

# **BUILDING A BETTER STARTER KIT OF PLANNING KNOWLEDGE FROM CAMPAIGN EFFECTIVENESS RESEARCH**

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## **Abstract**

In the last few years much more information on the sales effectiveness of print advertising has been published than has previously been available. This has been partly due to the initiatives of publishers in setting up case histories, and partly to the development of new research tools using scanners on bar codes and the explosion in the availability of low cost computer power.

These developments have been good for publishers, because the single most important conclusion to be drawn from all the new information is that generally speaking the print medium is undervalued and underused, to a significant extent.

Though this is most satisfactory, the paper will argue that even so, the current wave of research has two major weaknesses. In the first place, the multibrand studies which constitute a most important part of the work, systematically undervalue the full potential of print. Secondly, none of the studies make much of a contribution to the task of building a better starter kit of knowledge to help improve campaign planning decisions. Examples of planning unknowns are given, and an outline research project which would make it possible to achieve progress, on an international front, is presented.

## **‘Take A Fresh Look At Print’**

This is the name given to an ad sales brochure recently published by the International Federation of the Periodical Press (1). It is an assembly of results from 22 research projects conducted in many different countries, most recently published and most concerned with the use of print in association with television. Both magazines and newspapers are covered.

I have been involved in developing ad sales propositions for 35 years, primarily for magazines, and in my judgement the material in the brochure makes a far stronger case for print advertising than anything previously available. This is partly because all the projects make use of sales or purchase data to demonstrate marketplace success, or they use the next best alternative, advertising awareness, and partly because the results show that print is far more powerful than we had all previously imagined.

TAFLAP should not be seen as a continuation of past efforts, but rather as a quantum leap forward. It demands a radical re-think of much of what has been accepted up to now as accepted wisdom and standard planning practice.

For example, a major Magazine Publishers of America study conducted by Millward Brown showed that on the basis of an ad awareness to cost index for 113 mixed magazine and television campaigns run in 1996/97 magazines outperformed television by a ratio of three to one (2). Three to one in favour of magazines – that’s revolutionary!

## **Case Histories and Multibrand Studies**

The projects described in the brochure are divided into two groups. The first, numerically largest group, is made up of 16 named brand case histories. Case histories are always popular because people can relate to the brand, can examine the advertising used, consider the way in which those responsible for the brand faced its marketing problems, and enjoyed subsequent success.

However, it has been found in practice that it is very difficult to identify from case histories those factors which are most commonly linked with success, because it is highly likely that the information is not available in a common enough form to generalise, nor in sufficient depth. Also, since case histories rarely deal with failure there is no learning about what not to do.

In contrast, there are good prospects for learning from the second group of projects in the brochure, multibrand studies. But before discussing this prospect, I would like to consider another important characteristic of consolidated multibrand studies. As currently analysed they all under-estimate the potential power of print advertising.

The basic concept of such studies is that they are built on the consolidation of individual brand data collected for the clients of on-going syndicated research services. Thus two of the TAFLAP studies made use of household panels, one in the UK operated by Taylor Nelson Sofres, and the other in the US operated by A C Nielsen. In both cases panel purchase data was cross related to readership information collected by special mail questionnaires.

Another multibrand project made use of a second type of Nielsen service, this time from Germany and using shop audit data. This was an econometric study which related shop audit sales to distribution levels and advertising expenditure in four main media – print, television, radio and cinema.

The MPA/Millward Brown multibrand project already mentioned, was also based on consolidated existing information, this time derived from a standardised research tool – the Millward Brown campaign tracking approach.

The remaining two multibrand studies made use of other opportunities of inter-relating product purchase/use data with media exposure. One, for the New York Times, employed the Simmons Media Markets studies in two years 1996 and 1997, and the other, going back to the early 1960's used over 110,000 Starch reading and noting interviews for Saturday Evening Post and Life. The Starch work employed exactly the same analysis approach as was used by John Philip Jones when he introduced the Short Term Advertising Strength (STAS) notation in 1995 (3). The result of this early Starch project showed a 7-day purchase gain linked to magazine ad exposure of 19%, a much higher level than anyone would have expected for magazines. It was almost up to the STAS level for television of 24%, found by Jones.

