



THINK TV THEN SEARCH

Measuring the impact of TV on
Growing Brands and Driving Search





ABOUT THINKTV

ThinkTV is a dedicated research-driven, marketing and technology development organisation focused on helping the advertising and marketing community get the very best from commercial TV. ThinkTV was formed in March 2018 with founding members TVNZ, MediaWorks and Sky.

From understanding how audiences engage with TV and celebrating advertising creativity, we're leading a collective effort to demonstrate how advertising in broadcast-quality content environments provides the greatest return on investment.

To make TV advertising easier to understand, trade and evaluate, ThinkTV works closely with the industry to ensure there is proper measurement, transparency and technology available for advertisers, agencies and networks. And, we champion the power of TV advertising through education and broader studies with leading research companies and academics.

For more info, visit thinktv.co.nz and subscribe to our mailing list to keep up to date with industry reports, news and latest research from NZ and around the globe.

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WHERE DOES SEARCH BEGIN?

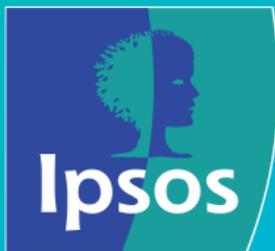
The importance of digital channels in the path to purchase for brands has been steadily growing over the last decade and in response marketers and agencies have increasingly received the message that digital search alone is driving 'the last click'. Think TV remains confident that Television continues to be highly effective in brand building and that as part of a multi-media campaign Television's ability to drive awareness, consideration and brand desire also has an impact on driving digital search.





Is search alone driving the last click or are the brand building attributes of television also effectively driving search & sales?

Early in 2020 we felt it was time to clarify the role of television and its ability to grow both brand search, desire and the last click.



Think TV commissioned global Market Research company Ipsos to develop a robust, data- based research case study to help marketers and agencies better understand the role of television in this digital world.

COVID-19 CONTEXT

Both globally and locally, the Covid-19 pandemic has significantly affected markets, businesses and consumer behaviour. New Zealand's economy first felt the impact of Covid-19 in February 2020 through the forestry and tourism sectors however the economy was most widely impacted from mid-March to mid-May when most New Zealanders were in lockdown with gradually easing restrictions over the following two-month period.

The Covid-19 impact is relevant to this project at two levels. Firstly, from a project point of view the plan was to start in January building a market mix model based on the previous 2 years advertising and search activity and conduct a market research study based on a current campaign period that we had planned for Easter. Due to Covid-19 lockdown restrictions, the case study went on hold until restrictions were eased in Level 1. As a result, the Marketing Mix Model used in this study is based on the period from January 2018 to March 2020 and the Ipsos Activation 360 study was in field in July 2020.

Covid-19 has also had a significant impact on the context of the market and shopper behaviour. During Level 4 lockdown New Zealanders were only allowed to mix with their immediate 'bubble' which often excluded wider family members and friends. Shopping was restricted to essential items. This drove a digital pivot, with a significant up swing on the use of digital as a tool for communication, connection, entertainment and shopping. Many New Zealanders were using digital to shop online or click and collect for the very first time. When lockdown levels changed, New Zealanders were allowed back to the shops which saw a spike in 'revenge shopping'. At that point digital sales dropped from the high activity of Level 3, however the ecommerce baseline maintained a pre-Covid lift. Ipsos research showed the majority of New Zealanders who were using digital during Covid-19 restriction levels planned to continue to do so in the long term.

The Covid context is important because this step change, as well as the potential threat of subsequent Covid waves means that Marketers and Retailers have had to improve their ecommerce capabilities and re-think their marketing strategy to make the most of every sale in the new Covid world. So, understanding how media touch points grow brands and drive search is even more important in the Covid-19 context.



A CASE STUDY APPROACH

To ensure this study was grounded in the reality of the New Zealand market ThinkTV and Ipsos approached a major New Zealand retail advertiser to participate as a Case Study partner to help us understand the role that media touchpoints play in growing brands and driving search.

The advertiser was selected because they were a multi-media advertiser who was able to provide us with two years of weekly advertising spend data by media, promotional calendars and search data. They also agreed to Ipsos conducting market research around a scheduled campaign. In return our advertiser, who we will refer to in this presentation as 'Retailer A', has received the results of the study and some broader brand and category research as a thank you.





RESEARCH DESIGN



HOW DO MEDIA TOUCHPOINTS GROW BRANDS AND DRIVE SEARCH?



OUR APPROACH

RESEARCH OBJECTIVE: To understand the role of television and other media in growing brands and driving search?

RESEARCH DESIGN

The research was conducted across three streams to provide a comprehensive answer to this question.

