

July 2011

Turn On, Tune In, Watch Out: ***How Advertisers Can Minimize Ad Avoidance***

Reproduced from Admap with permission. © Copyright Warc. www.warc.com/admap

Jeff Boehme, Chief Research Officer, Kantar Media Audiences
Mitzi Lorentzen, Vice President, Client Solutions, Millward Brown

“Half the money I spend on advertising is wasted; the trouble is I don't know which half.”

- John Wanamaker

Over a century ago, the renowned merchandising and advertising mastermind, John Wanamaker, uttered that iconic phrase. Decades before radio and television, Mr. Wanamaker opined about the fundamental weakness with advertising – the difficulty of reaching potential consumers through traditional advertising. He didn't have the tools or the information to make informed decisions about what advertising works best.

When you think about how electricity would literally shock his world, consider how digital is affecting yours; how consumers are defining their media through new digital devices on a personal level. Digital technology (set top boxes, smart phones, tablets, PCs) **links** content to the consumer faster than ever before. Technology is redefining the new reality in television, and digital technologies are empowering consumers with the greatest choice of content, in the highest quality, delivered when and where it is most convenient - welcome to the **consumer age of television**.

The challenge of evaluating advertising effectiveness today has intensified as consumers are more actively multi-tasking on digital devices, exponentially increasing the likelihood of potential lost audiences and ad avoidance. But 100 years later, we have an advantage over Mr. Wanamaker – these digital devices can “talk”. They can collect usage data and send it back. To give some context, we now collect tuning on over 2.3 million commercials – so we can see in last year's Super Bowl if anyone actually stayed with those expensive ads.

As more digital media advancements enable efficient targeting capabilities, advertisers can send more relevant messages to the right consumer. Since digital devices communicate with a high fidelity of return path data (RPD), we have an unprecedented opportunity to **“mine & combine”** this usage data so marketers can understand the new digital media landscape and improve their advertising effectiveness.

Mr. Wanamaker was making the case to demand greater accountability for advertising. Kantar Media and Millward Brown have combined two key databases to understand the acceptance of an ad and the subsequent audience behavior when the ad appears to help minimize ad avoidance or audience tuneaway. This enabled us to provide an



additional measurement system with enhanced accountability and insight for advertisers.

Commercial Audiences Are Not Traditionally Measured

Despite the digital transition of media, traditional TV measurement in the U.S. has not progressed to keep pace. Ironically, the TV ratings system doesn't report the key metric of **audience to the commercials**. Program ratings don't tell you how people watch commercials.

Kantar Media's state-of-the-art audience data, however, provides second-by-second return path data (RPD), which is digital TV usage derived from set top boxes. These second-by-second tuning levels enable us to passively collect and measure audiences to all available channels and programs, as well as **commercials** so we know when and where audiences stay with or leave the ad. More specifically, tuneaway provides a measure of lost audiences by analyzing the tuning present at the start of a commercial and calculates the proportion tuning away from that commercial.

Despite digital video recorder (DVR) penetration over 40%, the majority of TV tuning is still live with an average of 3% commercial tuneaway. However, this ranges and we have seen campaigns where audience tuneaway can exceed 20%. For time-shifted content, commercial tuneaway can be much higher, sometimes exceeding 30%. As a practical example of this impact, sponsors of the Super Bowl would lose approximately \$80,000 of their investment dollars if a 30-second ad experiences a 3% audience tuneaway. Therefore, understanding this behavior is critical to measuring the real value of the advertising investment.

Our two companies, Kantar Media and Millward Brown, realized that we could further improve our clients' advertising return on investment by helping them minimize audience tuneaway. By aligning Millward Brown's robust database of Link™ copy testing and Kantar Media's DIRECTView actual audience behavior, we can now isolate the various factors which drive tuneaway from ads. Millward Brown's Link™ identifies the potential effectiveness of an ad and is validated to sales. The Link™ database contains thousands of ads across a range of categories and brands. From a Kantar Media perspective, tuning behavior measures the "environment" of how an ad is received via DIRECTView. This is a managed RPD panel of over 100,000 digital households.

To prove our concept would work in the real world, we allied with the Advertising Research Foundation (ARF) to define a study where we focused on a given month of Kantar Media's second-by-second TV tuning for 184 ads that had been pre-tested with Millward Brown's Link™ dataset across a range of categories. Our goal was to address two questions:

- What creative metrics from a pre-test can predict audience tuneaway?
- How media placement and measurable influences can impact the results?

Aligning the results from these databases enables us to provide guidance on how to optimize both the creative and media placement to minimize commercial tuneaway.



Understanding The Creative

Understanding which creative elements relate to tuneaway before a commercial runs will provide an early warning signal to help advertisers minimize potential audience loss and provide insight that is actionable before the commercial campaign begins.

