

**CENTRE^{FOR}
AMPLIFIED
INTELLIGENCE**

**NOT ALL REACH
IS EQUAL**

Professor Karen Nelson-Field

iag



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MAGAZINE NETWORKS



MCN
LEADERSHIP. INNOVATION.



Finnpanel

SCREEN FORCE
THE MAGIC OF TV

egta.



AKTV ASSOCIATION OF COMMERCIAL TELEVISION



Reklamkraft.tv

Research reported in

BRW. THE WALL STREET JOURNAL.

Bloomberg Businessweek **TIME** **Forbes**

FINANCIAL REVIEW **eWallstreet**

BUSINESS INSIDER **FOX BUSINESS** **REELSEO** **Mashable**

THE DRUM **AdvertisingAge.** **CNBC** **ARF** **ADVERTISING RESEARCH FOUNDATION**

THE NEW REPUBLIC **MediaPost** **AMERICAN MARKETING ASSOCIATION**

PHYS.ORG **eMarketer.** **The Telegraph**

Speaker for



Research integrated into



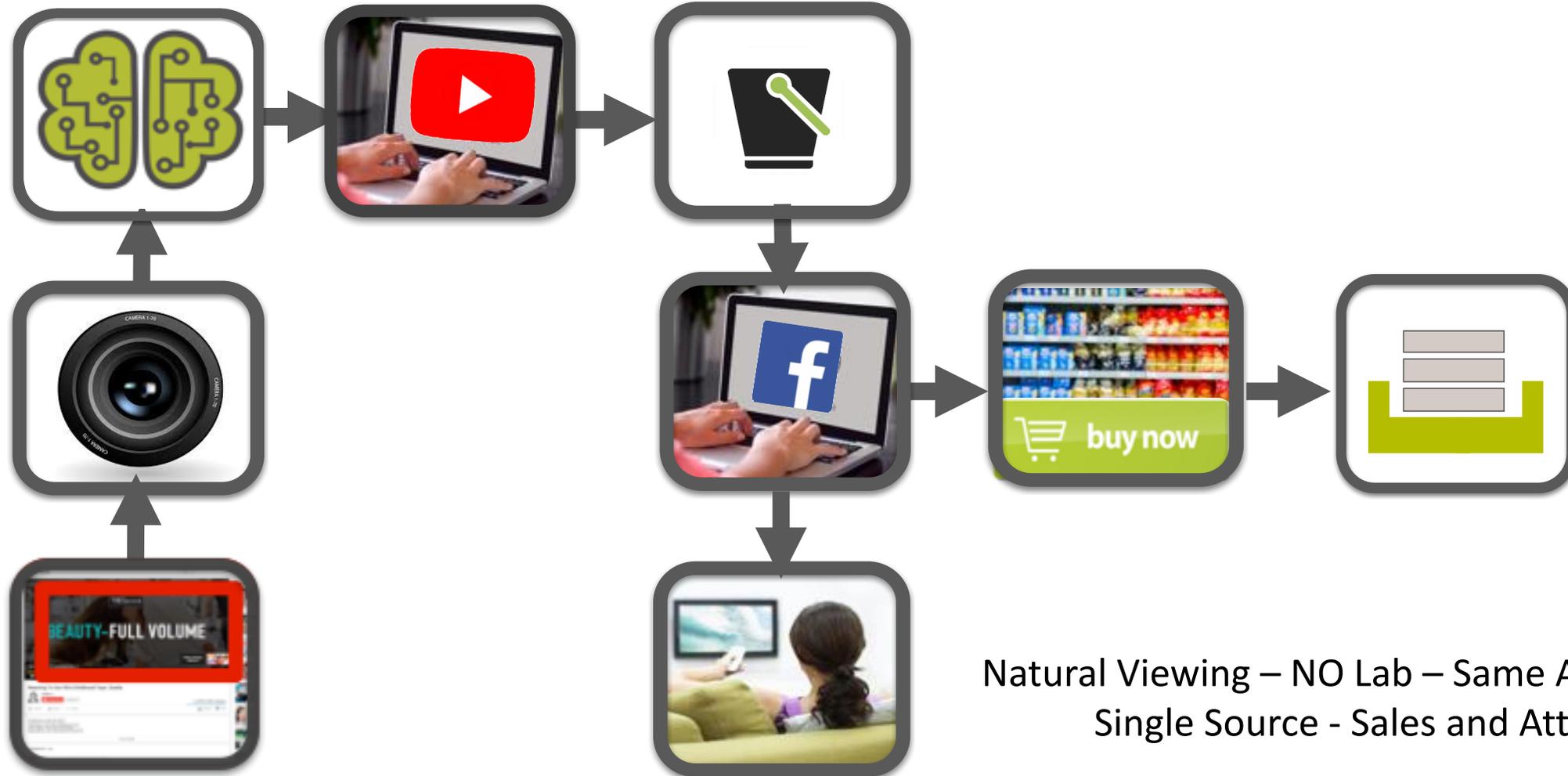
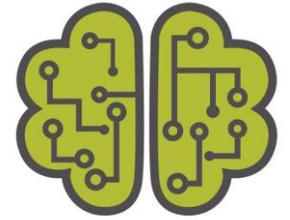
**We were commissioned to
Re-Establish the Media Baseline.**

Underpinned by independence, rigour, credibility, forward thinking.

Phase 1: Tested cross platform performance against **ATTRIBUTES** that matter



TRANCHE 1



Natural Viewing – NO Lab – Same Ads - Passive –
Single Source - Sales and Attention.

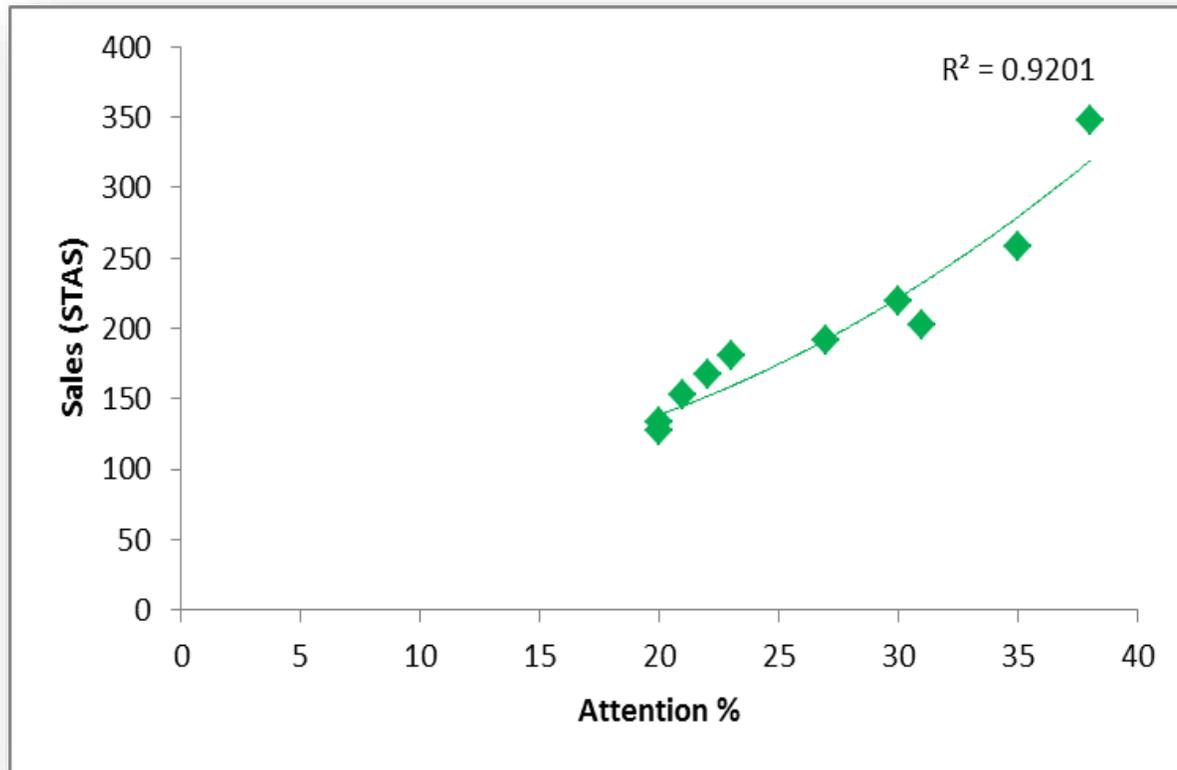
Which platform commands the most
ATTENTION

In an average ad second TV commands 58% ATTENTION

	OVERALL AVERAGE	Active Viewing	Passive Viewing	NON- Viewing
	58	58	40	2
	45	31	37	32
	20	4	94	2

- TV gets twice the active viewing as YouTube and 15x Facebook.
- Passive plays a role, but not as much as active

Our two measures of impact are related - ATTENTION & PRODUCT CHOICE

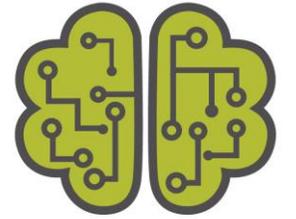


Consistent across ALL sets of data (8)

Sig. sameness renders greater predictive value.