1) Understanding How Media Grow Brands

An Ipsos Activation 360 market research analysis was used to measure the strength of brand saliency and brand desire for the Retailer brand and how these metrics were being impacted by all brand touchpoints based on un-prompted touchpoint recall.

The research was based on a sample of 1,500 New Zealanders aged over 18 years who had shopped in the category within the last 6 months and went into field in July. The research was timed to coincide with Level 1 restrictions and followed the week after the Retailer's winter campaign.

2) Marketing Mix Modelling

To Understand the relationship between media advertising and paid search on search behaviour.

The model was based on over 2 years of the Retailer's actual weekly advertising spend across all media touchpoints, search data and promotional schedules, as well as competitive media from Nielsen

3) In-depth Qualitative Shopper Interviews

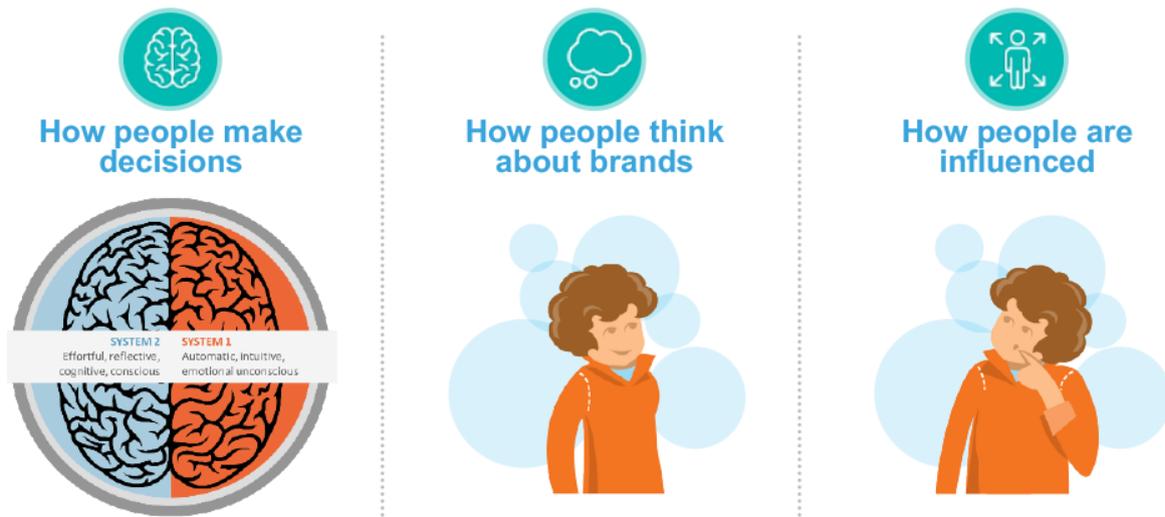
Qualitative interviews conducted in the homes of New Zealanders to understand the human insight behind the data, asking consumers to share their own stories about how television advertising contributes to brand saliency, brand desire and online search behaviour.



HOW DO MEDIA TOUCHPOINTS GROW BRAND DESIRE?



AT THE HEART OF UNDERSTANDING THIS IS KNOWING HOW PEOPLE MAKE CHOICES ABOUT THE BRANDS THAT THEY BUY



At the heart of understanding this is knowing **how people make choices about the brands that they buy**. At Ipsos we have learnt, through neurological and behavioural science, that this decision-making process is often more unconscious than conscious. Our rational & conscious system 2 thinking is simultaneously influenced by our intuitive and emotional system 1 thinking, as we use mental short cuts to reduce effort.

The way people think about brands relates to the mental short cuts that exist in our minds as a network, a unique memory structure of thoughts feelings, experiences, images, stories, associations, colours, sounds, symbols and memories

And In order to influence this brand decision making process brands must have:

Memory salience: All the existing aspects of the brand's mental network and the mental availability of the brand

And

Attention salience: The cues and stimuli that capture our attention at any brand touchpoint, such as distinctive brand assets, which includes media touchpoints.

AT IPSOS WE BELIEVE THE FUNDAMENTAL COMPONENTS OF BRAND DESIRE ARE



SALIENCY - those brands that people are spontaneously aware of and are in their consideration set.

These are the brands which people have some form of relationship with. This relationship will be driven at a more rational level by the **brand's performance** or sometimes referred to as the delivery of the brand promise – it does what it says on the tin.

It will also be driven by **brand closeness** which is the emotional commitment and connection that a person has to a brand.

For us to understand the role of media in driving overall **brand desire** we measured the saliency of the Retailer's brand and their key category competitors in our Ipsos Activation 360 study.

