

The power of advertising:

Taking a fresh look at
media metrics and spend

ebiquity

globally trusted independent advisors

in partnership with many of
the world's advertiser
associations.



leading independent marketing analytics specialists

With 800+ effectiveness
projects evaluating \$20bn
of marketing spend.



advisors to 80 of the top 100 advertisers worldwide

spanning across 10+
industries and more than 17
markets.



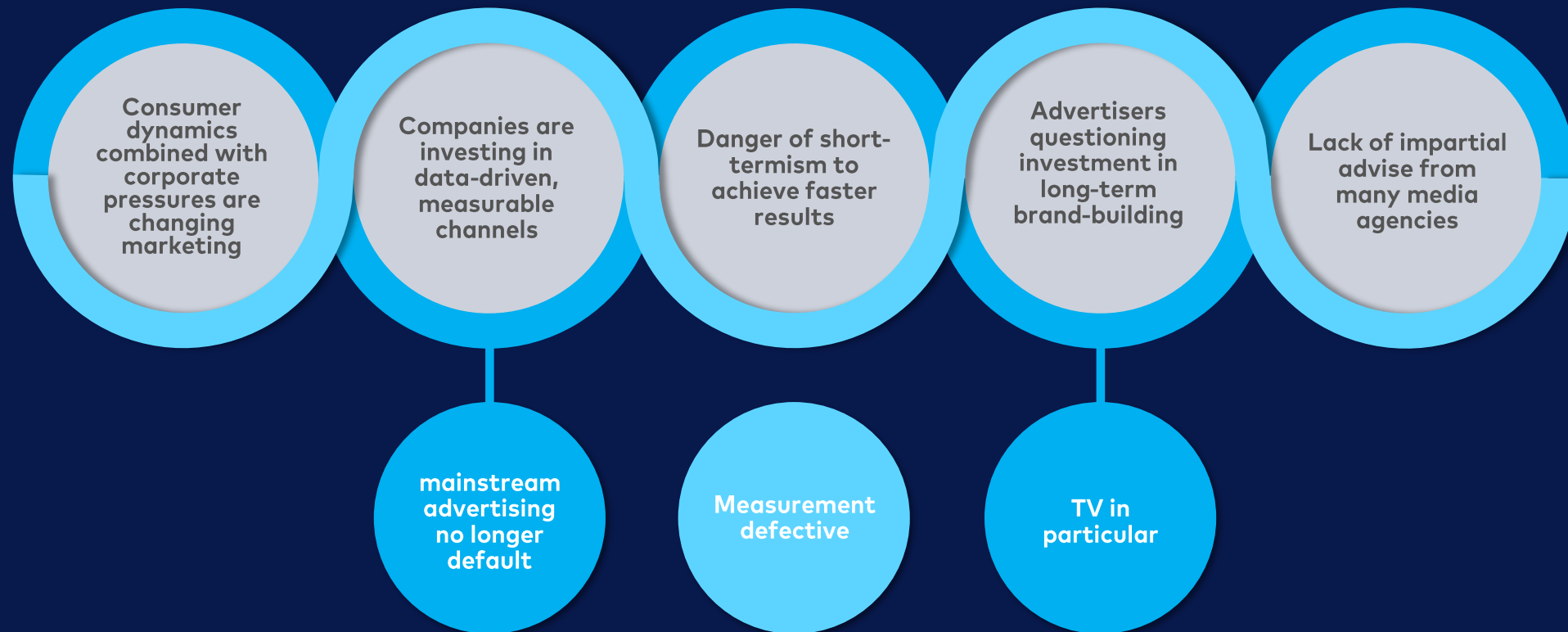
The Global Media Challenge

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Increasing Short-termism

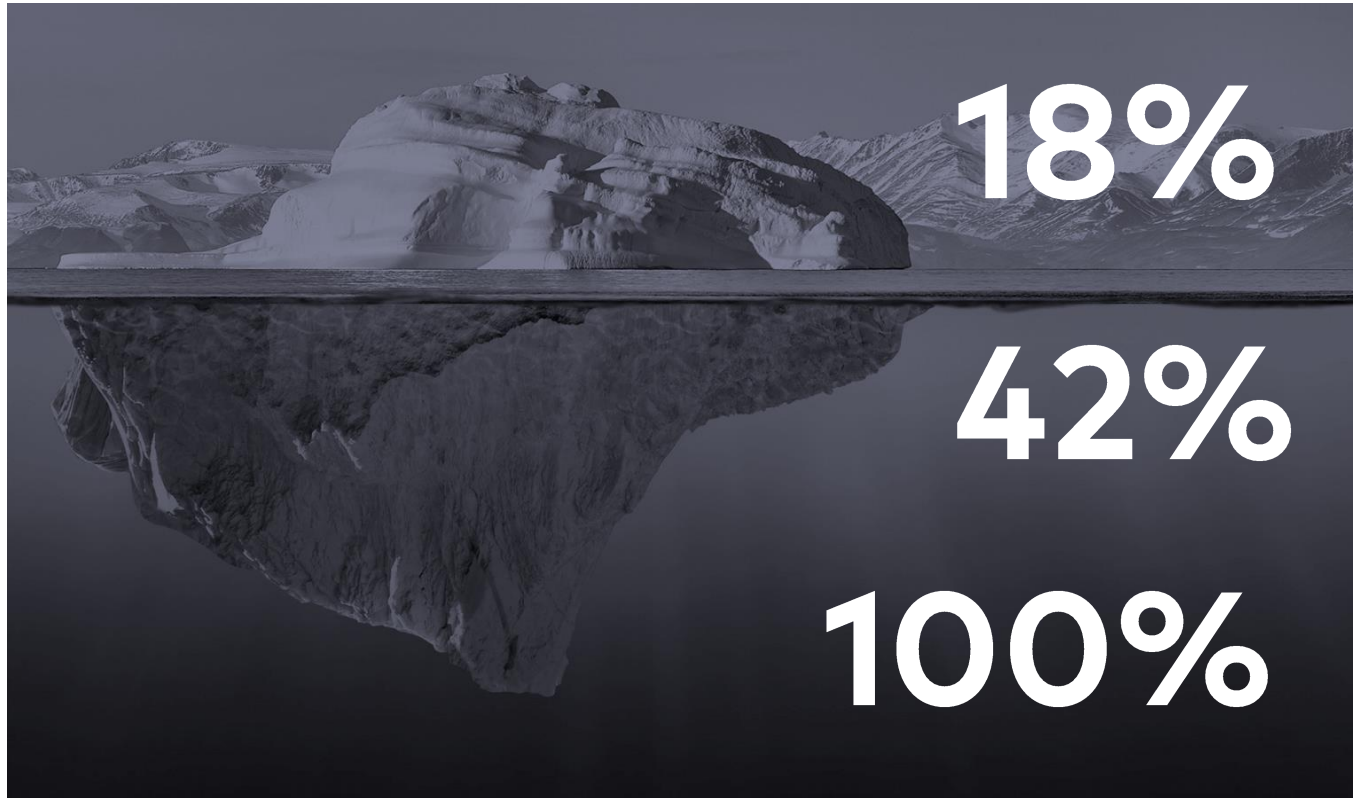
Mainstream advertising is at a **crossroads** due to a perfect storm of pressures affecting advertisers