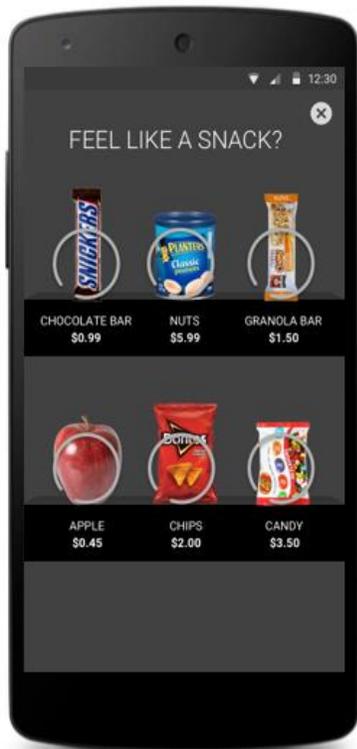
What does this mean for
PRODUCT CHOICE

Discrete Choice and STAS; a powerful combination. Both Gold Standard (empirically) in their own right.



Discrete Choice Modelling

A choice of competitive products (controlling for price)



Short. Term. Advertising. Strength

Did Buy and Exposed / Did Buy and Not Exposed

	Not Exposed	Exposed
Did Buy	36%	42%
Did NOT Buy	64%	58%
Total	100%	100%
STAS	$42/36 * 100 = 117$	

i.e. Exposure to this ad drove 17% more sales, than not seeing the ad at all

No surprises, TV drives more overall attention AND more SALES

		Product Choice (STAS – index exposed did buy/not exposed did buy)
TV		144
Facebook		118*
YouTube		116

*Passive attention does nudge sales, but less so than active

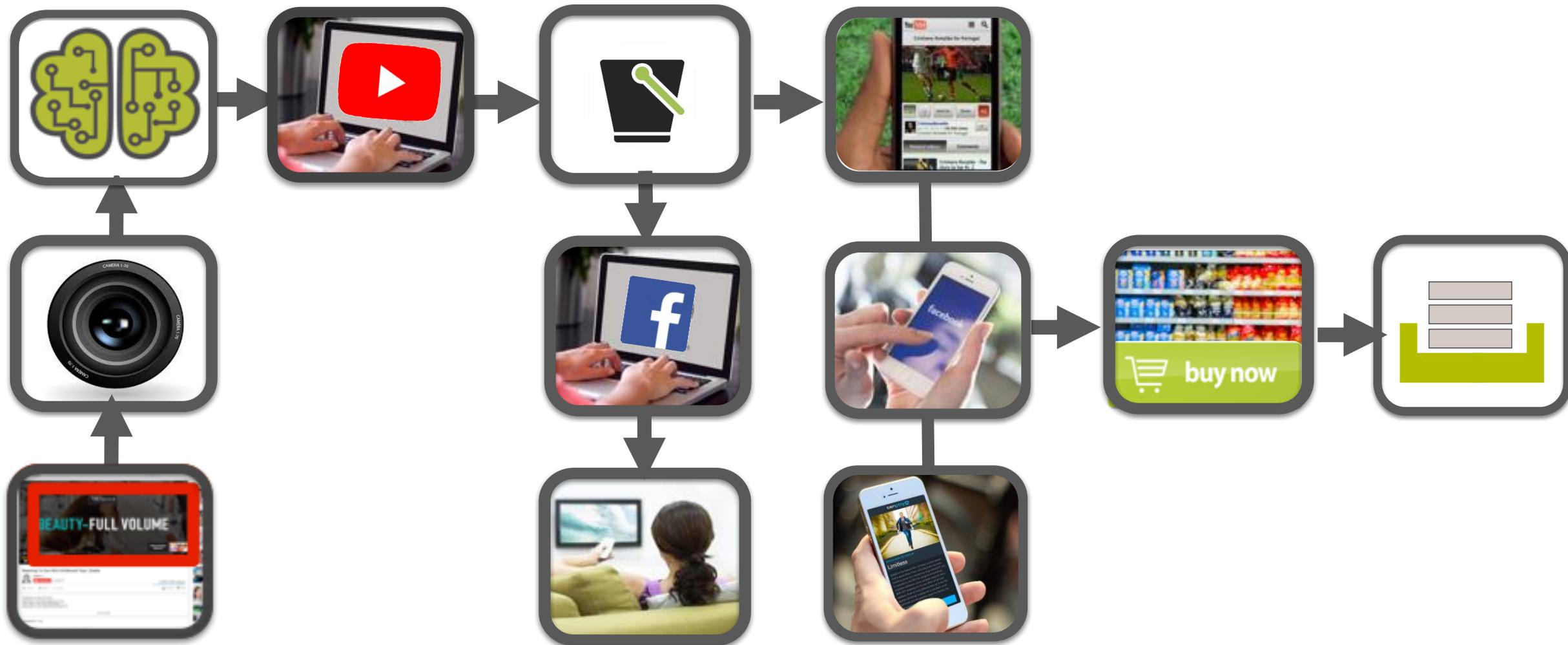
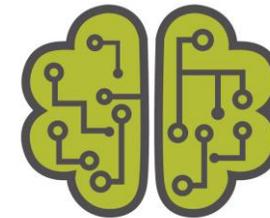
Hang on.....

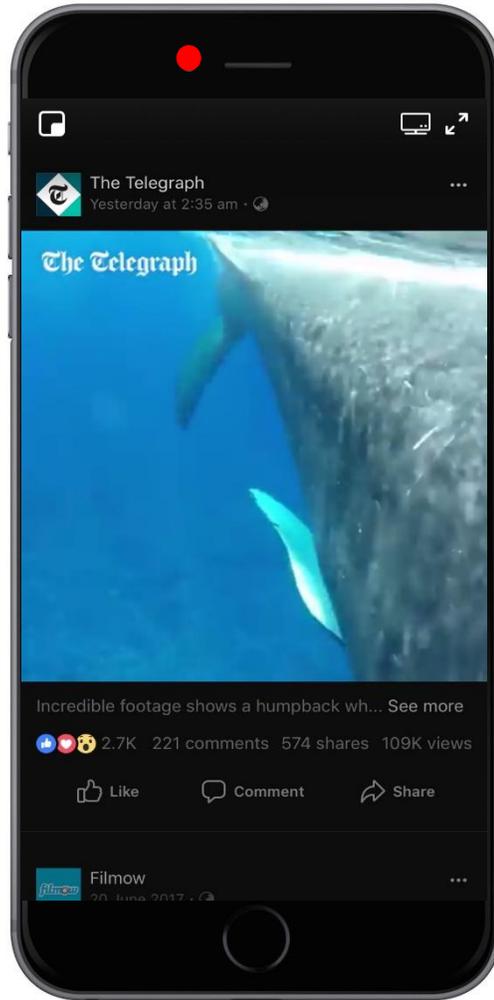
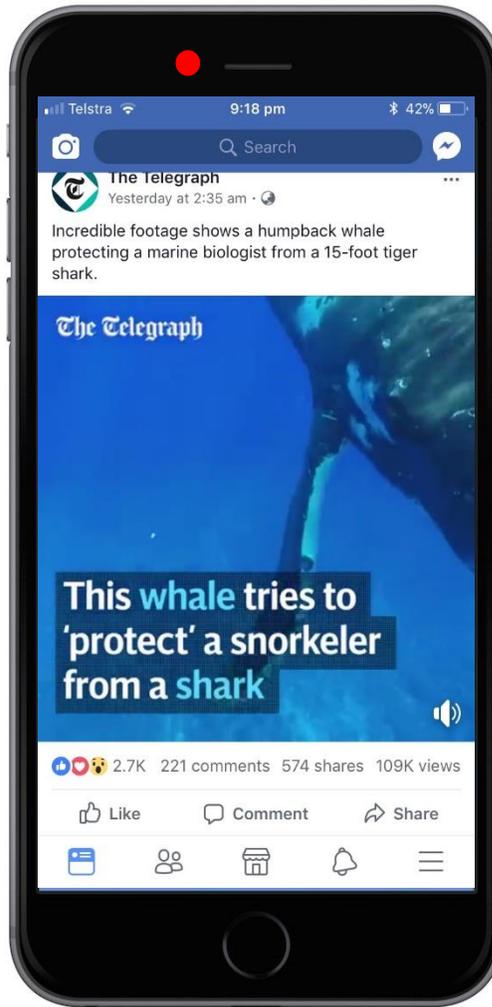
*“but mobile is the
optimal platform for
Facebook”*

