



The Tracking of BT Advertising Campaigns

Sales or consumer inquiries can sometimes prove to be misleading measures of advertising effectiveness which is why managers are also interested in how their marketing activity affects or influences the mind of the consumer as well as behaviour. A consumer's awareness and impressions of, and disposition towards a brand may change and become early indicators of a potential change in behaviour (brand switching, increased usage, making an inquiry and so on). Clearly, measures of such changes also provide clues as to what is working or not working so well and this diagnostic means corrective action can be taken if necessary.

To monitor changes in the consumer mind some marketers carry out a study on a sample of their target market consumers prior to a campaign then repeat this exercise on a fresh sample after the campaign. Such studies are sometimes called "dipsticks" as typically they measure levels of awareness of advertising and levels of awareness of brands and perceptions of their attributes. Measures on a dipstick might include awareness of brands (spontaneous and prompted), brands currently bought, brand preferences, perceptions of brands (brand image) and recall of advertising or other marketing activities. Changes on any of these measures could be attributed to marketing activity. The problem with only conducting two such "dipstick" surveys is that two measures (pre and post a campaign) might not just reflect the effect of a specific marketing activity but also underlying trend(s), particularly in the case of new brands or the effect of other communication tools being used by the organisation or by its competitors. This is why continuous tracking (regular weekly or monthly dipsticks, each on a new sample of target market consumers) is often preferred, though of course this is a more costly option.

Continuous tracking permits one to isolate effects of a specific marketing activity from underlying trends as well as better understand how a campaign builds up, and then possibly wears out and actions to take. Some tracking marketing research services are syndicated so anyone can buy the service. For instance, the data from a tracking study on hot beverages could potentially be available to all manufacturers in this field for a price.

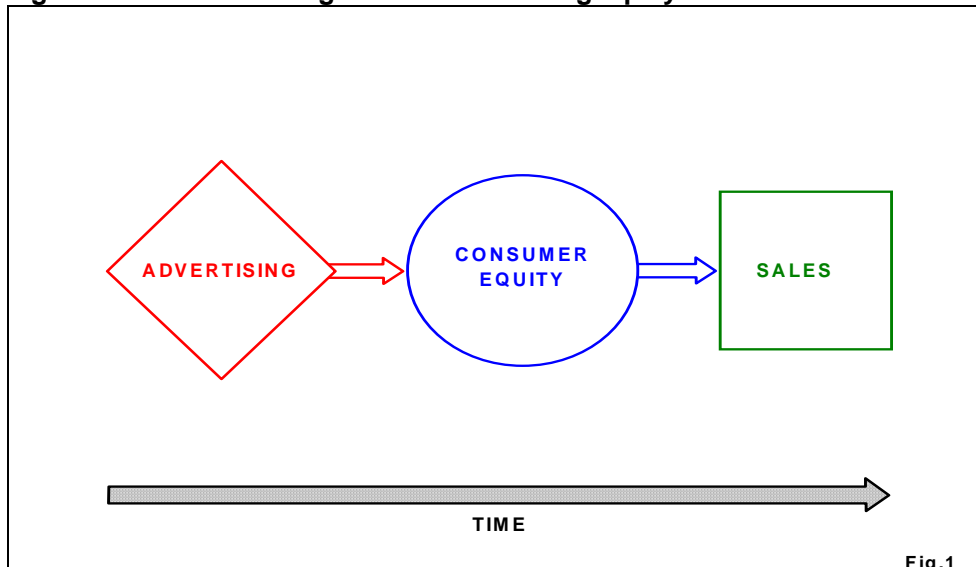
Over the past few years, advertising and brand tracking research has been a significant growth sector of the market research industry, much of it stimulated by the introduction of new approaches, improved methodologies and application to a wider variety of market sectors. The example given in this case study is that of a major tracking study conducted by TNS, the largest custom marketing research agency in the world.

This case study demonstrates the value of a tracking study and how it is used in practice by a research agency for a major client company (BT).

If a service, product or brand is more 'desired' or 'wanted' than those offered by competitors, then consumers will be more pre-disposed towards buying such a service or brand. Assuming market place factors (such as availability, price etc.) are not a barrier this should convert into actual sales. A simple model can be formulated, as illustrated in Figure 1, with

advertising influencing consumer equity and leading to sales. Consumer equity is quite simply the disposition towards and perceptions of a brand.