MEASURING BRAND AWARENESS AND CONSIDERATION TO ESTABLISH BRAND SALIENCY

OUR RETAILER HAS VERY STRONG SALIENCY

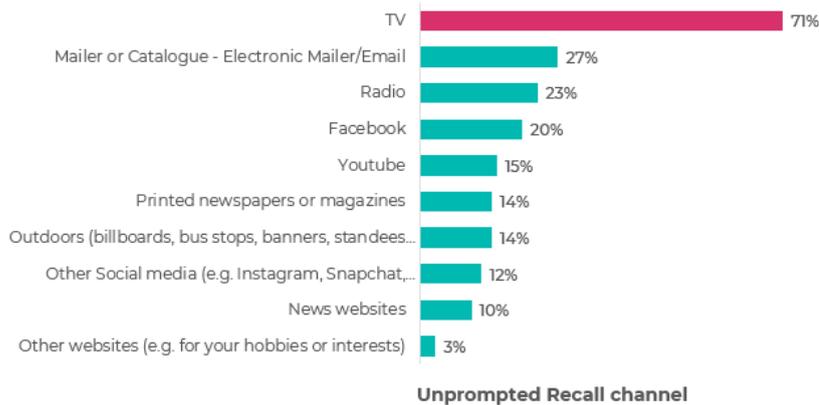
Compared directly to our Retailer's competitive set this brand has significantly higher spontaneous awareness and brand consideration than any of its direct category competitors.

RETAILER A HAS HIGH BRAND SALIENCY & CONSIDERATION



So where is this saliency coming from?

71% OF RESPONDENTS SPONTANEOUSLY RECALLED ADVERTISING FOR OUR RETAILER ON TELEVISION



QRRB: Where did you come across recent advertising for? Base: those with 'very specific recall' of recent advertising (n=419)

So, while attention saliency is being built up across a range of media touch points, it is television that is more strongly connecting us to our memory networks. The importance of brand saliency is also reinforced by the findings of Les Bennet and Peter Field's whose longitudinal studies have proven that retaining a brand in the memory for retrieval at the point of purchase is crucial for long term growth.

MEASURING BRAND CLOSENESS AND BRAND PERFORMANCE TO ESTABLISH BRAND DESIRE

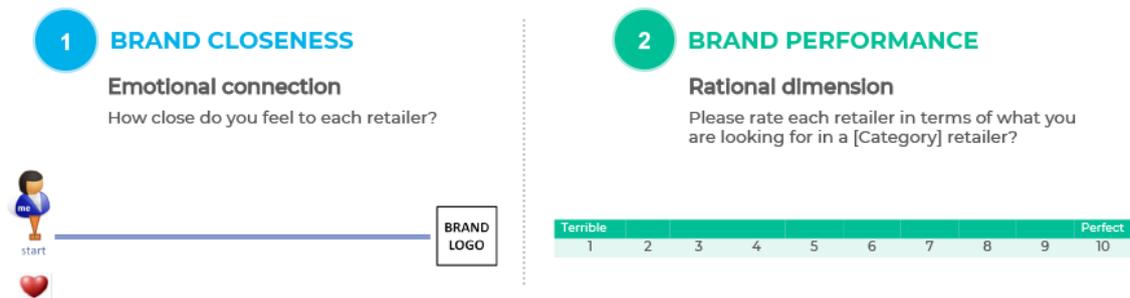
Brand Closeness: How close do you feel to each retailer?

Brand Performance: How well does this retailer perform in terms of what you are looking for in a retailer in this category?

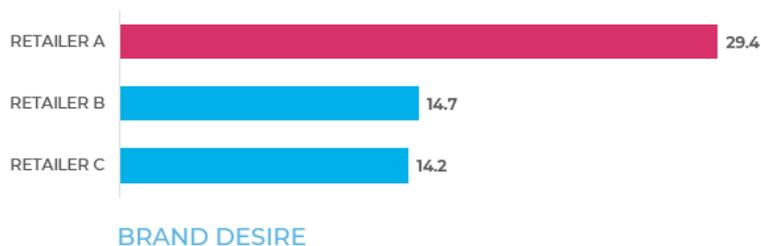
The **Brand Desire Score** is developed from these two questions and has been validated across thousands of Ipsos studies around the world to have a measurable, 92% correlated relationship, with actual market share.