.....we listened



TRANCHE 2a - Mobile

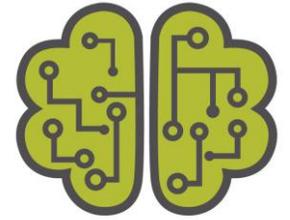


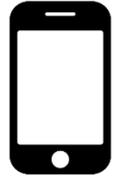


And YES, the viewability software
AND the attention model was
optimized for viewing orientation.



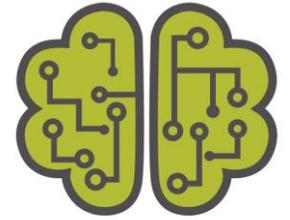
STAS does increase on Mobile, but does so for ALL platforms.

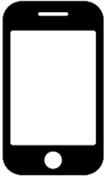


			
	144	153	161
		118	121
		116	137

Small screens deliver more sales for all platforms, **INCLUDING** TV. TVs lowest STAS device still outperforms the best of online (YT mobile 137).

People pay more attention to Mobile generally, TV still commands the greatest attention.



			
	58	39	63
	-	20	54
	-	45	44

All of the smaller screens get more passive attention, which is worth more to sales on smaller devices.

Why does **ATTENTION** vary
between platforms?

Put another way, what is different about **FACEBOOK** and
YOUTUBE that drives impact down?



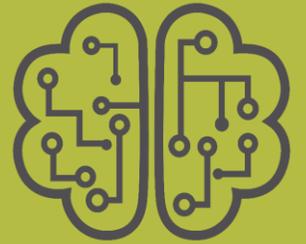
COVERAGE – % of screen
that the ad covers

Via AD TAGGING
TECHNOLOGY

All devices, all platforms

How does **COVERAGE**, an artefact of clutter, impact **ATTENTION**?

Firstly, Avg. COVERAGE by media type and device varies – a lot.



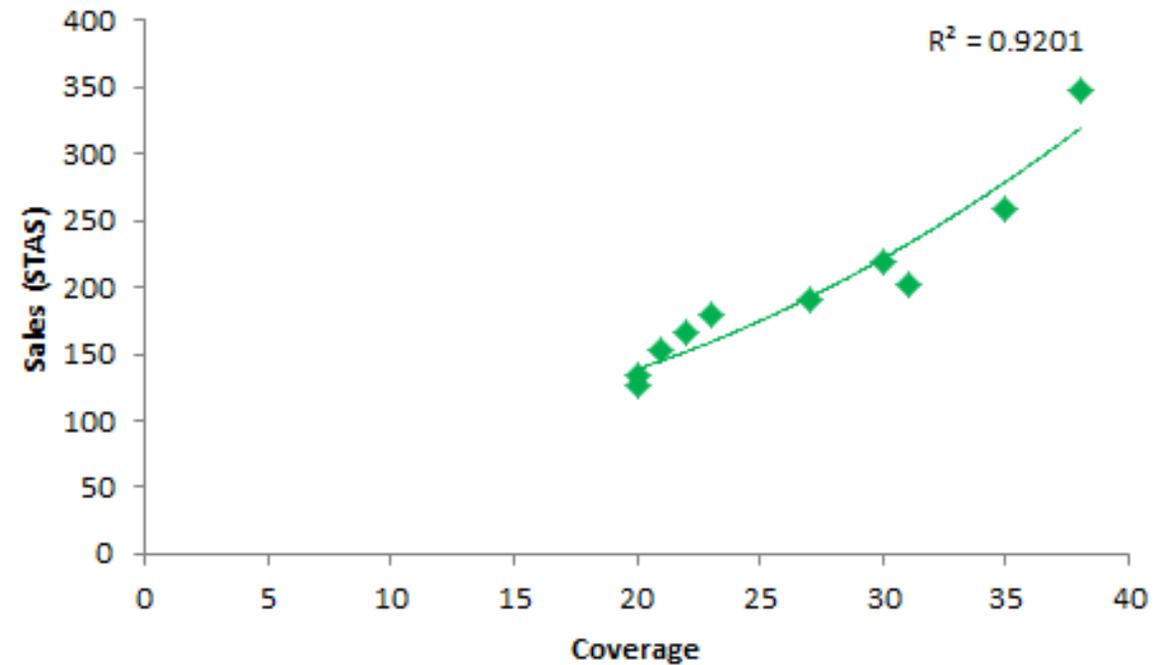
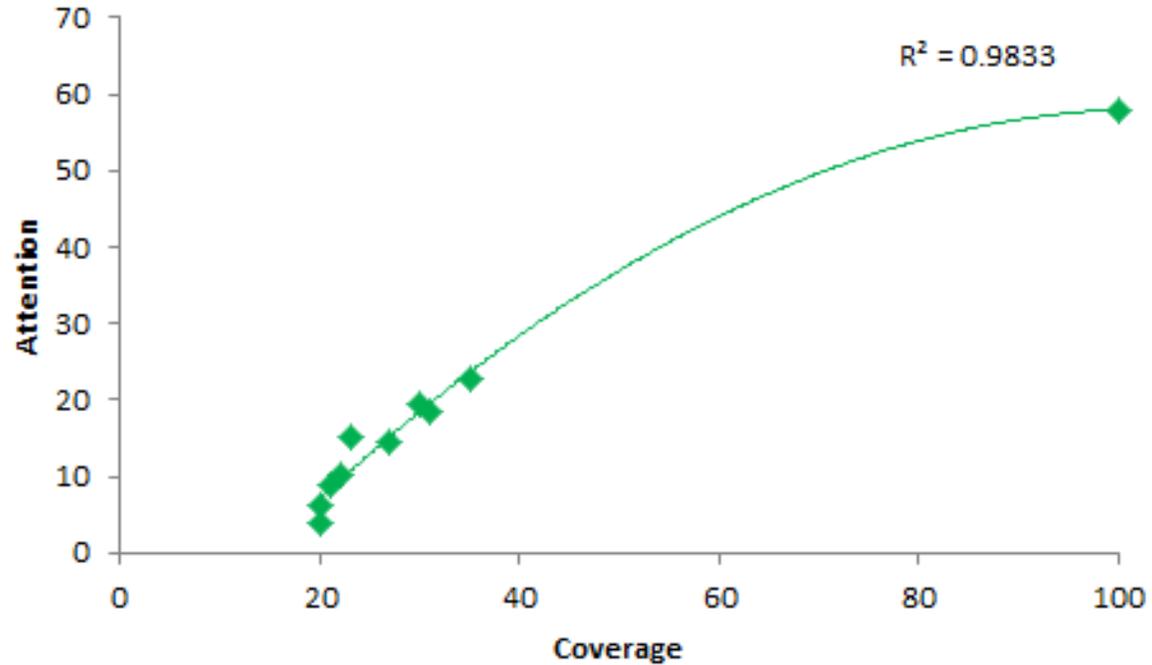
			
	100%	100%	100%
	-	10%	27%
	-	30%	32%

Coverage is better on mobile

TV screen coverage is about 3x YouTube and Facebook on mobile

This means, most online ads are **NOT** viewed in full horizontal screen view

COVERAGE MATTERS to attention and sales



VERY strong relationship - Coverage & Sales, Coverage & Attention

HANG

ON

If **COVERAGE** is so vital, could the viewability standard be fostering underperformance in online?

