



University of
South Australia

Ehrenberg-Bass
Institute for Marketing Science



Making Media Work Key Media Principles for Brand Growth

Presents the latest findings and guidelines for media choice to get the most from media. A summary of key points from the Ehrenberg-Bass Institute seminar.

Old vs new thinking

The Media landscape is continually evolving with new media vehicles, innovations, fragmentation and new technologies. Despite these changes, buying behaviour patterns remain robust.

Therefore, the fundamental objectives and guiding principles remain the same even though the means might change.

Five dimensions of media knowledge: Who, Where, When, How Much, How.

Who do you want to reach?

Target the market; all category buyers

Category buying frequencies are entirely predictable — all customer bases are comprised of mostly very light customers.

Reaching **light buyers** is essential for both brand maintenance and growth.

Heavy buyers aren't the answer:

- **Heavy category buyers** more likely to trial new brands, but then become light buyers.
- **Heavy brand buyers** are a small segment and already buy a lot; even if you could get 1 extra sale from them the result is small.

To become a bigger brand, you need light category buyers.

Big media are particularly useful to do this.

A Customer ROI focus can be dangerous. It's counter-intuitive to reach people who are light buyers (don't buy your brand or the category much), and it delivers lower ROI, but is what is important for growth.

The idea of *wastage* in media planning is over-stated.

Media Goal = Target the whole market (category buyers). Prioritising media that hits the hard to reach ones.

Total reach of category buyers is a key media evaluation metric.

Where do you want to reach?

First, think BIG Always look first to big (large audience) media. They are usually best for reaching all category buyers without buying excess frequency to get reach.

Smaller alternatives cannot deliver complete category reach, certainly not quickly and certainly not without excess frequency.

Light viewers skew to large, popular media — a natural monopoly effect of large media.

The first 50% of reach is far easier and cheaper to achieve than the second.

Campaigns that include TV in their multi-media mix outperform those that don't.

Gain maximum incremental reach for every additional dollar you spend.

Then add complementary media

Use your first media channel to deliver your most cost effective reach, and most of it.

With a small budget you may not need to look at other media.

Above a certain level, incremental reach within a media becomes increasingly difficult and expensive to achieve — above this point other media become more attractive.

Use additional media that increase cumulative reach of those who are difficult to reach through your main media.

The media world has evolved. The result is lots of fragmentation. And in an increasingly fragmented media world, popular vehicles, channels, programs are even more valuable, because advertising spots that can deliver vast audiences have become rarer.

Check media quality

1. Will the OTS convert into an exposure?
2. How much impact will it have on memory?

If you have evidence that one media is more sales responsive than upweight it.



Some common sense to avoid

- media claiming tight targeting and low wastage
- 'niche' media — they're just small
- program sponsorships — a poor way to cumulate reach. Many exposures occur within the same 30-60 minutes
- paying to reduce clutter — just focus on cost effective reach; ensure you have well branded ads that people want to watch

When do you want to reach?

Once is enough From 40+ years of Single Source research. The biggest incremental purchase stimulus is from 0 to 1 exposure.

Advertising Response Curves are convex, not S-shaped An immediate diminishing return from reaching individuals beyond 1x.

Consumers have memories ad effects (purchase stimulation) lasts beyond 28 days. Spacing ads gives 10-20% improvement in memory (recall, recognition). Helps reach light viewers over time.

Effective scheduling includes:

Greater Reach

- Reach targets: as many unique category buyers as possible
- Minimise duplication and excess frequency
- In week 1...buy the most reach you can afford then in week 2...buy the most *unduplicated* reach you can afford

A Continuous Presence

- Specify reach targets when buying media
- Focus on 1+, not 3+ "Effective" Reach

- Avoid large bursts of activity
- Spend 1/50th of your budget each week

Extend Campaign Duration

- Bigger impact than: GRPs in line with viewing (i.e. 60% in Prime); road-blocking; evenly over days or channels
- Biggest improvement to reach comes from doubling the campaign length with half the weekly GRPs

How Much To Spend?