THE AVERAGE OF CLOSENESS AND PERFORMANCE MAKES UP A BRANDS BRAND DESIRE SCORE

SALIENCE + CLOSENESS + PERFORMANCE = BRAND DESIRE

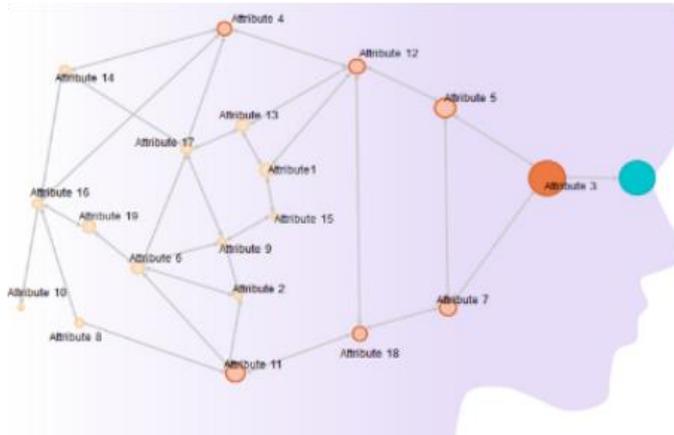


'RETAILER A' HAS SIGNIFICANTLY HIGHER BRAND DESIRE THAN ITS KEY CATEGORY COMPETITORS



Base: total sample (n=1,500)

HOW WE USE IPSOS BAYESIAN NETWORKS UNDERSTAND THE POWER OF BRAND TOUCHPOINTS?



We wanted to understand the role different brand touchpoints were having in the network of brand memories to drive such strong brand desire.

In order to really understand this, Ipsos data scientists used an advanced analytical technique called Ipsos Bayesian Networks Analysis (IBN).

IBN is an advanced analytical technique designed to identify the strengths of relationships between variables in data sets. The analysis is conducted at an individual respondent level and it considers the causal relationships between variables. In other words, what impacts what?

Then, the degree to which an outcome variable is impacted. In contrast to other driver analysis the model recognises that drivers typically don't operate in isolation to each other. As an example, thinking about this in the media context, we know that in a good multi-media campaign the brand message is multiplied across the media touchpoints, so each media touchpoint has a causal relationship with each other. An easy way to think of this is a statistical brand mind map.

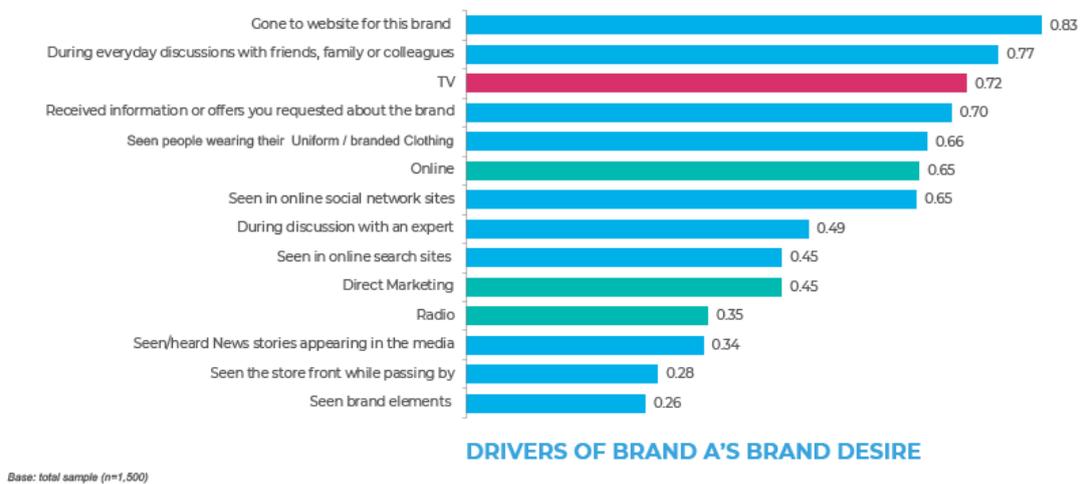
For this example, we are seeking to understand the impact that brand touchpoints have on the dependent variable, Retailer A's brand desire.

HOW DO BRAND TOUCHPOINTS GROW BRAND DESIRE?

The first analysis is the **ranked impact scores**. This identifies how much impact each touchpoint has on brand desire.

The results show that if our case study retailer can get more people to visit their website or get friends and family talking about the brand, those drivers will have a significant impact on Brand Desire.

TELEVISION IS THE HIGHEST PAID ADVERTISING DRIVER FOR RETAILER A'S BRAND DESIRE



Just under word of mouth is television, which makes television the media touchpoint that has the most significant impact on brand desire. As such, if the case study Retailer increased their advertising spend and reach on television, it would have a greater impact on their brand desire than if the Retailer increased their spend and reach on online, direct marketing or radio.