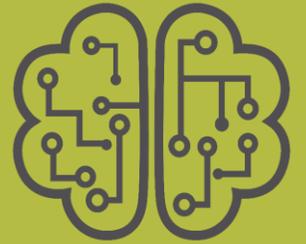




PIXELS and TIME (and coverage)

We considered relationship
between pixels, time,
attention and sales.

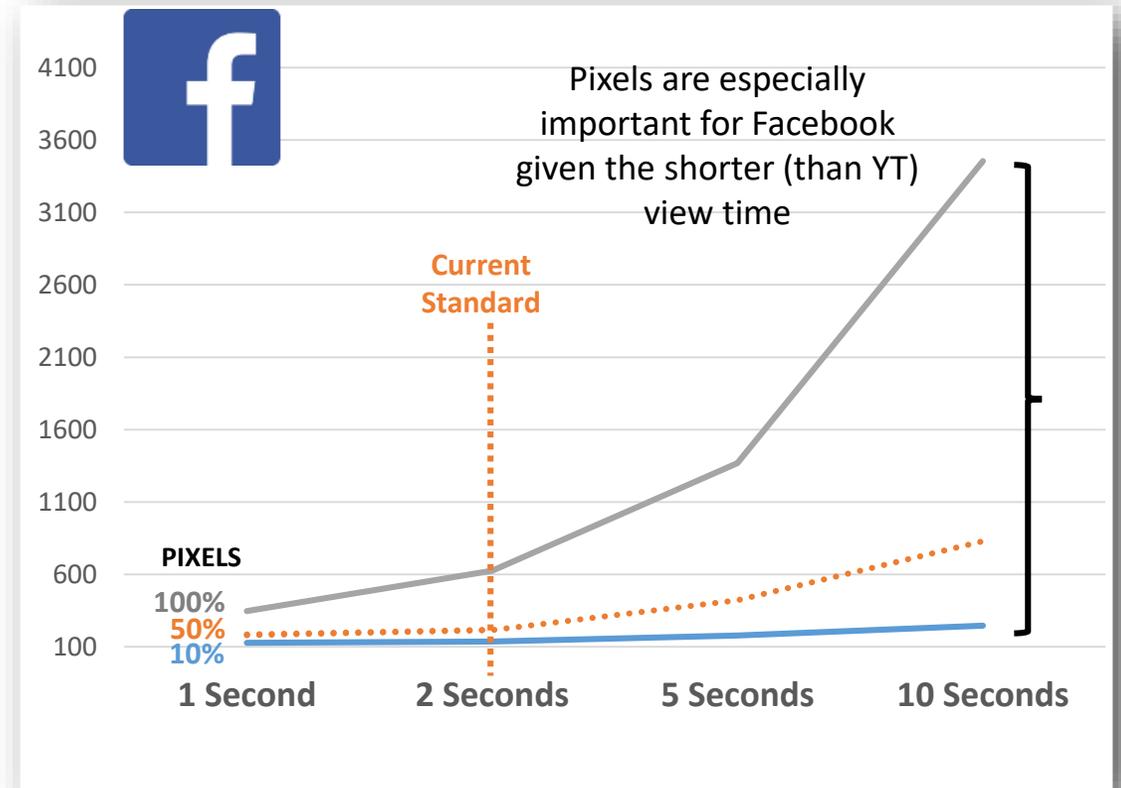
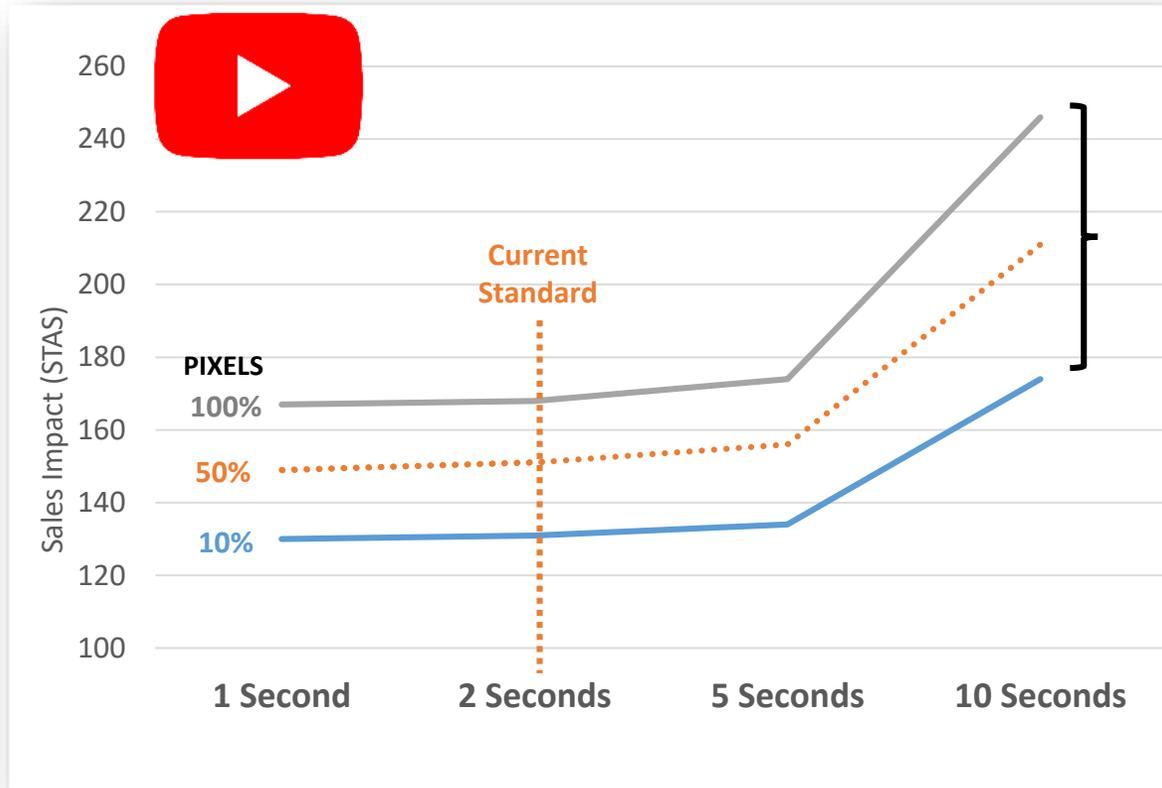
Firstly, Avg. PIXELS by media type and device also varies – a lot.



			
	100%	100%	100%
	-	51%	58%
	-	66%	82%

Pixels are also better on mobile, in line with attention and STAS

The minimum standard does render an impact, but..



There is material uplift in sales above 50% pixels and 2 seconds
Pixels matter more. And regardless of device.

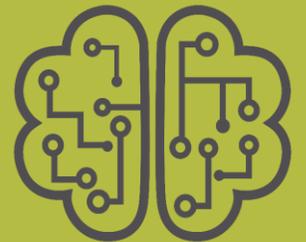


We Know There is
Performance Upside
Beyond the Current
Standard.

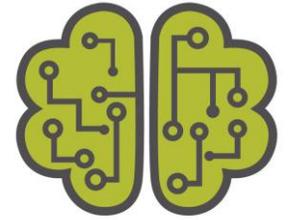
And brand owners should fight
for pixels over time.

**But short term memory is one thing,
does this translate to the long term?**

The degree to which impact erodes with time.



STAS is built to capture short term effects, but is noted as capable of capturing impact up to a month after exposure.



