What we know about TV effectiveness

Traditionally TV's ability to reach audiences in large numbers with an audio-visual message left few marketers in doubt as to its effectiveness. Now the promise of quantifiable and meaningful communication with consumers on a one-to-one basis via digital media has moved the goalposts for all media. The metrics applied to advertising effectiveness have multiplied and diversified in response to these changes, and are increasingly applied across channels rather than to each medium individually.

At the same time, the way people access and consume TV content has changed and continues to do so. Digital TV and streaming via the internet has seen the number of channels balloon and the audience in most markets fragment accordingly. As the largest medium in terms of offline investment, TV's effectiveness is scrutinised and debated more than ever before. Inevitably much of that debate involves the comparative effectiveness of TV and online media as marketers allocate more and more of their budgets to digital media.

Definition

As the range of metrics used to measure campaign delivery across any medium increases so the definition of effectiveness also becomes more complex. The effectiveness for any medium might therefore include any or all of the following:

Effectiveness in building brand or product awareness
Effectiveness in generating direct or indirect purchase
Effectiveness in generating purchase consideration
Effectiveness in generating online or website traffic that may lead to consideration or purchase
Effectiveness in reaching targeted audiences in large numbers and/or with high frequency

Key insights

1. TV trumps Facebook and YouTube for effectiveness

Independent research into the attention and short-term sales garnered by the same ads on TV, Facebook and YouTube – across TV or desktop and mobile devices – has found that TV gains more attention, with twice the active viewing of YouTube and 15 times that of Facebook, which in turn correlated with increased sales. The better results for TV were driven by superiority in terms of coverage (% screen the ad covers), clutter (what's going on around the ad) and visibility (how much of the ad is on screen at any time) as it alone displayed 100% pixels, 100% coverage, 100% of the time.

2. TV is the most effective medium

Two major studies in 2018 looking at the effectiveness of different media both concluded TV was clearly the most effective channel. The first, by Ebiquity, included a meta-analysis of 75 major research reports and proprietary data sets evidencing the effectiveness of different channels. It gave TV top marks for five reasons: targeting the right people in the right place at the right time, increasing campaign ROI, triggering a positive emotional response, increasing brand salience, and maximising campaign reach. The other study, also by Ebiquity in partnership with Gain Theory, analysed data from over 2,000 advertising campaigns in 11 categories. TV was shown to account for 54% of all investment but 71% of profit within three years, with the largest profit ROI of any medium at £4.20 for every £1 invested. It also accounted for 62% of short-term (3 months) ad generated profit. TV was found to deliver better target exposure than any other medium and had slower levels of diminishing returns – so its impact was stronger for longer.

3. Some placement within programming retains attention more than others.

Before making comparisons with other media channels, it is important to understand how best to harness the intrinsic strengths of TV advertising itself. Consumers' increasing tendency to channel surf makes capturing their attention in ad breaks ever more challenging, especially given the increasing levels of 'second-screening'. Research in the US has found that placement at either the beginning or end of a commercial break can increase exposure by minimising the audience lost through channel hopping. Millward Brown and Kantar Media's analysis of their US databases also identified several trends in audience receptivity to ads, including that some types of programming retain their audience's attention better than others. For example, dramas tend to retain audiences across ad breaks well due to the continuous engagement required to follow plots and character development. Placing messages in programmes with inherent relevance or resonance with the product can also increase communication effectiveness.

4. Using the right ad length can also improve effectiveness

In the battle for consumer attention the length of the commercial itself can also have a variety of effects. Different time lengths lend themselves best to different types of messaging. Millward Brown have found that shorter commercials tend to work best for simpler messages for established products, such as new variations or price promotions. Conversely longer commercials tend to be better at brand-building and delivering engagement strategies over more extended time frames. A study of the Indian TV market also found there to be advantages to mixing up commercial lengths, particularly in differentiating campaigns from competitors' screen advertising.