Figure 1 Advertising's role in influencing equity and sales

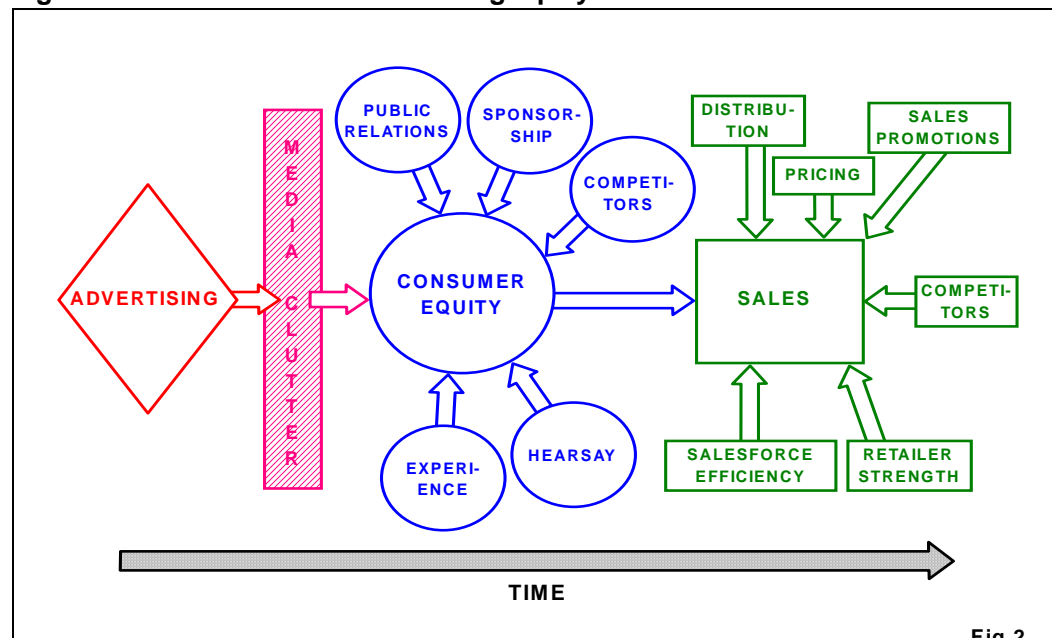


It should be noted that brand equity can be defined in a number of ways (see Feldwick 1996).

Modelling - relevance and significance

It follows that, in order to measure the 'effectiveness' of marketing activities, we need to monitor their impact. But first we need to develop the model because advertising is not usually the only influence on consumer equity and moreover, consumer equity is not the only influence on sales. Figure 2 shows some of the other influences - market place factors influencing sales, and marketing factors (both controlled and uncontrolled) influencing consumer equity.

Figure 2 External factors influencing equity and sales



Advertising Awareness and TNS Measures

In order to maximise our understanding of the efficiency of the advertising, it is clearly useful to be able to disentangle the various elements of reach (percentage of the target market that recall the advertising), communication, brand associations and disposition to act based on the communication. Interestingly many tracking systems are unable to do this, simply because they ask the questions the wrong way.

As an example, if we ask consumers if they have seen any advertising recently for Brand X we will not get a true measure of the awareness of Brand X because...

- (a) some of those who say 'Yes' may simply *think* they've seen advertising, because Brand X familiar to them;
- (b) others who say 'Yes' may be thinking about the advertising for something else which they believe, wrongly, is for Brand X;
- (c) some of those who say 'No' may actually have seen the advertising but don't know that it is for Brand X.

The basic problem is that this traditional question format inextricably links the product or *brand name* awareness with the *advertising* awareness.

A way of overcoming this is by initially accessing advertising involvement at the executional level. For instance, with TNS tracking studies (or "trackers") the awareness of advertising for the product is obtained by asking consumers to describe, in their own words, the advertisements they have seen within a particular product sector. Their descriptions are later validated against the actual advertising to establish a measure called '**Cut-Through**'. This represents the proportion of the target audience which recalls the advertising to the extent that *we know* they have seen it - *in other words, true advertising awareness that is unadulterated by product awareness.*

Respondents are also asked to say, unprompted, what the advertising they have just described is trying to tell or suggest to them. A number of open-ended questions, where respondents are asked to say in their own words what they can remember about the advertising, elicit different aspects of the advertising's communication.