It is fascinating to speculate how this early Starch work (4) would have influenced planning attitudes from the date it was published (1966) to now, if it had not been allowed to gather dust for so many years.

### **A Tendency to Under-Estimate the Potential of Print**

There are two reasons for the current analysis procedures to underestimate the potential of print, and all other media. They are based on averages, and they ignore the fact that the value of integrated media cannot be derived by totalling the separate individual media parts.

### **Averages are Misleading**

The results from all but one of the multibrand studies in the TAFLAP are presented in the form of an average for all brands. The exception is the New York Times project, where there was no consolidation of the data because only 16 brands were covered so the results were presented in the form of a range.

Working with averages simply means that the influence of all other factors which will have contributed to the success level of a campaign are ignored. This makes little sense, because overwhelmingly the reasons for poor results from a print campaign, or any media for that matter, have nothing to do with the carrying media, but stem from the work of the advertiser or agency. In a highly competitive marketing communications environment the established media cannot afford to be systematically undervalued in this way.

A product launch advertising campaign will produce poor results if the advertiser fails to get good distribution, no matter the quality of the advertising or the media involved.

The solution to this problem is simple. The multibrand studies to date have provided us with a good start, but for a second generation of such work we should be seeking to divide the campaigns under study into, say, quintiles on some criteria of marketplace success. The analysis of the results for the top quintile will then provide a much better indicator of what the media can achieve, given good use.

It would be entirely proper for publishers to sell on the basis of the achievements of the top quintile of a batch of brands. No other producer would dream of selling on the basis of average results, no advertising agency would show the average cake or the average head of hair to illustrate a cake mix or shampoo, so why should the researchers operate as if this was right for media owners?

The concept of working with quintiles is not new, of course. In his book 'When Ads Work' John Jones also divided the 78 brands in his sample into quintile groups, with separate chapters analysing some of the characteristics of each quintile. Similarly, the Millward Brown work in America has taken one step in the direction I am advocating, by singling out 61% of the 113 brands they covered because they showed a significant relationship between a week-by-week change in advertising awareness and a corresponding change in purchase intent. That is, they were judged to be the most successful campaigns.

Furthermore, Millward Brown went on to find that 65% of ad awareness that was driving this correlation was attributed to magazines and television working together, and 19% to magazines on their own. Meaning that magazines were involved in generating 84% of total ad awareness from a base of only 23% of the original effort going into the market.

Great for magazines, but leaving me thirsting for more. In what ways did these winning campaigns differ from the pack?. And at the other end of the scale, what were the characteristics of the flops?

This thought leads me nicely into my next section, but first one final point about working with top quintile results.

It is possible that any comparison between top quintile results will show the relative positions to be unchanged from the average, all brands result. However, I do not believe this will be the case, primarily because print is a more difficult medium to use well than television. This is because television has more production values to use than print (sound and movement), and because there is time to recover from a weak start. In contrast, if a print ad does not attract immediate attention the reader has the opportunity to pass by, in a fraction of a second.

Also, the level of pre-testing for television is far greater than for print. If this has not had the effect of weeding out the poor performers, at least, the researchers should be worrying.

All in all, therefore, I think it highly likely that the range in performance of print ads is likely to be greater than that for television. Hence, it highly likely that print will gain still further from a comparison of the top quintile results.

