Planning by Numbers

From time to time, we are asked our view on the “optimal media plan.” Those who ask know that we’ve studied ad effectiveness for years and that we have a database. Surely, they reason, we must know what works!

The subtext of this question usually has to do with how to embrace media beyond television. Advertisers with the resources to do so will usually choose to center their activities on TV, but many are uncertain as to how to effectively extend their activities to other channels that may build sales and brand equity more cost-effectively. Of course there is no single “off-the-peg” ideal; a range of factors drive media plans in different directions: budget, demographics, consumer involvement, communications task, and competitive environment. In the end, the answer for each brand has to do with the category, the advertising task, and the target consumer.

What We Know
TV still carries the biggest load
Until audio-visual content can be distributed widely and cost-effectively by other means, such as Internet, outdoor, digital reader screens, or even wafer-thin video screens in the pages of magazines, TV will continue to dominate. While TV is rarely the most cost-efficient medium in our CrossMedia evaluations, it does deliver volume in terms of quantity of impressions and, ultimately, response.

Two (or more) media are better than one
Multiple media work better than one medium alone. We see this time after time in our CrossMedia research. A multimedia campaign can deliver a bigger overall bang for the buck for two reasons: We can cost-efficiently manage diminishing returns in delivering reach (as I explain later), and people are often better persuaded when they receive a message multiple times in different contexts. The trick, of course, is to find ways to connect with people at times and in places where they are open to receiving the communication and when it is most relevant to them. (Some of the “new” media are better for exploiting these opportunities than are mass channels; we explore this in ChannelConnect.)

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Response to media is highly variable

We know that the response to different forms of media and media plans varies enormously. Groups with different demographic characteristics have very different media habits. Some of the most obvious splits are: younger vs. older, male vs. female, working vs. not working, and richer vs. poorer.

Even within a single demographic, people with different levels of involvement with a brand or category will respond differently to a brand’s communication. For example, your loyal users will readily notice your advertising, you don’t have to buy heavy weights or premium positions to talk to them. People who don’t know about your brand will be much more difficult to engage. And of course, there are many levels of familiarity between these two extremes.

The nature of the brand’s environment also plays a part. In very busy categories, where lots of brands are doing lots of things, you may need to shout to be heard. Noise levels vary by country as well; while you might get away with a lightweight TV campaign in Denmark, you’d be laughed out of the room for suggesting that in Italy.

Thus the variety of tasks that a media plan can be called to address is vast. Fortunately, the range of ways to accomplish these tasks is equally vast.

Managing the Math of Multiple Media

For most brands, the optimal media plan will feature television as the lead medium while including other media in supporting roles. Evidence suggests that other media work fine alone (relative to cost) but are even more effective after some audiovisual “pre-cooking.” Thus for now it makes sense to use TV first to reach as much of your target audience as you cost-effectively can, and then switch the budget to other media before diminishing returns set in.

The key to getting TV in balance in a mixed-media campaign is to apply those three basic parameters of media planning — reach, frequency, and timing — to the campaign in total. Too often these factors, which are commonly traded off against each other within a limited budget, are applied only to TV, resulting in TV weights being heavier than necessary. The ways in which exposures in other media can cost-efficiently extend reach, augment frequency, and elongate campaigns should not be overlooked.

At some point, the increased reach you get from spending more on TV will diminish. This is unlikely to be at a point high enough to satisfy campaign reach requirements; therefore the question is where to buy more reach cost-effectively. You could distribute additional audio-visual content on the Internet, or turn to outdoor for more noise, or move to print to convey additional detail. Whatever medium is chosen, it too will have a diminishing returns curve. The trick is to spend enough to get the best effect you can before diminishing returns kick in. Then look again at other options.
needs to be repositioned. A brand in the former category would benefit from use of what we call a “resonance” strategy; a brand in the latter position should draw on the technique we call “magnification.”