The media world has never before faced this pace of change.

Even though the majority of advertising's potential to drive sales is in the long term

SHARE OF SALES IMPACT CAPTURED BY TIMEFRAME

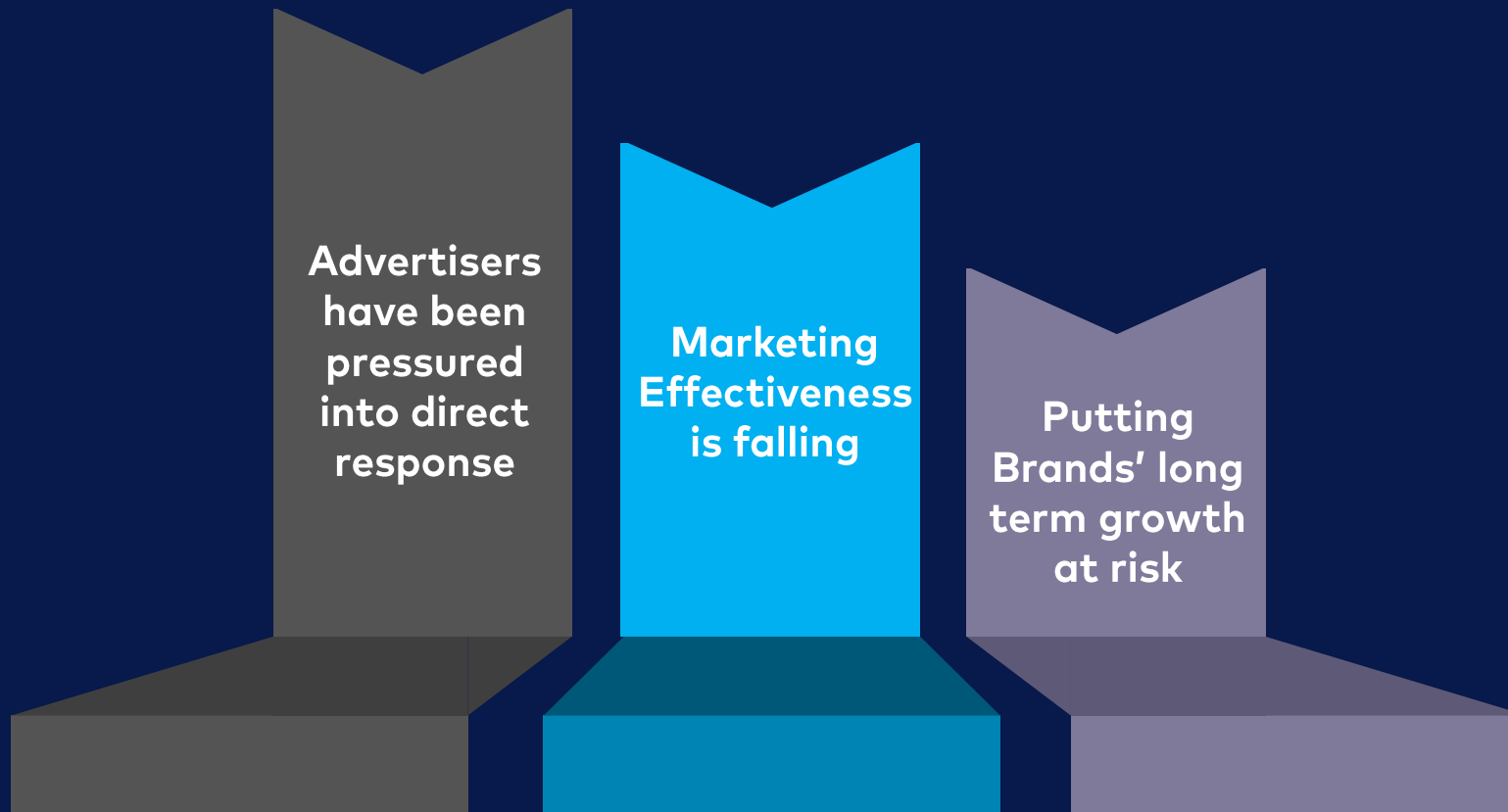


HOURS/ DAYS
(via Digital Attribution)