**Day 1 View
and Choice**



**Same People
14 Day Choice**

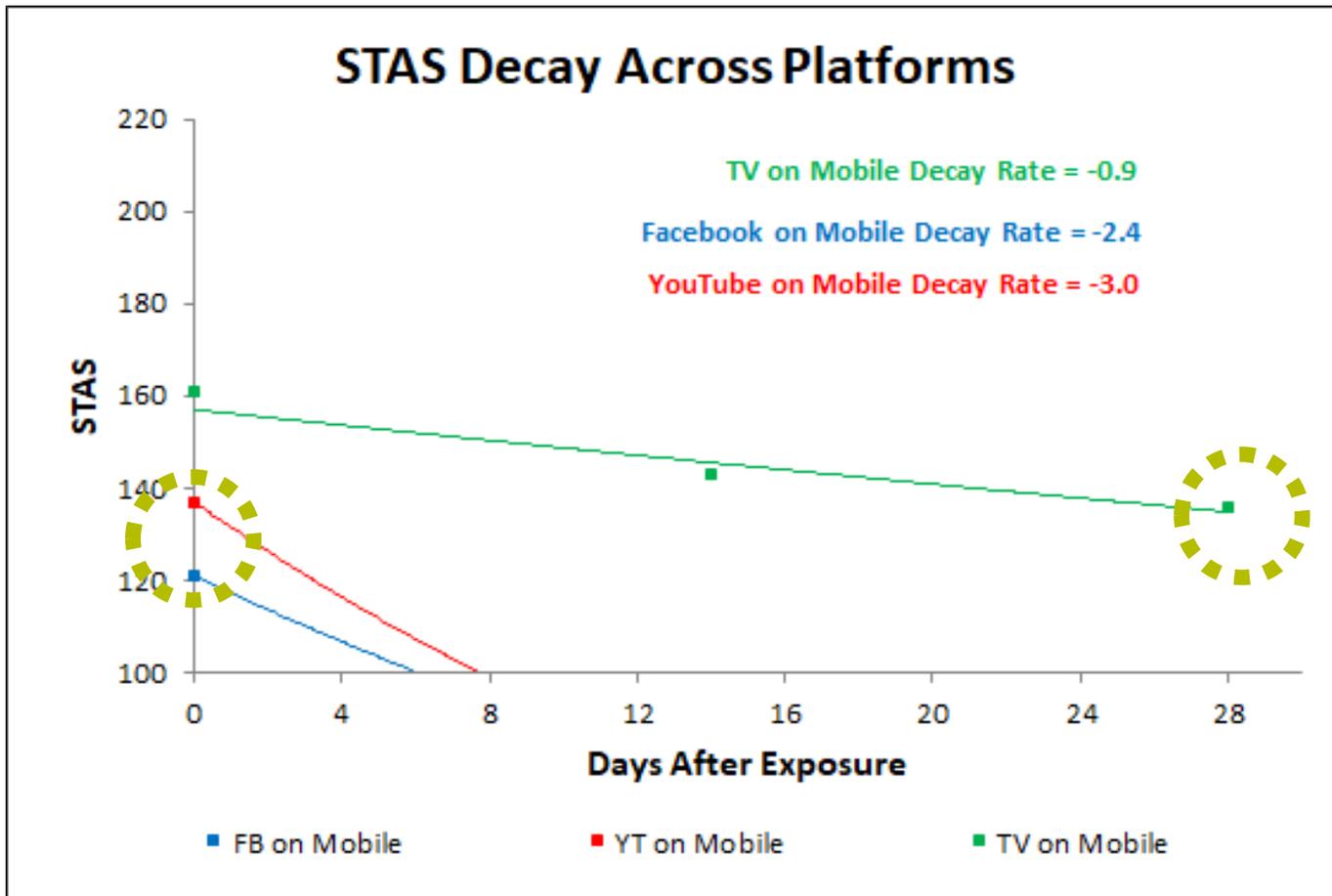
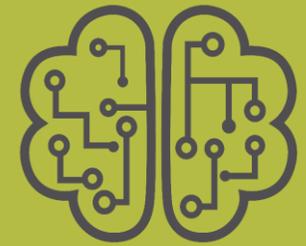


**Same People
28 Day Choice**

TV on TV _ TV on Mobile _ BVOD on Mobile _ TV on PC _ FB on Mobile _ YT on Mobile

Which platform offers advertisers
the slowest rate of **DECAY**?

The length of time that an ad on TV (mobile) continues to impact sales, far exceeds that of either FB or YT (mobile).

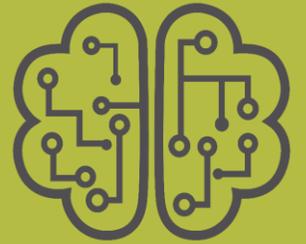


Impact is greatest immediately after exposure, but then declines as time passes. A steeper slope (bigger number) shows a more rapid loss of impact.

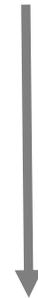
FB decays **2.5x** and YT decays **3x** faster than TV.

TV ad retention is so strong that it generates a greater impact at 28 days than FB and YT do immediately after exposure.

TV on Mobile stays in memory for longer (consistent with Field and Binet).



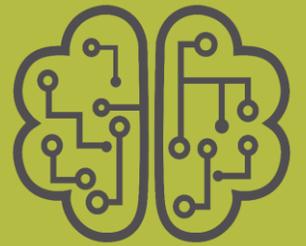
Group	Initial STAS	Zero impact point (# days)	Decay Rate (slope)
TV on Mobile (OTT)	161	66	-0.9
Facebook Mobile	121	6	-2.4
YouTube Mobile	137	8	-3.0
Online :TV	1 : 2.1	1 day : 9 days	1 : 0.4



For every 1 Online STAS point (above baseline), TV delivers 2.1
TV takes 9 times longer to decay to zero impact point than Online
(66 days *cf* 7days)

Again device does play a role.

TV screen is the best device for impact longevity.



Group	Initial STAS	# days until no more impact	Decay Rate (slope)
TV on TV Screen	144	109	-0.4
TV Mobile	161	66	-0.9
Facebook Mobile	121	6	-2.4
YouTube Mobile	137	8	-3.0



Put another way, the TV Screen remains the strongest in memory.

TV on TV takes 109 days to have no impact.
That's 103 days longer in memory than Facebook on Mobile
and 99 days longer than YouTube on Mobile.

The DOUBLE JEOPARDY in decay

Overall TV gains in two ways.
It starts from a higher STAS
and it decays slower.

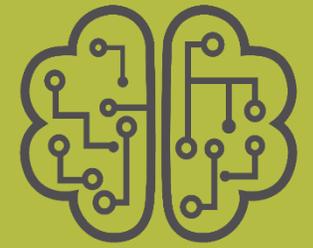
High STAS upfront is at least as
important as the decay rate.

But what happens in a multi- platform buy?

Investigating the impact of sales from
repetitive exposure across two platforms



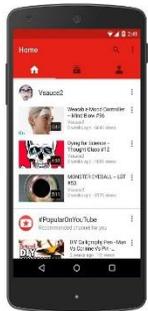
100% natural exposure, this time with a second view (same day).



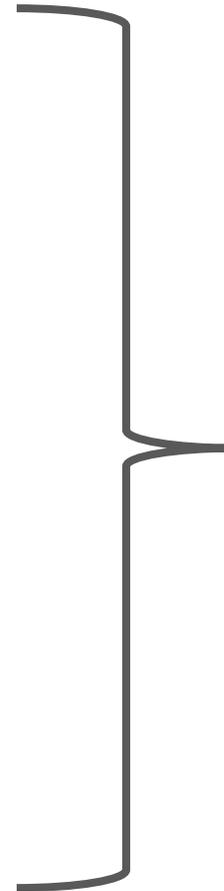
BVOD



Facebook



YouTube



**2-Platform
Sales Impact**

If you split your campaign across 2 platforms, there is some evidence of synergy, BUT....

First View	Second View	Based on n choices	First Platform STAS	Second Platform STAS	Expected STAS	Actual STAS
TV on TV	TV on BVOD	1740	144	164	154	172
TV on TV	Facebook on Mobile	2850	144	121	133	135
TV on TV	YouTube on Mobile	3090	144	137	141	130

Turns out a combination of TV+BVOD is best for highest combined STAS.

This combination more than 2x more sales impact.

Poorer performing platforms drag down the STAS that could have been achieved simply by one single exposure on TV.