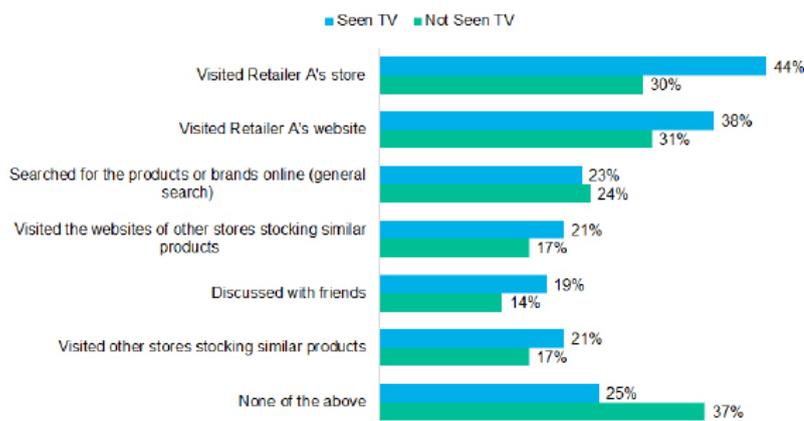
The second analysis is this **structural map** which shows how each brand touchpoint works together, to build the Retailer's brand desire and which brand touchpoints have the most direct relationship with brand desire.

DRIVING CALL TO ACTION

As a final analysis from the Ipsos Activation 360 study, we wanted to look at the role the television advertising campaign was having on driving **Call to Action**.

We compared those who recalled the Retailer's television advertising and those who didn't recall the television advertisement, against a set of 'call to actions'. Those respondents that recalled the Retailer's television advertising were 30% more likely, than those that didn't recall the advertising, to have visited the Retailer's store and 18% more likely to have visited the Retailer's website.

CATEGORY SHOPPERS WHO RECOGNISED THE ADVERTISEMENT FROM TV, WERE MORE LIKELY TO ACT



QCTA: Based on the recent ad(s) you saw or heard, which of the following did you do? Base: those who have not seen the advertising on TV (n=682); those who recently saw / heard advertising on TV (n=159)

DOES TELEVISION ADVERTISING GROW BRANDS?

Ipsos 360 Activation study clearly demonstrated that Television is a high performing media channel when it comes to growing brands. It is the most effective paid media touchpoint to drive both brand saliency and brand desire. Television also delivers strong, bottom of the funnel impact by driving people who have seen television advertising into store and the Retailer's website. Television's brand building power remains strong despite the recent digital pivot.



DOES TELEVISION ALSO DRIVE SEARCH?



Marketing Mix Modelling is an advanced statistical model where we use multiple marketing variables like advertising spend and promotional schedules to predict a dependent variable like search

Given one of the key strengths of the digital search argument is data we felt the answer to this question needed to be data led through Marketing Mix Modelling.

Market Mix Modelling is another advanced statistical process which simply put is where we can use multiple variables like marketing and advertising activity across different media touchpoints to predict a dependent variable like search and sales. The model helps us measure the effectiveness of the elements of your marketing program including media touchpoints.

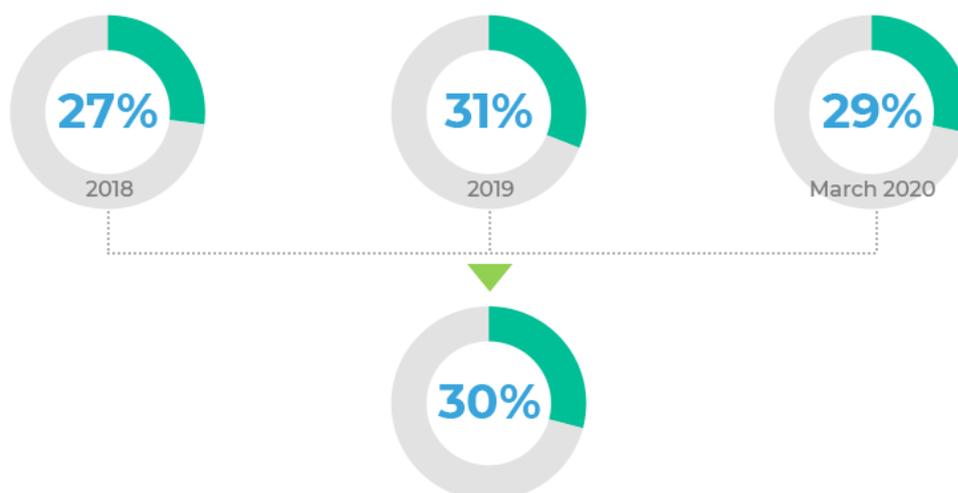


THE MODEL IS HIGHLY ACCURATE EXPLAINING 87% OF MOVEMENT IN GOOGLE SEARCH SESSIONS



The resulting model is highly accurate at predicting the case study Retailer's Google search activity. The model explains 87% of the movement in Google search sessions.