WEEKS/ MONTHS
(via Marketing Mix Modelling)

MONTHS/ YEARS
(via Brand Equity Modelling)

Industry pressures are causing **major problems** for many brands

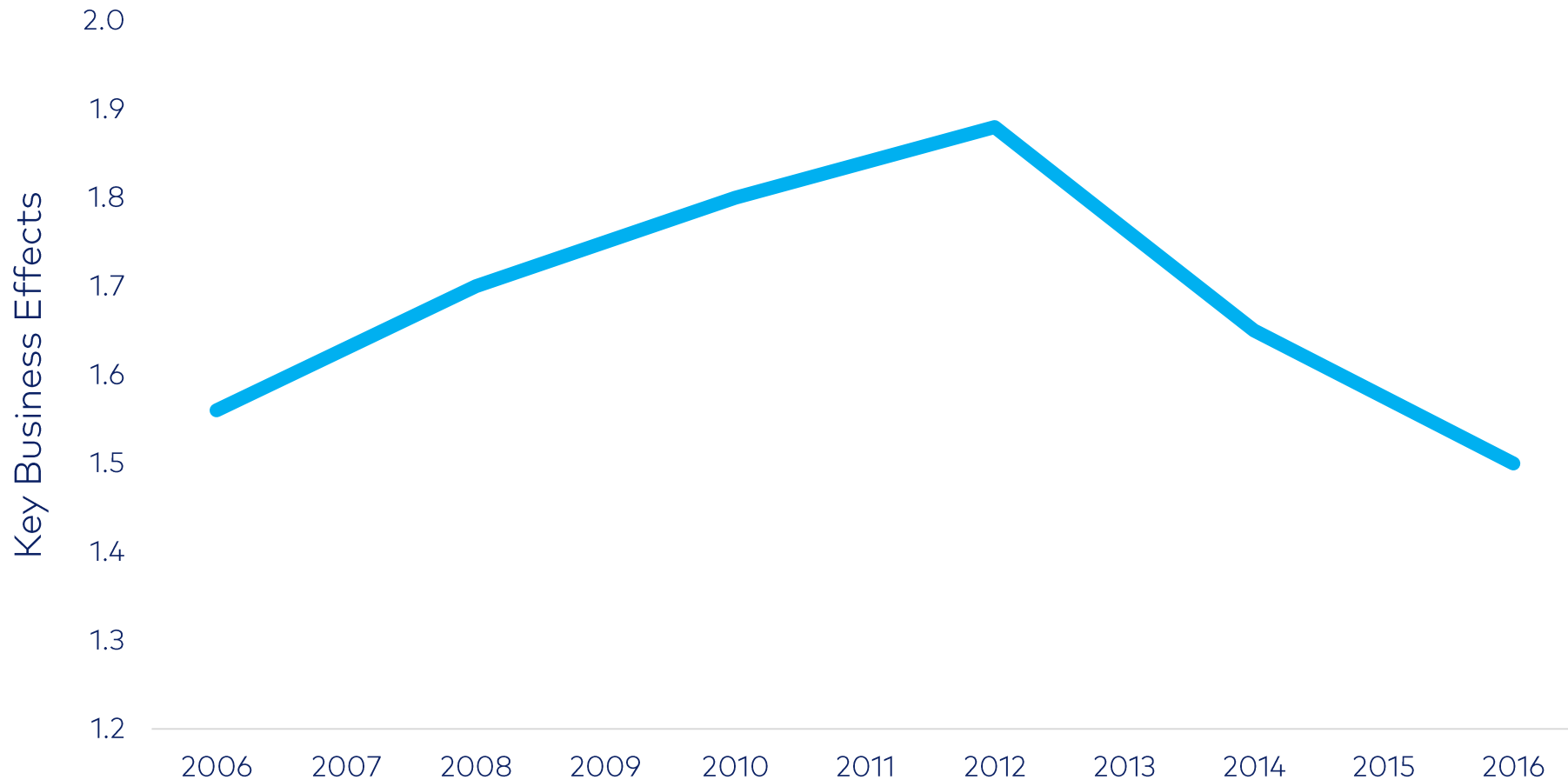




**"The more we move
towards **real-time**,
the more we move
towards **deal-time**
and this is harming
brands' profitability"**