### **Identify Winning Campaign Characteristics for Better Learning**

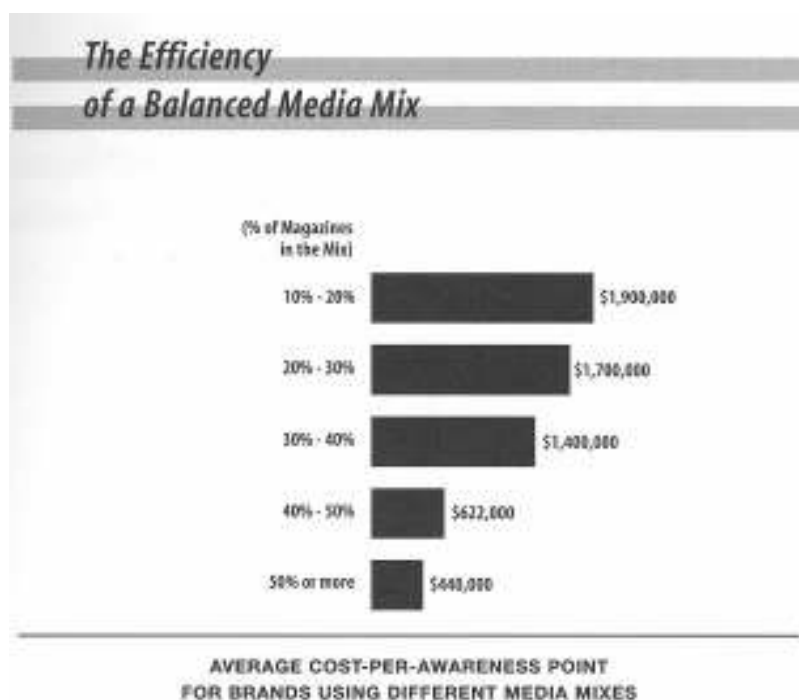
To date the majority of ad effectiveness studies have treated the advertising input in a uni-dimensional manner, either in terms of expenditure or Gross Rating Points (GRP's). In effect this is saying that all the agency skills in planning and creating a campaign count for nothing; the only thing that matters is the size of the budget. No one really believes that this is the case. Hence the task facing the researchers is to move as quickly as possible to a second generation of multiband studies, designed to make it possible to learn by using many different analysis factors to establish which ones are most linked to the performance of a campaign.

Let me give you an example, again taken from the Millward Brown work for the Magazine Publishers of America. As already quoted this study showed that on the basis of all 113 mixed magazines and television campaign researched by Millward Brown in 1996 and 1997 they found that magazines outperformed television in terms of an awareness to cost index in the ratio of three to one. Further analyses showed that while there were variations around this average this broad conclusion was valid for all product categories, budget sizes, the number of , competitive brands and the newness of the brand. Such conclusions add to the strength of the magazine case, but they are not planning considerations, since they are very largely outside the influence of the agency.

On the other hand the study does include one most interesting analysis factor – the budget split between magazines and television. This is a topic about which we know little, according to the latest (1997) edition of the UK account planners bible (5) wrote:

‘The tools for allocating budgets between the different communication channels are rudimentary and thin on the ground’.

The MPA results given below show that a 50%/50% split between magazines and television generated awareness points at only 23% of their cost compared with those generated by a budget split of 10% magazines and 90% television.



This is a challenging finding. It implies that most large budget packaged goods brands, where commercial television has been available and over the last 40 years, have been under-spending on print in a big way. Ample encouragement for publishers to seek greater depth of insight.

To the best of my knowledge this MPA work is the soundest study into the effects of different budget splits yet published, but there is more work to be done. For example, as yet, we know nothing about the nature of the advertisers in each of the budget-split groups. It can be seen as building on the only large scale previous work in this area, carried out in South Africa (6). The South Africans called their study 30/30 Synergy, to summarise their conclusion that the best results were obtained from budgets spending at least 30% in print and 30% in television. The MPA study more than supports this conclusion.

Though this evidence is most encouraging for magazines it must be said that we know little about the reasons why this pattern of response has emerged. To what extent did the cost per awareness point decline as the proportion of money spent on magazines increased because of better targeting or better communication?

targeting, who to talk to and how often  
communication, what to say and how to say it

Traditionally, publishers have concentrated their arguments for mixed magazine and television advertising on the targeting proposition that a mix delivers a better distribution of advertising effort against most target markets than does a television-only campaign. This is a good argument and it has won much business, but I believe that the leverage exerted on results by better targeting is not as great as the leverage exerted by better communication.

For an example I would like to go back to the paper given by Bob Warrens at our Symposium in San Francisco in 1993 (7). It was a case history detailing the experience of a major television-only advertiser who ran a test involving a budget increase of 15% in magazines on a regional basis, monitored by sales and panel purchases.