**Poorer performing
platforms drag down the
expected synergy effects.**

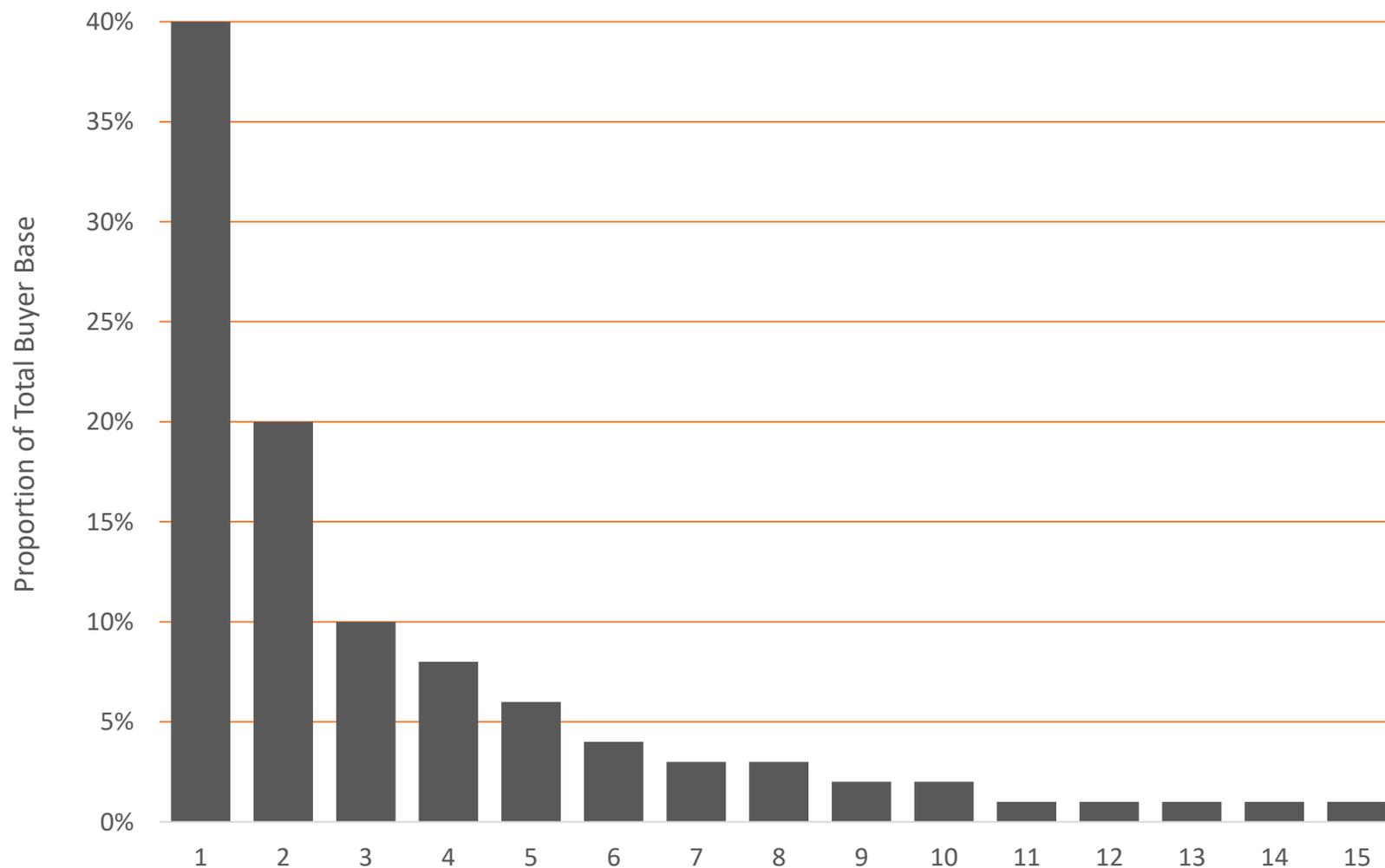
Best to stick to the highest
performing platforms for all
reach points. Period.

And then there is the question of how valuable the dual buy is to long term brand growth.

Put another way, brand growth will be limited if this added reach skews away from light buyers.



Purchases in a period (year, decade etc)



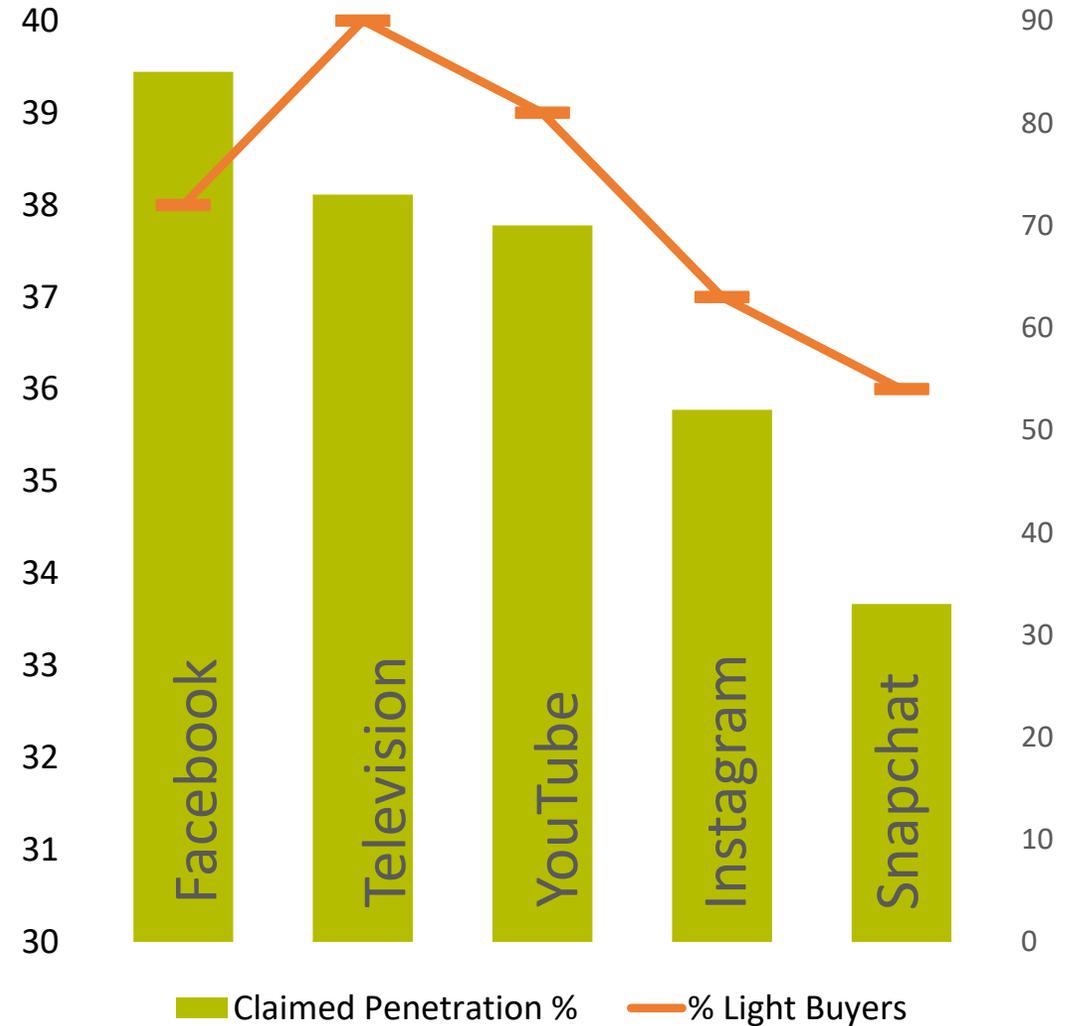
Brand growth comes from nudging light buyers, not by attempting to increase loyalty.