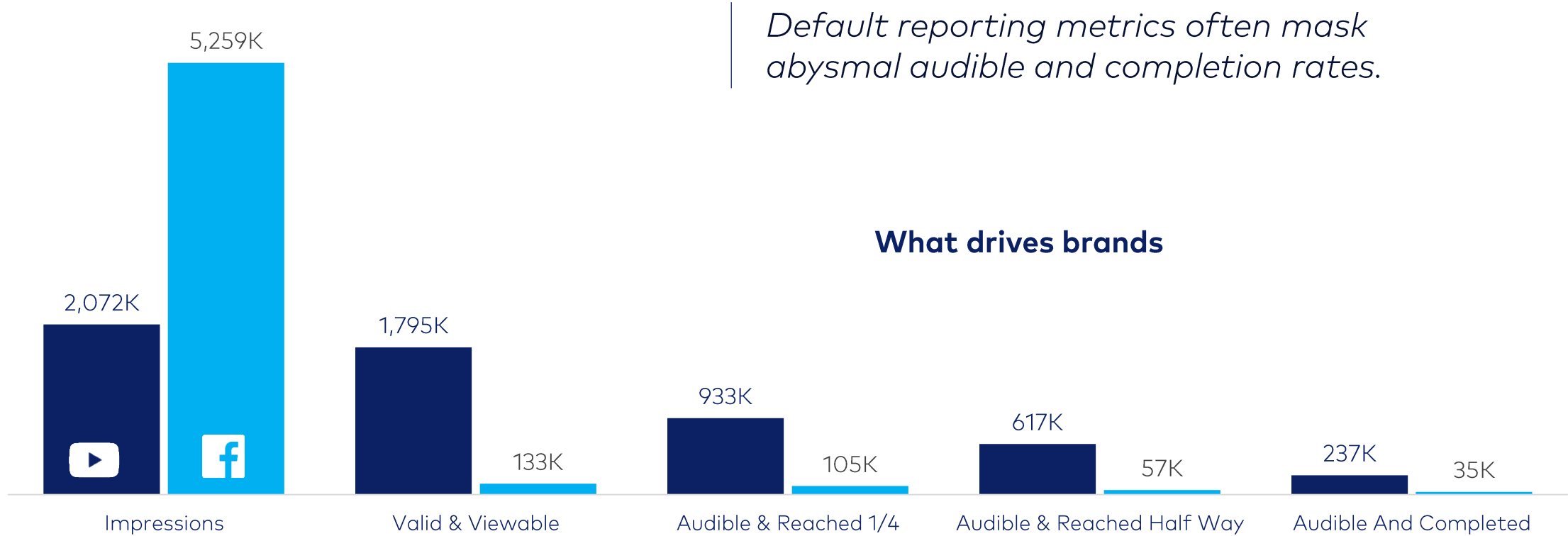
**PETER FIELD,
ADVERTISING EFFECTIVENESS EXPERT**

And as a result, marketing effectiveness has fallen



Different metrics can tell very different stories...

Default Reporting Metrics




Beware of blanket claims about how you should spend your media budget



"Brands should spend 24% of TV ad budgets on Youtube"



"Big Brands should spend their TV ad budgets on Facebook as they have a Super Bowl every day"



"Shift budget to Youtube because it generates a high ROI"

The role of a media plan should be to **effectively and efficiently** drive business



To deliver **effective advertising**
to as **many potential consumers** as possible
for the **most efficient cost**

We have found that across our client portfolio ROI potential is determined by cost effective reach

$$\text{ROI} = (\text{Incremental Sales} \times \text{Margin}) / \text{Cost}$$

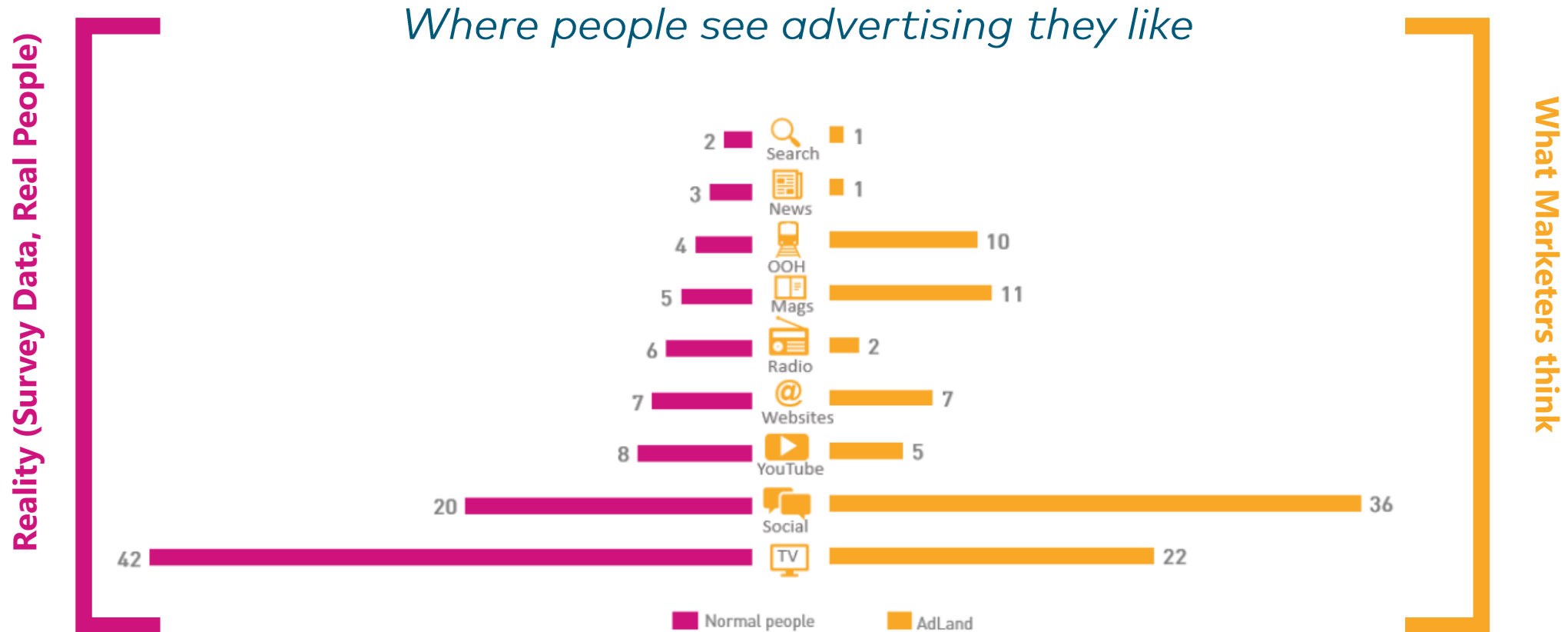
...fundamentally a media line that delivers cost effective reach points will have the greatest profit potential

