



TV Advertising Still Matters

Q: Given how prevalent and powerful social media seems to be these days, does it still make sense to advertise on TV?

A: Broadcast mass-media advertising may seem anachronistic. Nielsen reports that 18–24-year-olds, the coveted target of many fast-food advertisers, are watching less television today—as much as a third less than in 2011. Global media intelligence firm Magna Global expects TV ad revenue to decline 2.9 percent in 2015, and it projects that digital (including social, mobile, and video) and TV ad revenues will reach the same level—\$68 billion—by 2016. And, according to a study by Microsoft, the average human attention span is only 8 seconds (one second shorter than a goldfish’s!).

So TV advertising may not influence brand perceptions as much as it used to, but it’s still an important stable of your media mix. TV is still clearly the dominant consumption source for video (those 18–24-year-olds still watch more than 93 hours of TV each month) and the combination of TV advertising and social engagement can be quite powerful. According to Comscore, a TV campaign that leverages digital touch points can increase its effective reach by 16 percent.

If TV advertising still matters, then what makes good TV advertising? I turned to the folks at advertising research firm Ameritest to shed some light on effective ad messaging.

Before I get into what Ameritest told me about how to make a good ad, the most important finding of its research is that the strength of a brand’s advertising versus its competition, month in and month out, does affect sales. Predictive modeling studies it conducted for two large national fast-food chains showed that more than 40 percent of sales growth for a brand can be explained by combining either spend or recent sales momentum with variables directly related to the quality of the brand’s advertising. Months with strong relative ad quality for a brand like McDonald’s (where breakthrough, branding, and persuasion were all strong) show on average 47 percent more sales growth compared with months when the same metrics are average to below average. And across a variety of its studies over the past 20 years, Ameritest has determined ad effectiveness has a much higher correlation to sales impact (seven to 10 times more impact) than do media weights.

The finding that the quality of your advertising matters should come as no surprise, but it’s worth pointing out. It’s not enough to simply devote dollars to advertising; you must ensure your message is relevant and differentiating. If you’re a well-established, familiar brand, you can’t just run “reminder” advertising. And if you’re a first-time advertiser, your ads need to do more than simply let people know you exist.

Which brings us to ad messaging. According to Ameritest’s analysis of the top-performing 5 percent of quick-service ads over seven years, the strongest messages communicated versus weaker ads were “overall best restaurant” (on average 66 percent higher), “healthy” (73 percent higher), and “enjoyable place” (29 percent higher). Messages about factors that are costs of entry in the category—“convenience,” “good value,” and “good tasting”—were only 9 percent, 8 percent, and 14 percent higher, respectively. In fact, on average, the top 5 percent of quick-serve ads communicated an additional 7.3 “strategic” messages at above-average levels, compared with only 4.6 for the remaining 95 percent of the category’s ads.

Out of more than 1,100 quick-serve ads that Ameritest has tested, it found 9 percent failed to communicate a message other than convenience. Those 9 percent of ads were significantly weaker (62 percent less motivating an intent to visit) than ads that communicated at least one other strategic message. In fact, companies’ same-store sales actually went down during periods when they ran ads only promoting convenience (probably because their competitors were running more effective ads).

Also, Ameritest’s diagnostic memory test shows that consumers have fewer memories of a relatively weaker ad when tested in head-to-head competition (simulating a consumer seeing two ads in close time proximity). The same ad dropped 27 percent in breakthrough when tested against a strong ad from a competitor versus when tested against an average competitive ad.

The bottom line conclusion is this: Relevant and differentiating messaging produces ads that are more memorable and motivating, which in turn produce sales growth.

I asked the folks at Ameritest specifically how ads communicated messages like “overall best restaurant” and “enjoyable place,” but that level of research is only available for specific clients. So I turned to the American Marketing Association and its North American Effie Effectiveness Index (Effies) for more insight on messaging. The Effies are renowned for recognizing marketing campaigns that produce real business results. The winning ad in 2015 was a Mother’s Day spot for American Greetings. In explaining why the ad won, one judge said, “It found a completely original way of inspiring gratitude through reframing the experience and human truth of motherhood that provoked emotion—and action.”

That description can be adapted into a prescription for effective messaging that we can all use: Use a new and creative way to present the experience and truth of your brand to spark emotion and initiate action. TV advertising remains a terrific medium for telling a unique brand story that resonates authentically and emotionally. Above all else, that’s why it matters. 