Resonance
An established brand in maintenance mode needs to reinforce what people think and feel about it. An appropriate media strategy for such a brand would call for the use of “resonance.” A typical resonance plan has TV as the backbone but at a relatively light weight. As soon as the TV reach curve begins to flatten, a second medium is brought in. The second medium serves to supplement reach as well as add a cost-efficient incremental exposure. When the reach curve of the second medium flattens, a third medium is added. Ideally this medium should be chosen to minimize overlap with the previous media, since consumers don’t need a high level of overall campaign frequency. The additional media exploit the TV memories by causing those memories to “resonate” in people’s minds; thus they extend the length of the TV campaign. This helps to minimize waste due to excessive TV exposure.

Magnification
An advertiser who needs to change the way people think, feel, and interact with a brand has a harder task. The media strategy called for in this case is “magnification.” A magnification plan layers media on top of each other in order to surround the target audience with the core brand message; repetition and intensity “magnify” its effect. Because this approach depends in part on frequency of exposure, the planner may have to push some media spends above their most cost-efficient reach thresholds. While this strategy may be criticized by the average media auditor, its effectiveness will be borne out in post-evaluations of brand outcomes.

What About the X Factor?
By this point I am sure you are beginning to tire of this number-crunching approach to planning. For every generalization there are notable exceptions, and the big-impact campaigns come from breaking the rules. You want to shake up your market. So where is the X factor?

The WPP Annual Report contains a plethora of examples of brands doing new and exciting things. Ogilvy Group cites their involvement in three major campaigns: the Smart Planet initiative from IBM, the Dove Pro-Age stage play (which brings the “beauty has no age limit” philosophy to life), and, in the ultimate sampling campaign, the delivery of 400,000 pizzas for Kraft’s Delissio. JWT Brazil talks about turning Johnson & Johnson’s Band-Aid into a fashion accessory. Grey London reports that “Timesculpture” for Toshiba broke new ground in 3-D technology, while the film they created for Procter & Gamble, about a deaf Thai girl struggling to become a violinist, became a sensation both on TV and online. The In the Motherhood series originally developed for Unilever by Mindshare and MSN now runs during primetime on ABC.

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Probably the X Factor “Star” prize should go to Queensland Tourism, which launched an audacious campaign to publicize the charms of the northeastern state of Australia earlier this year. The “Best Job in the World” campaign, which was a prize winner at Cannes, had 34,000 people from all corners of the globe competing to become caretaker of a tropical island, with a contestant named Ben Southall being the winner. On an investment of just $1 million, the campaign to date has received huge amounts of media coverage, estimated variously to have been worth $50 million to $100 million.
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These examples are all quite different from one another; they range from an evolutionary extension for a brand or media type to something more revolutionary and culturally groundbreaking. But there is no guarantee that such efforts will be rewarded. The awards programs that celebrate the successes don’t make note of the failures or the mediocre efforts. Therefore, the main questions to ask of innovation are:

- “If I build it, will they come?” (Will I get reach and word-of-mouth momentum?)
- “If I build it, who will come?” (Will I just be talking to pre-existing brand fans?)
- “If I build it, how will they react once they get here?” (What is the downside risk if people don’t like it? For example, some people see the P&G example as emotionally manipulative and nothing to do with the brand at all.)

To answer these questions, concept development and pre-testing research can be conducted. Our experience shows that such research can significantly increase your chances of success — you cannot just assume that people will engage in the right way.

Because revolutionary innovation does carry high risk and can be harder to get budgets for, it may be better to start with a more evolutionary approach. As the results of these evolutionary changes are evaluated, brand organizations should become more confident and feel less risk-averse toward more groundbreaking activities.

Conclusion

Those in charge of a business look for guaranteed short-term sales returns from a marketing campaign. Thus there is a bias toward playing it safe and using what works — that is, TV. However, to build brand equity over the long term, a new and unproven approach is often required. These two objectives must both be satisfied through some sort of combined action/engagement protocol. One possibility is to “do a Google” and invest 70 percent of your budget against proven “best bets,” 20 percent against evolutionary extensions, and 10 percent towards revolutionary experiments that could deliver future benefits.

What worked in the past is not the same as what will work in the future, so if your media plan is the same as last year’s, it’s probably suboptimal. Databases cannot drive plans and a pure “planning by numbers” approach leaves little room for innovation. In the end you have to find your own way, but this is certainly possible with the help of good development research and campaign evaluation methods.