This should be a **non-contest** for TV

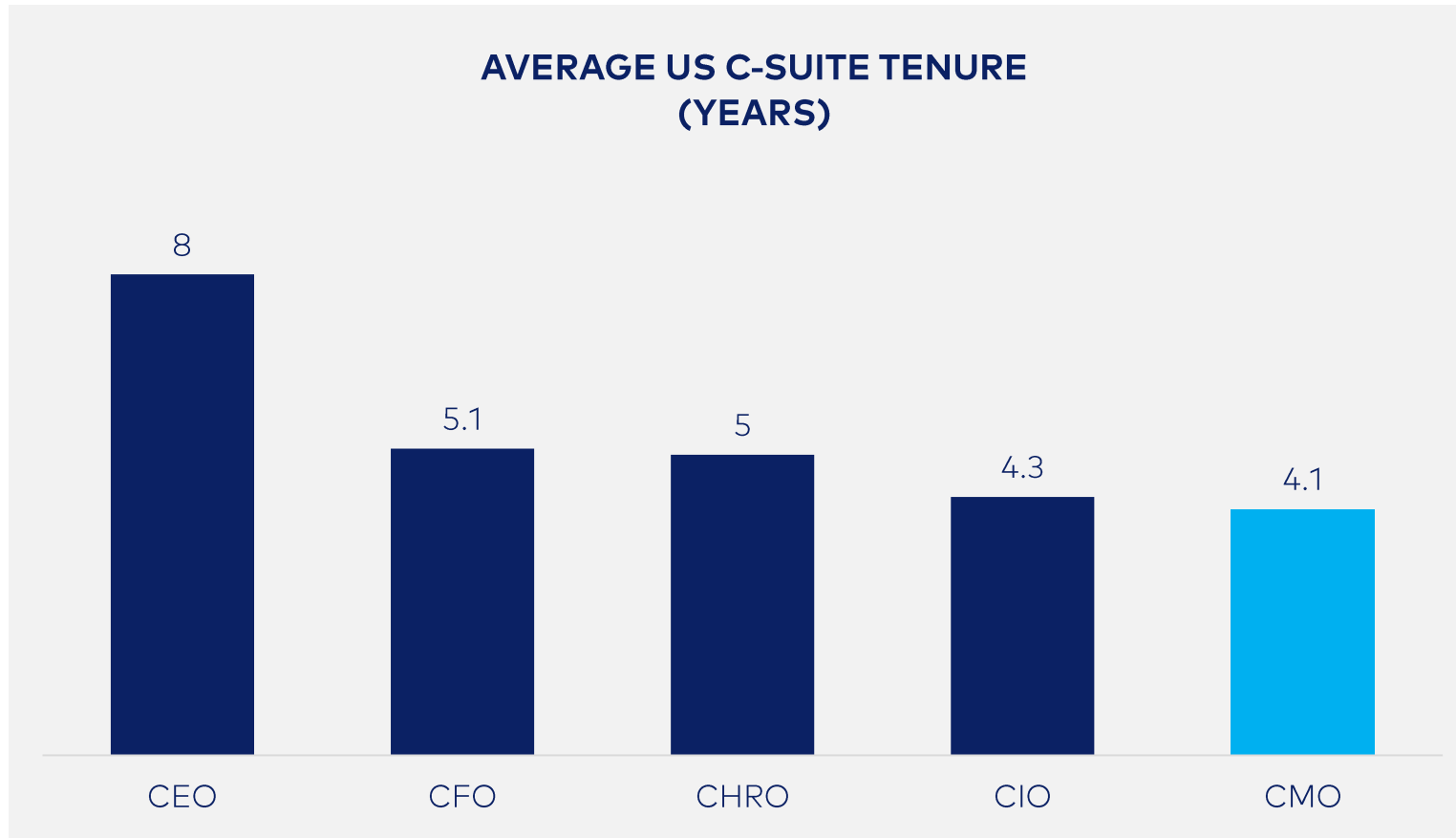


Video platforms	Highest verified reach	100% human activity	100% screen coverage
100% View- ability	Extremely low CPM	Emotional Ties	Enhanced ability to target

Consumers see things differently from Adland



With CMO tenure the **shortest of all C-suite positions**, CMOs need credible ROI measurement