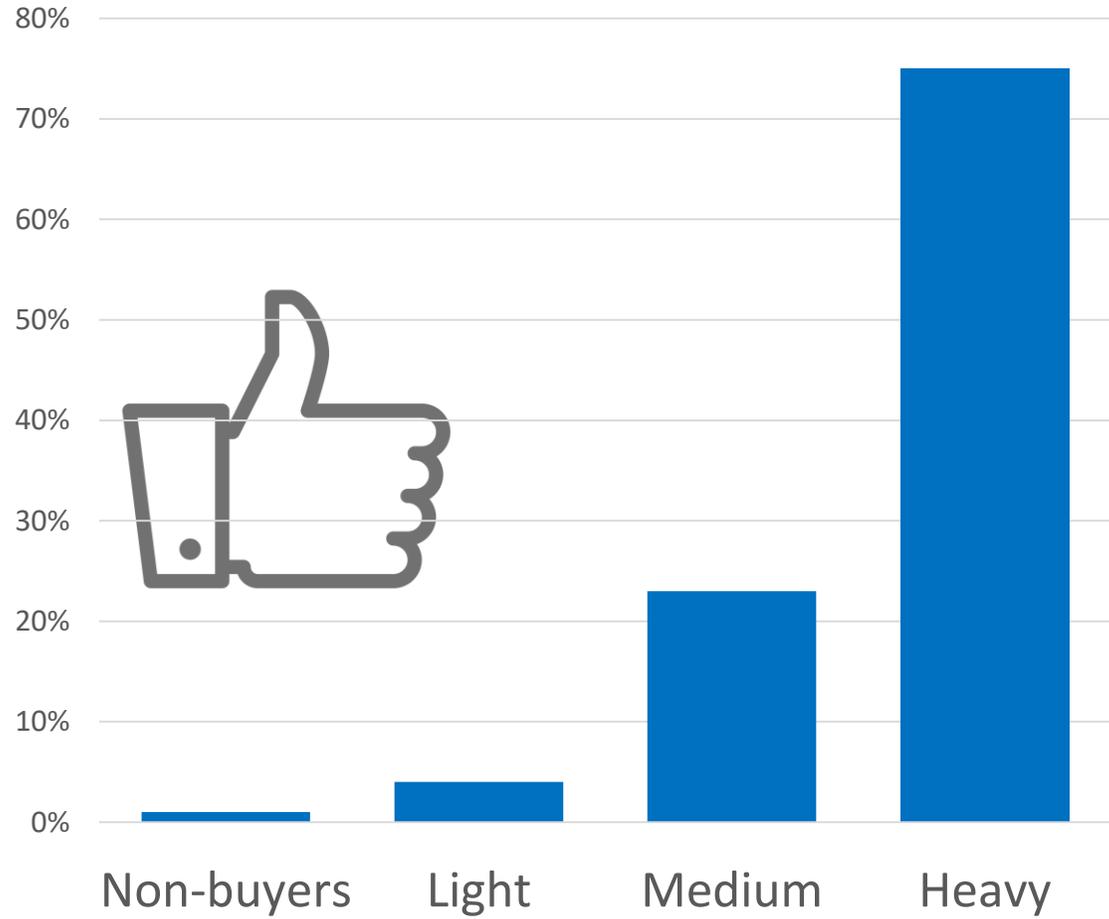
Aligning to Dirichlet norms, bigger Media should deliver proportionally more light buyers.

But Facebook under deliver on light buyers relative to their size

Advertised Brands Usage

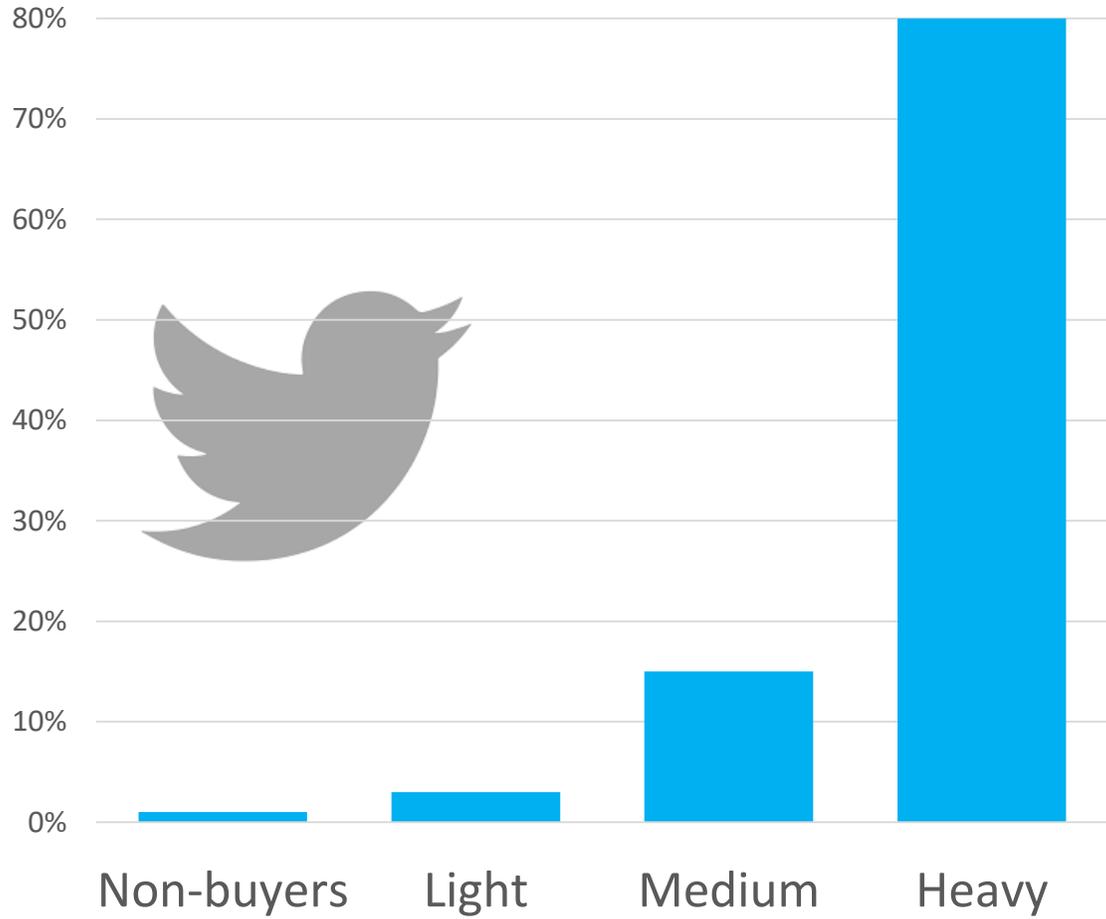
	Claimed Penetration %	Light Buyers
Facebook	85	38 ←
TV	73	40
YouTube	70	39
Instagram	52	37
Snapchat	33	36





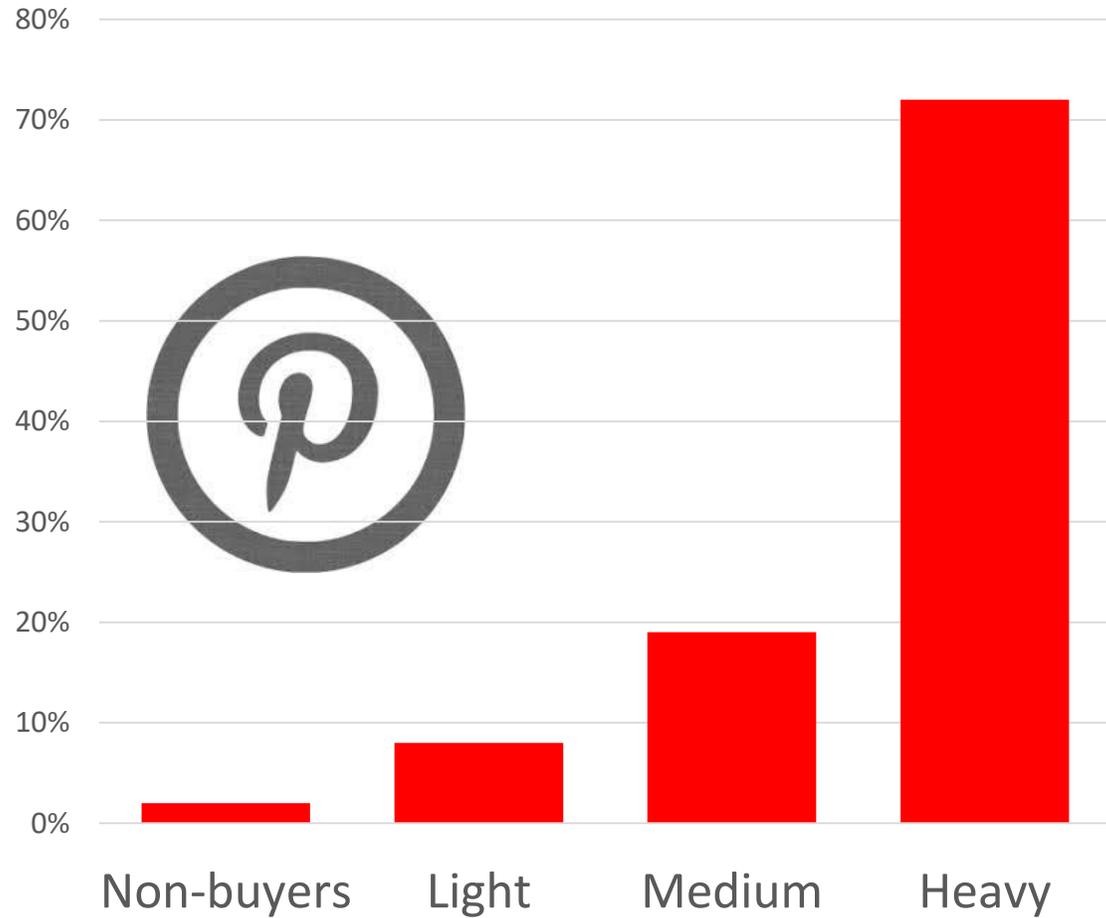
Purchase concentration of Brand Fans (chocolate)