Reduce your non-working media spend your dollars on reaching more consumers with fewer, better advertisements.

Combine budget forecasts from multiple approaches and viewpoints. Be conservative.

3 Budgeting Perspectives

1. External – SoV And SoM, Jones' AIC

Traditionally: set SOV = SOM

AIC – Market-leading brands underspend without significant loss of share, new, smaller brands overspend to get established.

Small/new brands have lower Physical & Mental Availability. Media economies of scale – bigger / more discounts, better agencies.

The (exact) Advertising Intensiveness relationship is unique to each category. The baseline is useful for: how much to spend to maintain a brand? At what point are we investing for growth? or harvesting?

Consistent spending at the expected level over 5 years related to share maintenance.

Long-term under-spenders lose MS; over-spenders gain MS.

2. Profit – Budget Optimizing Theorem

Uses ad elasticity: 'Percent change (increase) in sales for 1% change in ad spend'.

Optimal advertising spend is Ad Elasticity x Gross Profit — 10% of gross profits. Larger for new brands, better ads, durables, non-US.

Spend the advertising budget in a way that delivers the most reach for every week, month, and quarter of the year.

3. Objectives-Tasks approach

Define objectives, cost out how to reach them. Best in theory, may require modelling.

A bottom up approach requires analysis of competing plans that could achieve goal.

Need to understand what advertising does, best media principles for growth.

Different objectives, different tasks

- Grow Sales / Market Share vs Maintain
- Building vs refreshing memory structures
- Reach all category users, especially lights
- With continuity
- Launch vs Mature
- Seasonality effects
- Effects of competition, high voice categories vs low voice, reactions





- Portfolio and potential for cannibalisation;
- Diminishing returns
- Elasticities of alternatives

How to spend your media budget

It is easy to get a high ROI by only targeting narrowly, and those who will buy anyway.

Dangerous to the brand for the long term.

To grow brands you need to build and refresh memory structures of broad base, especially light or non-buyers (know your NBD)

1. Plan for Reach

- Reach targets: as many unique category buyers as possible.
- Minimise duplication and excess frequency.

2. Plan for a Continuous presence

- Avoid large bursts of activity.
- Spend 1/50th of your budget each week.

3. Know your audience

- Profile category buyers: their media consumption patterns, where to reach.

4. Smart Targeting

- Be wary of indices. Differences between media in terms of targeting are often overstated or misinterpreted.
- Highly targeted media don't deliver large reach of the audience.

5. Buy the numbers

- Quantify skews: easy to assume media skew more than reality.
- Make comparisons across media based on reach and frequency.

6. Question assumptions

- Media optimiser assumptions.
- Propositions based on: engagement, audience uniqueness, minimised wastage, audience commitment.

7. Work with media characteristics

- Consider functional differences between media: video and sound vs images;

reach buyers close to purchase occasions.

8. Evaluate your plan

- Carefully, critically evaluate your media plan against principles.
- Experiment and measure to see what gets best response.

9. Combine with great creative

- Great media can't save a bad ad.
- Don't waste a great ad using poor media.

10. Combine with great branding

- It is vital that your audience knows that it's you advertising. If not, then all the spend has been wasted.

Specialist Research Services

Advertising/Media Spend Assessment

How much should you spend on Advertising?

Best Practice Media Planning Review

Our experts can review your media plans.

[Contact us for a quote.](#)

[Click to learn more](#)



Further Reading

Online reports

Report 49: [TV: Back to the Future](#)

Report 57: [A Guide to Continuous-Reach Advertising](#)

Report 66: [Ehrenberg-Bass Institute Key Media Principles](#)

Academic Publications

[Is Once Really Enough? Making Generalisations About Advertising's Convex Sales Response Function.](#)

For further reports, journal articles and marketing commentary please visit the [Advertising](#) and [Media Decisions](#) sections of our website.