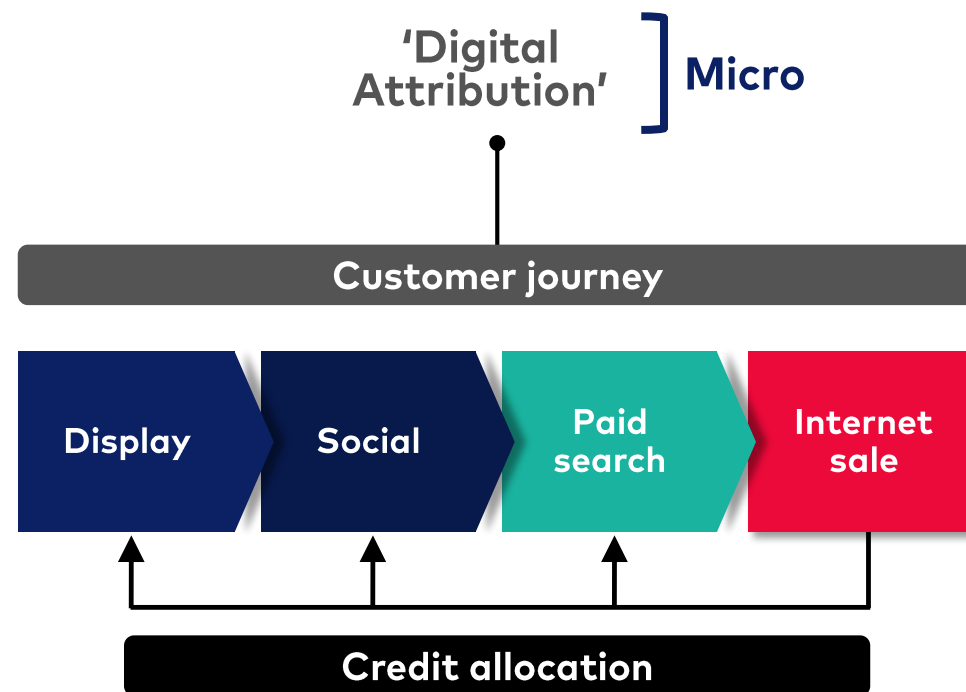
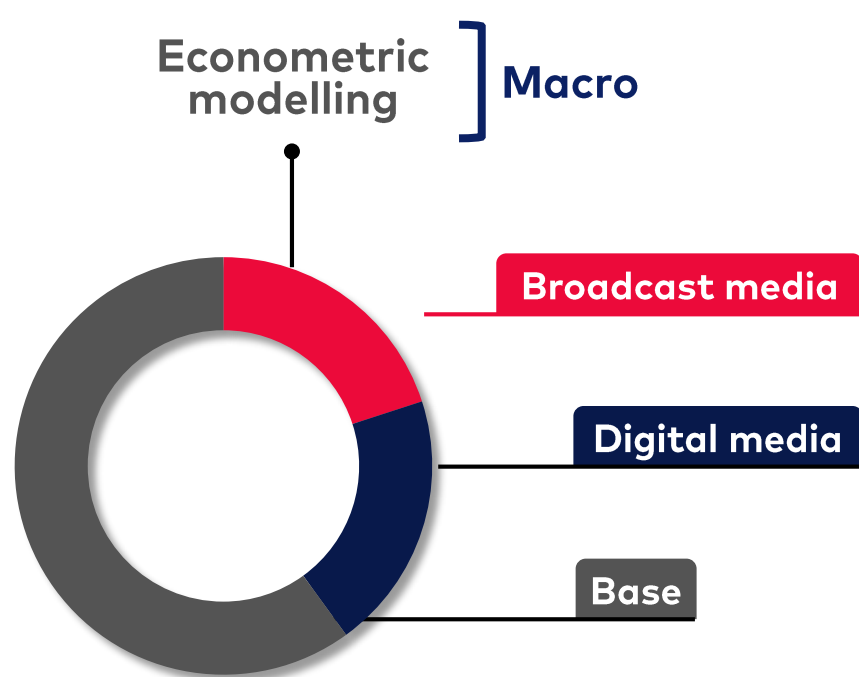


~60% of CMOs feel that the pressure to prove the value of marketing to their CEO/Board is increasing

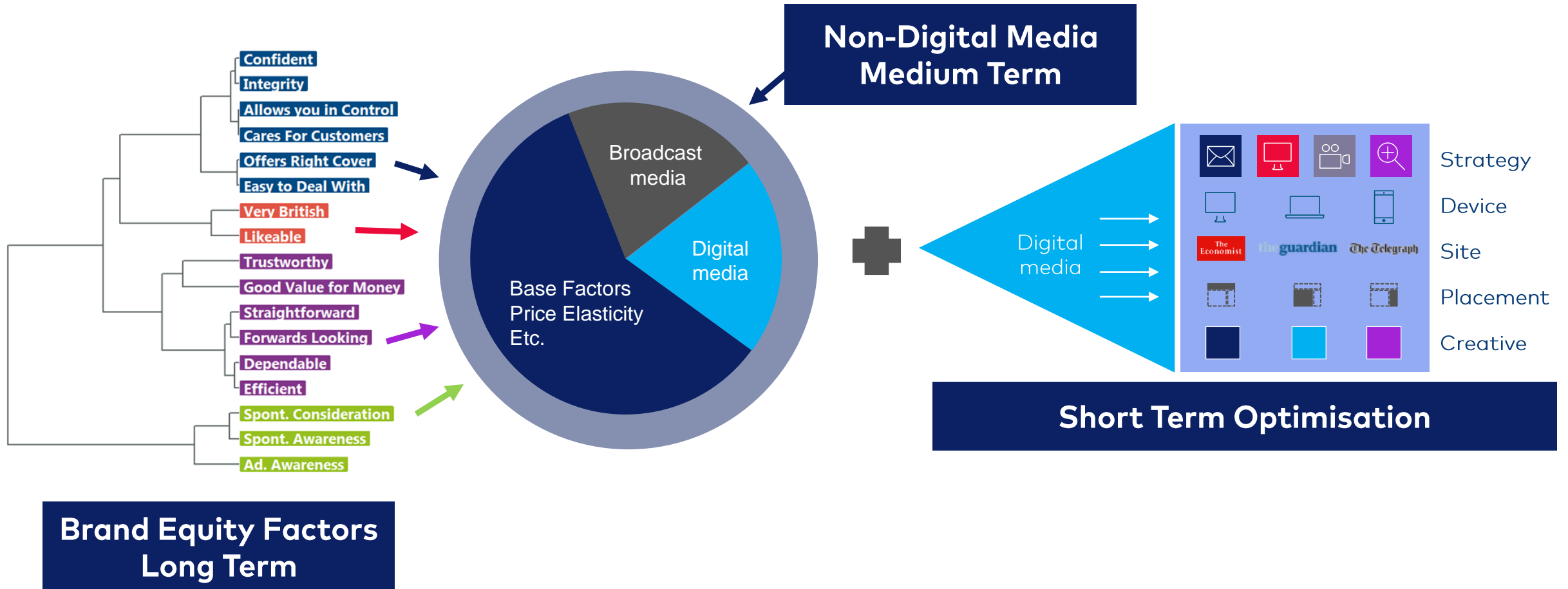
2/3 struggle to demonstrate the impact of marketing spend