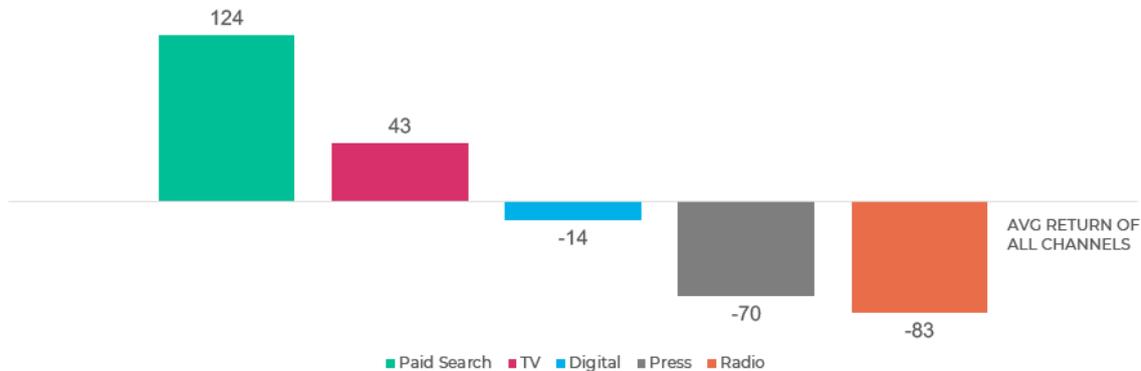
DOES TELEVISION DRIVE SEARCH?



The model was able to prove a strong correlation between television advertising and paid search, in fact close to a third of the search driven by paid advertising was driven by television. Television accounted for on average 30% of search during the just over two-year modelling period. It is important to note that this is an annual average and in some quarters the model showed that TV is driving up to 44% of search.

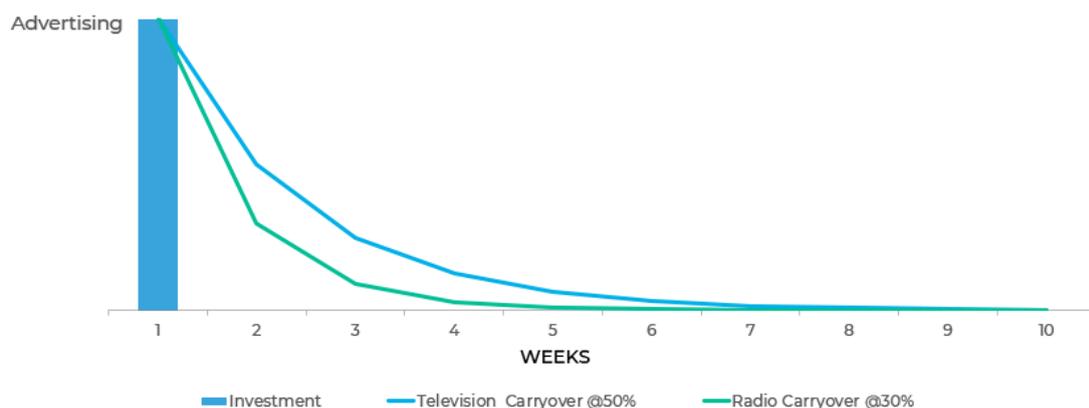
We wanted to understand how television's ability to drive search performed in comparison to other media.

TV SEARCH PERFORMANCE IS SIGNIFICANTLY HIGHER THAN OTHER ADVERTISING MEDIA



Television is second only to paid search when compared to the average impact of all media. We would expect paid search to perform highest, because driving search is the core purpose of paid search. Television is 43% more effective than the paid media average in driving search. Remembering that Television is also working hardest to grow brand saliency and brand desire.

TELEVISION HAS THE LONGEST MEASURED IMPACT OF PAID MEDIA ON SEARCH



The model shows us that the Retailer's television advertising has a carry-over value of 50%, which means it continues to have a significant impact on search for several weeks after placement. This compares to radio with 30% carry over and print media with no measurable carry-over impact.