The total market went up by 15%, in line with the budget increase, but well above the increase to be expected if the extra money had been spent on television. However, purchasing within the key target market of adults 35-49 with an income of \$45,000+ doubled

The test was undertaken because of the perceived targeting benefits, since the key target market were known to be light television viewers, so the outcome was taken as total confirmation of the wisdom of this thinking.

This, I doubt. If the figures in the table below are studied it will be seen that while adding magazines increased the coverage achieved by 11%, they added 33% to frequency. It is true that the 10.7 frequency from television for the target market was below the average for all adults, so weakness was rectified by the use of magazines. However, I do not believe that the addition of an extra 3.5 impacts through magazines, on top of 10.7 television impacts, would have doubled purchases if counted purely as extra weight. Such an increase through television would not have had the same result.

**Key Target Market  
Adults 35-49, US\$45,000+**

	Coverage	Average frequency
	%	
Television	84	10.7
Magazines	73	3.5
Combined	93	14.2
Change	+11%	+33%

No, the gain must have been due more to communication synergy than to better targeting. So while the result was very positive for magazines it cannot be a good thing that a major agency should have failed to understand the main reason why their strategy was so successful. Likewise, in the comments on the Millward Brown results the emphasis is much more on targeting than on communication, with the concept of communication gain never actually being mentioned.

For both agency planning purposes and for publishers wanting to determine their best research expenditure strategies it seems important to me that we should understand more about the relative power of these two decision areas. Take, for example, the question of how best to run the two media in terms of timing. If targeting exerts most power then timing is probably not crucially important, but if the main benefit comes from communication synergy it is likely that it would be best to plan a campaign so as to achieve the maximum level of joint impact within a short period of time. For most this would be a totally new planning objective, and one that would be outside the scope of most current readership surveys to deliver.

Likewise, we know little about the creative challenges of learning how best to use the media to maximise communication synergy. The original programme of Media Multiplier studies which concentration on the communication benefits of mixing magazines with television (8) emphasised that there was no guarantee of benefit, with the level of 'harmony' between the treatments being important. Harmony is a nice neutral word, but the reality is that we have no idea what it means in practice.

Finally, I would like to mention two other analysis factors that I believe will be found to be important areas for learning. But there are plenty of others. One concerns the hypothesis, again from Millward Brown, that individual print creative treatments experience a very rapid fall-away in effectiveness with repeat exposure. I am sure that most will be able to recall the table, but as a reminder I repeat it below:

Exposure to same execution	Proportion of full effect %
1 <sup>st</sup>	100
2 <sup>nd</sup>	100
3 <sup>rd</sup>	75
4 <sup>th</sup>	25
5 <sup>th</sup> +	10

This table, published in 1994, states that in terms of effect there is a severe penalty if the number of exposures per creative treatment is allowed to grow to more than 3. An important hypothesis, one would have thought, but since publication there has been no further work to support or deny the findings.

The second analysis factor required would have to come from a side study designed to establish the success of a campaign in communicating the name of the brand being advertised. If a campaign is weak on this dimension it will depress performance, no matter how good it was in all other directions.

### **The Whole is Greater than the Parts**

The second reason why many consolidated multibrand studies underestimate the potential of media advertising is that they treat each medium covered as a separate entity, without any allowance for the fact that the whole is greater than the parts. Especially, I believe, because of communication synergy.

If this is so then any statistical analysis should treat, for example, a mix of magazines and television as a separate category, alongside television-only and magazines-only.

## AN OUTLINE RESEARCH PROJECT

So far I have been considering the considerable progress which has been achieved in recent years, and the directions in which I believe we should be moving. I have placed much emphasis on the potential offered by the consolidation of data from existing multibrand studies, but inevitably such potential is restricted to those countries where suitable on-going multibrand studies exist. The project outlined below does not depend on existing studies, but I hope it will be of interest to all those publishers who have large numbers of subscribers.

It could have three major benefits, depending on national circumstances.