2017 marked the greatest turnover of CMO roles recorded in at least five years

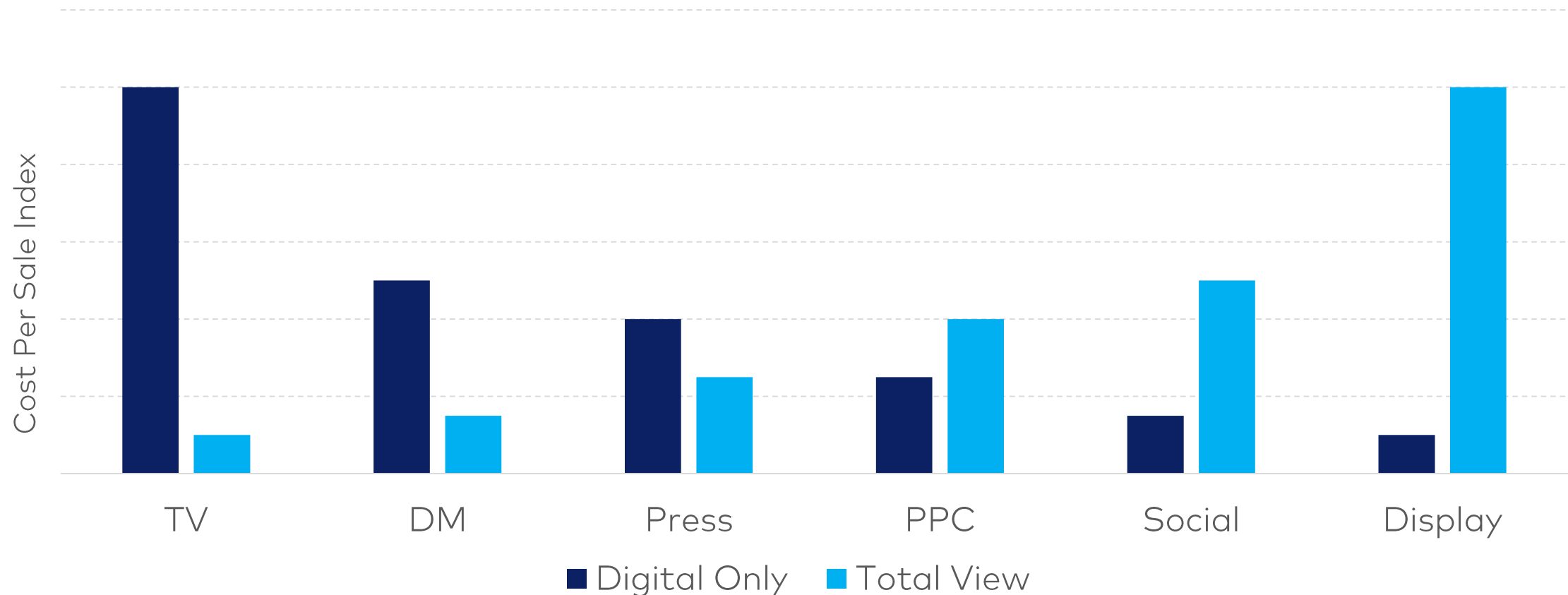
Digital attribution has an **upward bias**; it only accredits sales to digital touchpoints



A **Total View** measurement framework needs to understand the growth in the long term base sales



