audience will remember it, don't forget to give buyers some positive information about your product (i.e., a reason to purchase), and don't forget to pretest your advertising.

*Good luck!*

## 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.