- a) By providing own-country information it would could be used to reinforce the powerful magazine ad sales material in 'Take a Fresh Look At Print'.
- b) By moving ahead to a second generation of multibrand studies, employing more penetrating analysis factors, it offers the prospect of materially improving our campaign planning knowledge, and success level.
- c) It is a powerful research design because all comparisons would be made between the same groups of people at different points of time. It is thus unaffected by this element of sampling variation and should be seen, in effect, as a short-term single source project. The magazine exposure data would also be more precise than it is often possible to achieve.

In broad terms the aim would be to carry out virtually all necessary research by post with selected samples of known subscribers, primarily as a way of reducing costs. The proposed design (See Appendix 1) would be similar in many respects to the large-scale project undertaken by Time Magazine with Seagrams in the early 1980's, while it would also make use of analysis concepts recently revived by John Philip Jones, but based on work by Daniel Starch in the 1960's. Hence the only new aspect would be the combination of these two proven approaches in one project.

To generate a sufficient amount of data for analyses purposes it would be desirable to have data on at least 30 brand campaigns, collected over a 48 week period. Though each individual national project would be self-contained, there would be considerable benefit to all involved if similar projects were to be undertaken in a number of different countries at the same time. The positioning of national results within an international framework would add greatly to their impact for ad sales purposes, while the larger the data base for analysis and interpretation the better the guidance which can be given for improved planning decisions.

Such consolidation of research results across countries is now a well-established practice for a number of international advertisers such as Unilever.

## References

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**Appendix 1****MORE DETAILS ON THE RESEARCH DESIGN****Summary**

To subject samples of subscribers to varying weights and styles of advertising pressure and to monitor responses by means of postal questionnaires.

**Sample**

A large, balanced sample of magazine subscribers, across titles and, if appropriate, across publishers would be required, guesstimated to be 40,000. The first task would be to marry together those who subscribe to more than one title, to achieve a sample of magazine subscribers, with full knowledge of the magazines received by subscription. It would be best if all major magazine publishers in a country were to be involved to ensure the maximum possible coverage of all subscription sales. If this were to happen the de-duplicating process, across titles and across publishers, would need to be handled by an independent party to maintain confidentiality.

All contact would be by post, apart from a brand registration side study, conducted after an advertisement has been published and probably by personal interview. Such a study would be essential to monitor the success of the advertising in communicating the name of the brand being advertised – a critical element of all campaigns and a ‘must-have’ analysis factor.

Each respondent would be required to answer two questionnaires, the aim being to receive around 300 valid second questionnaires per week for 48 weeks. The estimated original sample size of 40,000 has been based on an assumed initial response level of 50% and a second questionnaire response level of 80% of those responding to the first one.

**Questionnaires**

The first questionnaire would aim to establish relevant basic characteristics of each subscriber, in terms of brand purchases made in the previous 7 days, and future purchase intentions, for all product fields appropriate to the campaigns being monitored. Media consumption characteristics, both magazines and television, and other factors thought likely to be relevant, such as demographics, attitudes and purchasing characteristics would also be covered. It would be sent out to a balanced 1/48<sup>th</sup> sub-sample, every week.

The second shorter questionnaire would be sent 6 weeks later to every panellist who returned the first questionnaire. This second questionnaire would concentrate primarily on repeating the brand purchase questions run in the first questionnaire.

The purchase questions would be modelled on the short-term purchase questions which were the basis of the STAS analyses revived so successfully in recent years by John Philip Jones (3 )

**Analyses**

The main purpose of the subsequent analyses would be to relate shifts in purchase behaviour and intentions to the known level and characteristics of the advertising pressure to which the respondents had been subjected, during the 6 week interval between the questionnaires.

We will know for every panellist the magazines they receive every week or month, and the advertisements carried in these issues. So for all intervening 6 week periods it would be possible to allocate a probable weight of magazine ad exposure, by creative treatments.

Likewise we will know which brands were on air which weeks and how heavy their advertising. When this information is interlaced with respondents weight of viewing from questionnaire 1 it would be possible to calculate likely weights of exposure to the television advertising for each brand.

In itself such a design would provide us with a data base from which it will be possible to relate 6 week shifts in market performance measures with different splits of the budget between the media. This is an important planning consideration, with what little information that is available being good for print. Many other planning considerations, as already discussed could also be studied by careful pre-planning and in a variety of different ways.