TELEVISION KEEPS ON WORKING BEYOND THE INITIAL PLACEMENT IMPACT

TV ADS REMAIN IN MEMORY AND IMPACT SALES FOR FAR LONGER THAN OTHER VIDEO PLATFORMS – BENCHMARK SERIES

DAYS OF IMPACT BY MEDIA

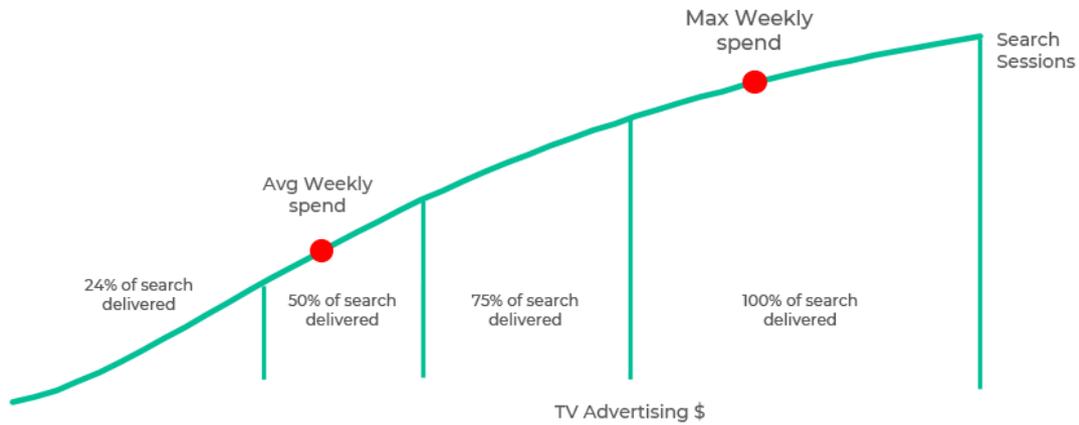


Source: Professor Karen Nelson-Field, Benchmark Series

Many of you will be aware of another study released by ThinkTV over the last couple of years, which shows very similar findings - this is the Benchmark Series, by Professor Karen Nelson-Field.

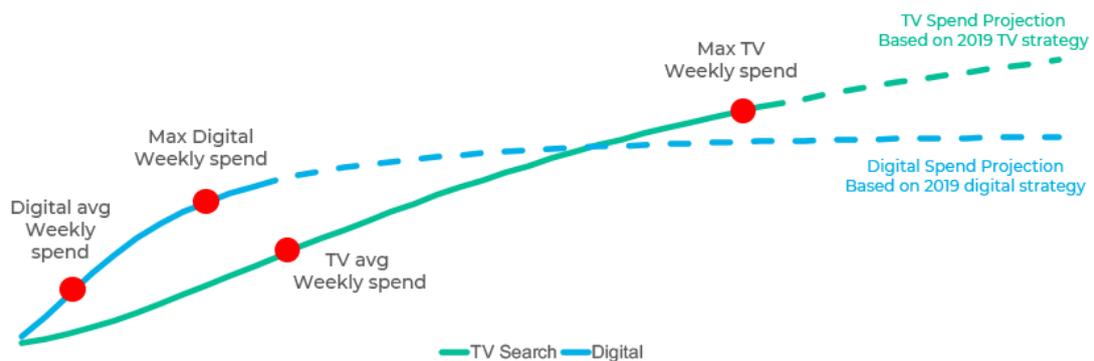
This research looked at television and other video advertising platforms and showed that advertisements watched in a television content feed, viewed on any screen, not only generated a greater immediate sales impact than advertisements watched on social media platforms, but also continued to generate a greater sales impact long after Facebook and YouTube advertising memories had completely faded. The Professor found that following one execution, television advertising keeps working to drive a sales impact for 109 days, compared with YouTube at eight days and Facebook at six days.

AN INCREASE IN TELEVISION SPEND WILL FURTHER INCREASE SEARCH



Television advertising spend builds search in a diminishing returns relationship. This relationship shows that the Retailer can spend more on television in an average week and drive more Search. A 10% increase of the Retailer's television advertising spend would generate a 12% increase in search activity.

THE ABILITY TO BUILD SEARCH THROUGH INCREASED REACH DIMINISHES FASTER FOR ONLINE ADVERTISING



The opportunity to increase search return based on increased investment in digital advertising, based on the current digital strategy, diminishes far more rapidly than for television. Television has a greater ability to grow search further than is currently being leveraged by the Retailer.

HALF THE RETAILER A'S SALES MOVEMENT GENERATED BY PAID MEDIA CAN BE ATTRIBUTED TO TELEVISION ADVERTISING

57%

Correlated search and sales shows search drives 57% of sales movement

x

30%

Model attributes 30% of Paid Search to TV

=

16%

Of sales movement from search can be attributed to TV

+

35%

The model also shows TV drives 35% of advertising driven sales movement in-store

=

51%

Television is driving 51% of advertising driven sales movement

The first Marketing Mix Model also explained that 30% of Paid Search activity can be attributed to Television.

The correlated search and sales index model showed us that search drives 57% of the Retailer's sales index movement.

Television is driving 30% of that search activity which therefore equates to 17% of the movement in the sales movement index.