It is important to note that tuneaway provides an understanding of ad avoidance, but does not indicate whether an ad will necessarily be successful. Millward Brown's research on what constitutes strong creative illustrates the importance of engaging viewers in a branded fashion (branded engagement) so an ad gets noticed and recalled in association with the brand. If an ad engages viewers, the advertiser has a greater opportunity to create associations about the brand that could generate a response (persuasion). Combined, these two measures help us understand the creative potential of a commercial in market.

From our analysis, we know that some ads are more likely to engage with consumers in a negative way and be fast forwarded or 'tuned away' from, and these contain certain creative characteristics. These creative aspects can be grouped together into three clear dimensions.

The element that is most important in terms of tuneaway from a creative standpoint is ***personal relevance*** - if consumers have no interest in the category or brand, they are more likely to tune away. Secondly, viewers need to have a ***negative emotional reaction*** to a commercial in order to actively change the channel and tune away. They find the commercial 'unpleasant', dislike it, or feel inadequate or annoyed when watching it. The key finding being, consumers have to engage with the commercial in the first place, in order to take action against it. Finally, if the message contained in the ad ***lacks relevance or credibility*** for consumers then they are also more likely to tune away.

These findings corroborate with what we know about how brains process information.¹ The brain prioritizes information of relevance to current or future goals and emotion is a big cue to the brain of something that is relevant and important.

Therefore, an advertising idea has to resonate with consumers and tap into issues of importance to them. The challenge is to present the brand in a way that is relevant to the consumer's current mindset or broader values and goals to help minimize potential tuneaway.

Understanding Media Placement

But how important is the media in terms of the whether viewers watch or 'tune into' watching the commercial? As we have learned, it is critical. The effectiveness of an ad being 'tuned into' depends largely on where and how that commercial is received, or its media "environment". Media placement can be measured on a range of factors, or

¹ Cognitive Neuroscience, Marketing and Research: Separating Fact from Fiction, Graham Page and Jane Raymond ESOMAR Congress 2006



media influences, relating to the buying strategy employed. For the purpose of our study, we used our second by second audience data to identify the most important reasons why people tune away from commercials. These include: program, network/channel, daypart, commercial length, the pod within the program, position in pod and product category.

We were then able to see some very interesting trends. For example, ads which are shown first in a commercial pod (the grouping of commercials in a program) tend to have higher levels of tuneaway. The specific program also affects the ad's performance as does the specific product category being advertised. For example, categories such as movies/entertainment, experience lower levels whereas automotive experiences higher levels of channel switching. This is logical, as the vast majority of Americans will not buy a car in the next year, so that brand may not be as relevant at the time of viewing.

We have used these data to develop a new performance metric – the *Audience Tuneaway Index (ATI)*. All of the media influences listed above impact on the performance of campaigns, and so by using broad commercial benchmarks we can control for each influence and calculate how campaigns would perform in a typical TV environment.

The Real Value – Combining Creative and Media Placement Measurement

The real power lies in combining media and creative aspects to understand how they interact. We built a structural equation model across the combined datasets to isolate the effects of creative and media placement on audience behavior tuneaway. While we know creative plays a critical role, the model illustrated an amazing observation- *media plays an even stronger role, accounting for 75% of tuneaway.*

From a creative standpoint viewers generally have to really dislike an ad or have it not be relevant to actively change the channel. From a media standpoint, there are multiple factors which will impact even the most powerful creative. Many consumers will intuitively change the channel as soon as the commercial break starts, and certain programming is better at retaining audiences. For example news or sports, may impact the way in which the commercials within it are consumed, compared to a genre such as drama which usually requires continuous engagement to follow a storyline through a commercial pod. However, the creative remains critical. Audience tuneaway does not inform us if the commercial was remembered in conjunction with the brand, or whether it drove sales. Audience tuneaway analyses, complemented with other commercial performance measures provide an additional diagnostic to understand the ad's potential to retain or lose viewers.

Activating the Model to Help Advertisers

While our study enabled us to understand the overall trends and causes of audience tuneaway, we are also able to analyze the performance of individual campaigns and pinpoint areas of strength and weakness. We found examples of campaigns which scored well creatively but performed poorly in terms of their tuneaway, and others which were weaker creatively but managed to minimize ad avoidance. Examples such as these enable us to understand the relationship between creative and media and to



identify specific elements that contributed to this performance and areas for improvement.

In one specific case, we found the advertiser had an opportunity to improve both the creative and media strategies to reduce ad avoidance. From a creative standpoint, they needed to convey a more credible message and make changes to reduce the negative emotional reaction. Their media strategy could be enhanced by better rotating spots in different pod positions as well as modifying their channel and pod composition.

Overall Conclusions

Consumers will continue to evolve with digital media, actively selecting relevant video content and consuming it on their own terms. To understand audiences in this digital evolution, programmers and advertisers need additional measurement practices to provide enhanced accountability and insight. Commercial tuneaway does represent a significant loss in both audience and media investment, but there are metrics available that can help analyze campaigns from both a creative and a media placement standpoint, to manage and reduce ad avoidance.

Can't you just see Mr. Wanamaker smiling?

#