At a brand community level the buyer distribution is much worse



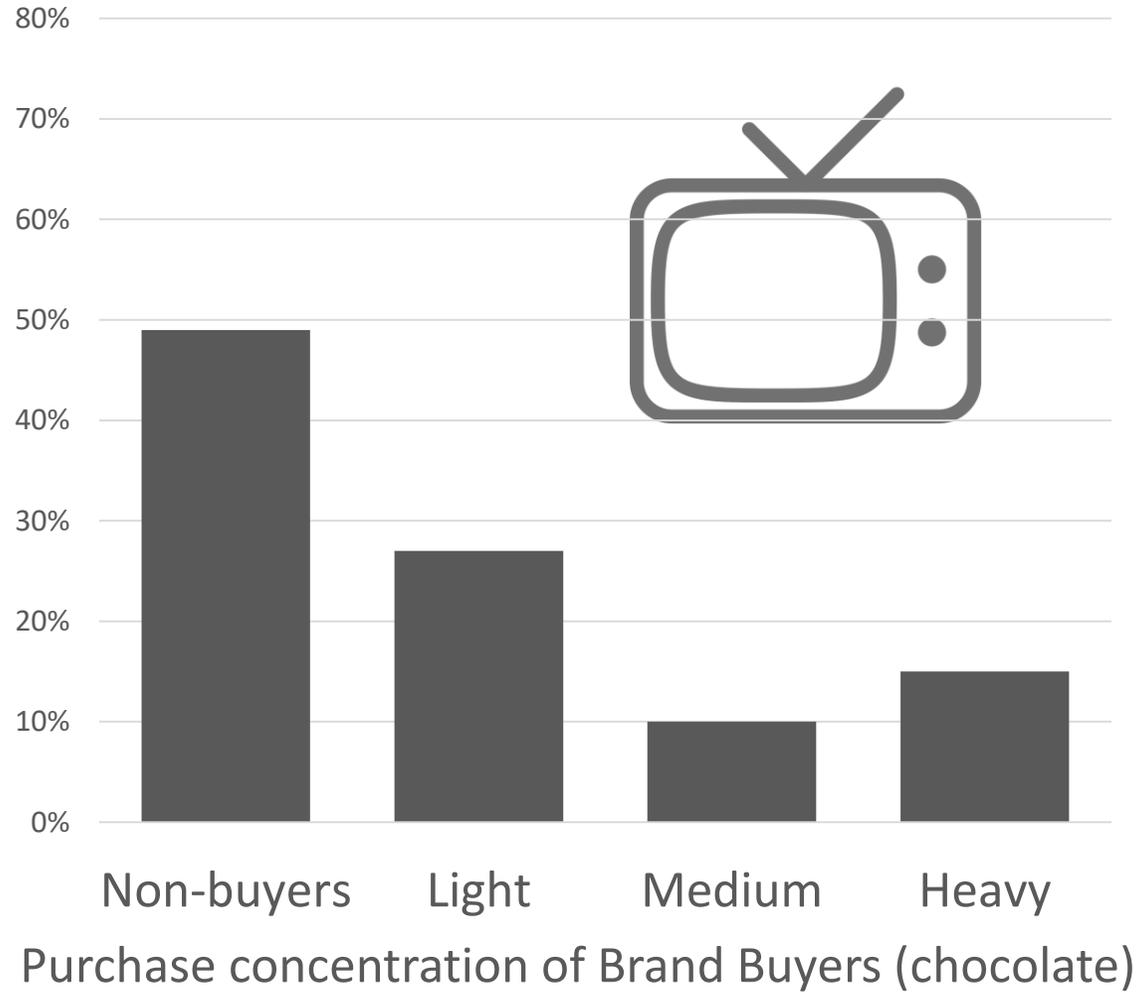
Purchase concentration of Brand Followers (chocolate)

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Purchase concentration of Brand Followers (chocolate)

At a brand community level the buyer distribution is much worse



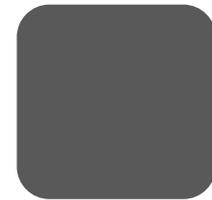
Skew of chocolate buyers on TV aligns to Dirichlet norms

The apparent advantages of gaining **UNIQUE REACH** due to high penetration can be watered down by its reduced ability to deliver an appropriate proportion of the highly sought after light brand buyers.

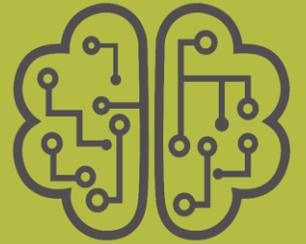
**But are the performance differences
between platforms accounted for
by cost.**



**Put another way, are the CPM's of poorer performing platforms
low enough for the platform to be considered better value**



STAS reflects differences across platforms, and it's stable. Making it a universal baseline for ROI analysis.

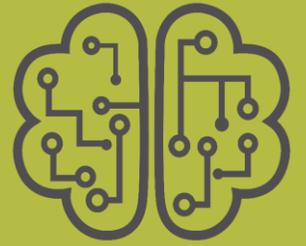


Platform	STAS	Average CPM
TV Mobile	161	\$24
Facebook Mobile	121	\$12
YouTube Mobile	137	\$28

Sources – Digital Media Planning and Buying Agency, Independent Media Agency, Creative Agency, Australia Free TV ACCC Submission. Based on average CPM for Facebook (sponsored video ad), YouTube (pre-roll), TV (normal placement 5 city metro). Audiences: 18-65. Country: Australia.

Uplift in baseline STAS divided by the CPM provides a comparative measure of ROI for every \$1 spent on each platform.

Of the three mobile platforms, TV produces the best ROI for each dollar spent.



Platform	STAS	Average CPM	STAS uplift for \$1 spend
TV Mobile	161	\$24	2.5
Facebook Mobile	121	\$12	1.8
YouTube Mobile	137	\$28	1.3

Sources – Digital Media Planning and Buying Agency, Independent Media Agency, Creative Agency, Australia Free TV ACCC Submission. Based on average CPM for Facebook (sponsored video ad), YouTube (pre-roll), TV (normal placement 5 city metro). Audiences: 18-65. Country: Australia.

TV gains almost 1.5x times more sales per dollar than Facebook.
And about 2 x more sales per dollar than YouTube.

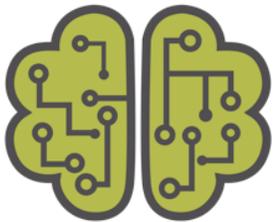
THINKING about
it
DIFFERENTLY

How much should FB/YT cost to be 'cost comparative'?

Where the % difference in price should be the SAME as the % difference in return between platforms.

Facebook should be **1/3rd** of TV CPM to be a comparative ROI (.34 or \$8).

YouTube should be **2/3^{rds}** of TV CPM to be a comparative ROI (.61 or \$15).



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This is Why Not All Reach is Equal