5. The most effective TV ads have emotional appeal

Even finding the right place and time to place a TV commercial can be wasted effort unless the message itself is an effective means to delivering the campaign objectives. TV advertising has always produced award winning creative executions that stand out amongst the crowd and gain high consumer recognition, even though many have used often obscure, emotional messages rather than outright persuasion. 'Cognitive Power' ad testing looks at just how these apparently 'information-light' commercials can often deliver effective business results through 'subconscious seduction' rather than hard sell. Drawing on behavioural economics and specific case studies, an Admap article even suggests there is much less correlation between conveyed brand information and brand favourability than one would traditionally expect. A 2017 study conducted by the Ehrenberg-Bass Institute, Mars and MediaScience used facial expression to measure smiling response and second-by-second coding of branding in TV ads. It found a rise in the percentage of the audience smiling as the ad plays, and peaking at the end of the ad, indicated in-market success for 69% of ads. The study also found grabbing attention from the start was important if the advertisement was not to fail. It's no coincidence that analysis of the winners of the 2018 Institute of Practitioners in Advertising awards showed emotion as a key creative driver: 55% cited emotion as their main creative strategy, and TV as a dominant medium, with 71% using it as a lead channel. TV's ability to garner both huge reach and evoke more emotion than other media made it the choice of brands seeking fame and word of mouth to generate business for their brands, such as Grand Prix-winning car maker Audi and Gold-winning UK motoring association the AA.

6. TV-led campaigns, with online video support, can maximise long-term growth

Analysis of case studies by UK trade body the Institute of Practitioners in Advertising (IPA) found that adding up to four digital channels to a TV campaign can increase effectiveness. Social media can build incremental reach and increase share of voice. With large user bases, Facebook and YouTube are the most useful channels and, as they are great for video, brands can 'broadcast' the same creative idea as on TV, according to Thomas Henry of agency Mother and winner of the 2017 Admap Prize. In their 2016 analysis of IPA Effectiveness case studies, industry experts, Les Binet and Peter Field, found that cases that achieve long-term effects have a shared tendency towards TV and video. Further, there is a 54% increase in the average number of very large business effects from adding TV and online video together in a campaign's media mix, while for TV only campaigns this total increase is 32%. In other words, video makes TV more effective. Binet and Field's studies about the large, longer-term business effects of campaigns that seek to evoke emotion and build brand fame also point to the effectiveness of using TV supported by online video – given audio-visual communication lends itself to memorable, emotional storytelling. Based on data from the IPA and UK television industry body Thinkbox, 60% of TV's response impact comes through digital media channels – principally search, social and affiliate. To maximise the full response benefit of their TV ads, as well as multiscreen planning to align targeting and timing, advertisers should use online channels to give viewers the opportunity to respond in a seamless way – by ensuring online creative connects with and reinforces the TV message.

7. The strength of TV advertising doesn't only lie in longer term brand building

Quantifiable return on investment – (RoI) – is an increasingly dominant driver of media investment planning for many marketers and agencies, with online media often perceived to be the benchmark against which other media are compared. But there is a growing body of evidence to suggest TV can often outperform online in terms of RoI. In the UK, a series of studies by commercial TV's marketing body, Thinkbox, over several years has consistently shown that TV delivers better profit payback on investment than any other medium, including online display. The studies also show that this comparative performance has improved over time, even as online spend was growing. Despite the greater perceived wastage of one-to-many communication it seems that mass media coverage can still deliver better RoI than some more targeted digital campaigns. Another study by Thinkbox and agency Mediacom found that while TV advertising dominates longer term media driven response – driving brand health and longer-term sales – it also accounts for a third of media driven short term sales. It has other hidden short-term effects: TV creates an indirect sales response online via paid search - more than any other medium – and drives online social interactions, which in turn drive search position. A further 2017 analysis from Thinkbox showed TV advertising accounted for 71% of total ad-generated profit made by campaigns over three years – or the equivalent of £4.20 in profit for every £1 spent. That compared with £2.43 for print, £2.35 for online video, £2.09 for radio, £1.15 for out of home, and £0.84 for online display advertising. Taken together, advertising created total ROI over three years of £3.24 for every £1 spent.

8. Reducing TV budgets can directly and negatively affect sales

The range of metrics used to assess advertising effectiveness has increased alongside the expansion in media channels created by the growth of digital technology. However, a report by the US ARF suggests that the traditional metrics of audience reach and frequency of exposure have a direct relationship to RoI across media channels. It goes on to suggest that reducing TV budgets can have a direct and negative effect on actual sales. Based on research by TiVo across a sample of US campaigns that had reduced TV spend real sales fell $3 for every $1 reduction in the TV budget. However sophisticated more recent digitally-driven metrics may be it seems that the more traditional measures of media performance still have an impact on RoI performance.

9. A balance of high identification and distinction is the bedrock of a TV campaign's 'impact'

'Impact' is the number of people who recognise the campaign and attribute it to the right brand. Creatively, elements which create high identification and high distinction will have a positive impact on the brand, not just the campaign or category. Identification is about memorable creative elements and is particularly important for low-awareness brands. Distinction is about brand assets that set you apart from competition and is particularly important in cluttered categories. From a media point of view, maximising reach and opportunity to see (OTS), and ensuring sufficient ad length are key.