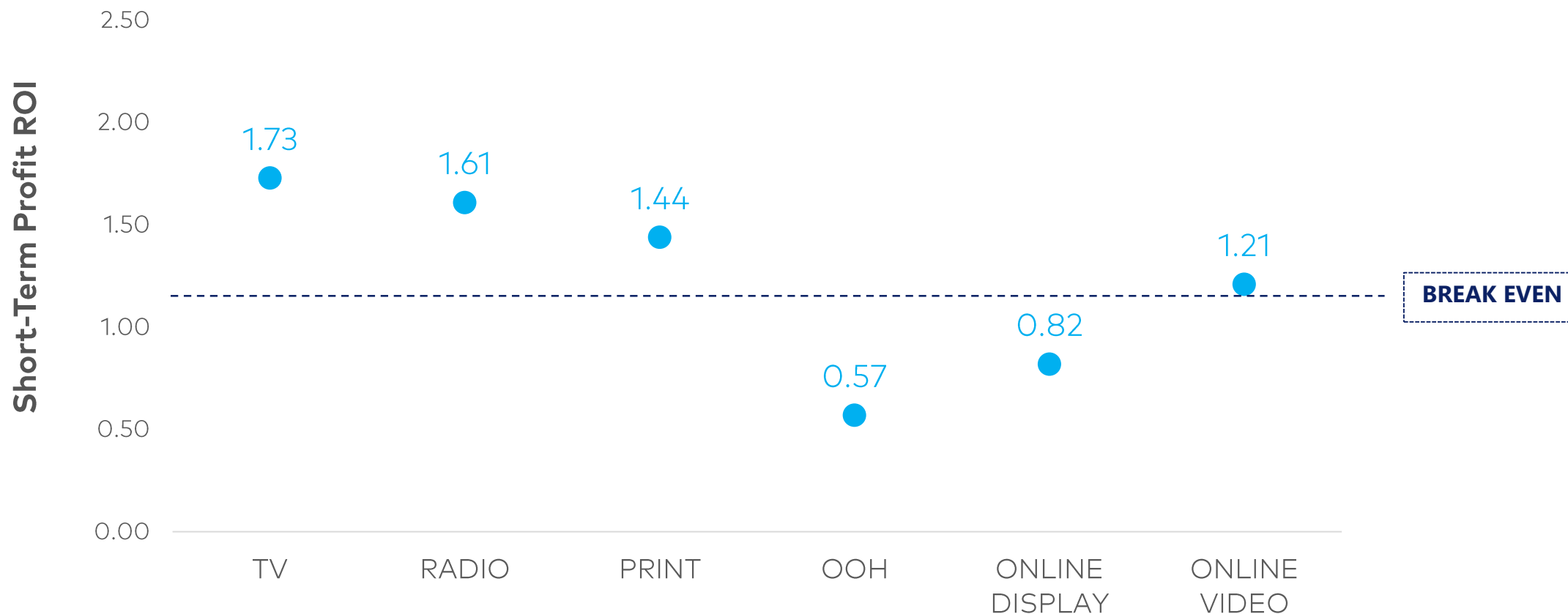
The **Total View** world will look different to what you see through digital tracking



Profit-Ability: the business case for advertising

thinkbox[■]

TV drives the most profitable short-term ROI



Television drives a **greater long term effect**; extending its lead over other mediums



	SHORT TERM		LONG TERM	
TV	£1.73	>	£4.20	x2.4
VOD	£1.21	>	£2.44	x2.0
DISPLAY	£0.82	>	£0.82	x1

Implementing the recommended % TV share by sector would drive a **£450M growth** in profit

A close-up, blurred image of a calculator and a pen, representing the finance sector.

Finance
+39%

A blurred image of a shopping cart moving through a supermarket aisle, representing the FMCG sector.

FMCG
+27%

A blurred image of a busy city street with shops and pedestrians, representing the retail sector.

Retail
+18%

We see consistencies around the globe

Think TV Australia

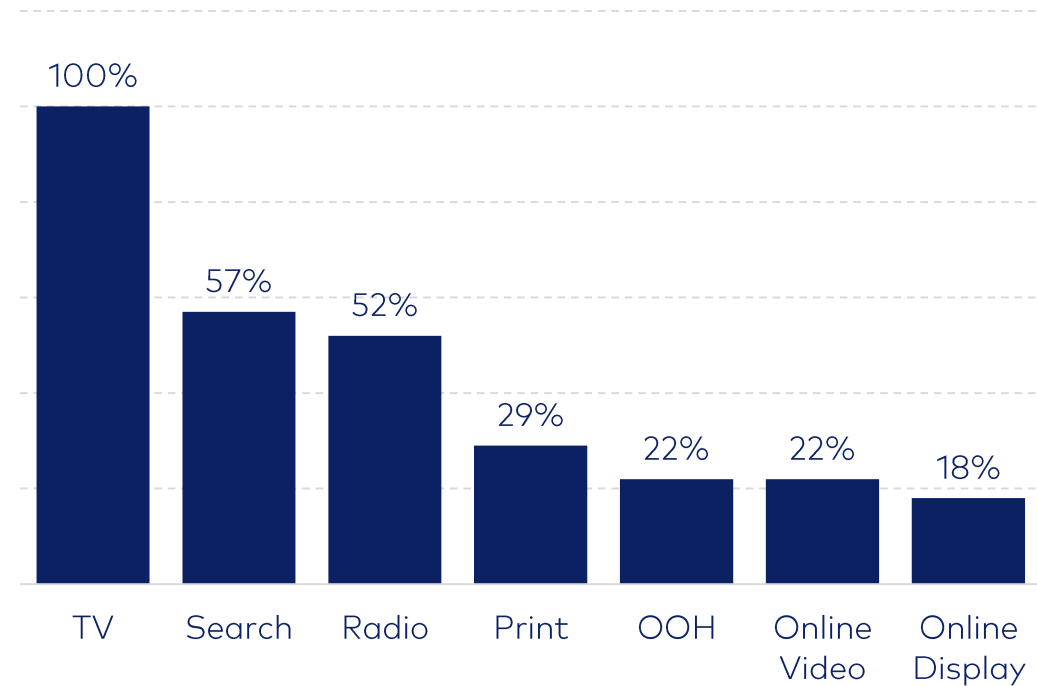


21 Brands
AUS \$500m+ in ad spend

FMCG	eCommerce
Auto	Finance

TV IS THE MOST EFFICIENT CHANNEL

Overall efficiency: media channel ROIs indexed to TV



We estimate a significant global profit opportunity in ad-generated profits

\$45b

in profits up for grabs from better media allocation globally



Thank you for your time.

About Ebiquity

We are a leading [independent](#) marketing and media consultancy

Our focus is on helping brands make better informed marketing investment decisions