Television is not just driving sales through search, however. The model shows that television also impacts sales outside of search, which is the impact that television has on the sales movement as a result of in store sales.

35% of that sales movement can be attributed to television advertising.

So, in total 51% of the movement in sales generated by paid search and paid media advertising can be attributed to television.



THE QUESTIONS ANSWERED

ARE THE BRAND BUILDING ATTRIBUTES OF TELEVISION EFFECTIVELY DRIVING RETAILER A'S SEARCH AND SALES?



TV is the most effective media driver of brand saliency and brand desire



+30%

Shoppers who recall seeing Retailer A's ad on TV are more likely to have visited the store



30%

of Paid Search can be attributed to TV advertising



+43%

TV is second only to Paid Search compared to average impact of all media



51%

of advertising driven sales movement can be attributed to TV

It is clear to us that television is not only demonstrating a clear advantage over other media touchpoints in growing brand saliency and desire but that it also plays a significant role in driving search and sales.



STUDY DETAILS

IPSOS ACTIVATION 360 FIELDWORK



n=1,500 people took part in the survey. The margin of error on a sample size of n=1,500 is 2.53 with a NZ population size of 5,010,818 as of 5th August, 2020



Fieldwork took place between **20th** and **29th July 2020**

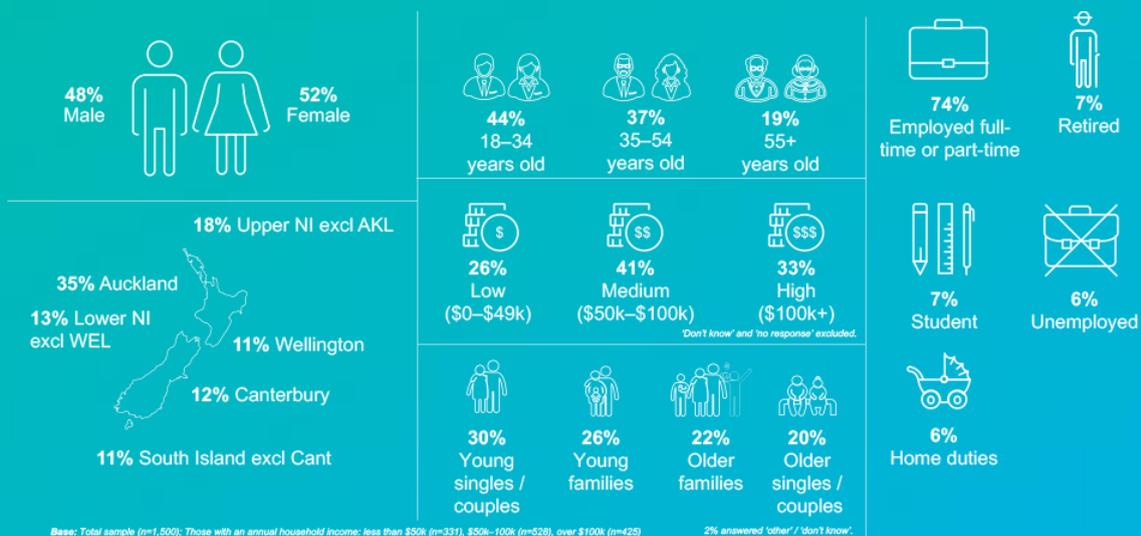


The average duration of the survey was **16.4 minutes**



People qualified for the survey only if they shopped at a sports retailer in the past 6 months. Quotas representative of the category were applied.

DEMOGRAPHICS OF THE SAMPLE



MARKETING MIX MODEL DATA SOURCES

Case Study Retailer:

- Category Search: Organic and Paid Sessions
- Actual weekly advertising spend: Television, digital, paid search, radio, press
- Promotional calendar
- Sales Index

Nielsen: Competitor advertising weekly spend by media.

***Note:** Nielsen ad spend down weighted to better reflect actual spend.

****Note:** Digital refers to banners & video – including digital suppliers such as M19, mobile publishers such as M19 NZ, NZ Media and Entertainment & Stuff Media, and programmatic suppliers such as Quantcast, The Performance Desk and Verizon Media.



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ABOUT IPSOS

In our world of rapid change, the need for reliable information to make confident decisions has never been greater.

At Ipsos we believe our clients need more than a data supplier, they need a partner who can produce accurate and relevant information and turn it into actionable truth.

This is why our passionately curious experts not only provide the most precise measurement, but shape it to provide true understanding of society, markets and people.

To do this we use the best of science, technology and knowhow and apply the principles of security, simplicity, speed and substance to everything we do.

So that our clients can act faster, smarter and bolder. Ultimately, success comes down to a simple truth:

YOU ACT BETTER WHEN YOU ARE SURE