The responses to these questions help determine whether or not the advertising message take-out is on-strategy and, along with the descriptions of the advertising itself, will provide a comprehensive picture of the way the advertising communication is contributing to consumers' knowledge of Brand X. In addition, the way respondents describe the advertising will provide insights into the appeal of the advertising on a more emotional level.

This information will be derived from spontaneous advertising descriptions, therefore, it provides a 'hard' measure of awareness, indicating where the audience has had some level of *real involvement* with the communication to which it has been exposed. We can be sure then that this communication has not only reached (been exposed to), but has also gained the attention of, the target audience.

Beyond those consumers with strong involvement in the advertising, there will be some consumers who are reached, but not involved by the communication. In order to measure the total reach, respondents are shown stimulus materials, such as de-branded stills-boards of TV commercials, or played tapes of radio ads and asked if they have seen/heard that particular execution ('Recognition'), and which brand or product it was for ('Branded Recognition').

This question regime produces a much more accurate, comprehensive, and diagnostic picture of *how* the advertising is working compared with that provided by the traditional methods.

The measures themselves relate to the communication tasks in the following way:

ADVERTISING TASK	RELEVANT TNS MEASURES
"reach the target audience"	Recognition of advertising
"penetrate the attention of those reached"	Cut-Through
"communicate the intended messages to those who are attentive"	Message Communication (General/ People/ Benefit) and Elements Recalled, amongst respondents with Cut-Through
"ensure these messages are branded correctly"	Branding levels at CUT-THROUGH and spontaneous mention of 'Brand X' when describing executional details and messages.

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BT and TNS IT & Telecoms

Business Challenge

British Telecom was launched in 1981, becoming a public limited company in 1984, and completing privatisation by 1993. Since then, changes in the communications market have been dramatic and well-documented. These include widespread mobile phone ownership; the arrival of internet access to most homes and growth in fixed telephony competition through cable, resellers and wholesale line rental. Throughout this time BT has continued to be at the forefront of communication innovations, with the launch of BT Broadband and fixed call prices, for example. However, to retain market leadership whilst under increasing attack from competitors on all fronts, it was deemed critical to have effective communication strategies in place.

Indeed, each year BT made considerable investment of around £100 million in consumer advertising campaigns to support brand-building and generate sales. From this weight of spend BT had a continuous advertising presence. However, allocation of spend per campaign could vary enormously according to different business priorities within BT. For instance, one campaign may have delivered over 2,000 TVRs (Television Ratings*) with significant support from the full media mix. At other times, a single stand-alone execution may have received fewer than 200 TVRs. Additionally, in most quarters of a year one campaign would dominate (based on a new product for example), but there would be several other campaigns to broaden message variety and underpin communication that BT represents solutions across the board.

Note: TVRs are an aggregation of the percentages of the target audience reached across all the television spots when the advertising was shown. So if one commercial break was exposed to 10% and another to 15% then the aggregate is 25 TVRs. This ignores the fact that some people may have been exposed to both breaks. Hence there is also a need to know (a) coverage (percentage of the target audience who were exposed at least once to the TV advertising) and (b) opportunities to see (OTS) which is the average number of times the advertising was seen. TVRs provide a useful measure of the weight of the advertising.

Prior to 2003, the effectiveness of TV campaigns was gauged through BT's main consumer tracker, with advertising questioning positioned at the end of a long questionnaire and not set in the competitive context. This did not provide sufficiently sensitive diagnostics to gauge BT's advertising efficacy. Therefore, BT wanted to set up a dedicated advertising tracker, to enable the contribution of BT and competitor advertising, across the full media mix, to be continuously monitored and evaluated, with a view to creating more powerful, better value marketing communications.

Objectives

The primary objective was to monitor the effectiveness of BT advertising across TV, press, radio and outdoor. Additionally, BT sought to monitor key competitor advertising, and to gauge merit where media tests were conducted. Measures were to include:

- ◆ Spontaneous and prompted recall of advertising (campaign and execution recall and recognition);
- ◆ Brand attribution (attribute associations for key brands) ;
- ◆ Communication "take-out": recall of specific images, characters, messages, slogans;
- ◆ Reaction and memorability;
- ◆ Appeal, response, and effectiveness of any call-to-action messages;
- ◆ Impact on corporate and brand image of BT.

Through monitoring this range of metrics, the research programme would feed into an overall evaluation of BT advertising activity. Importantly, with no specific historic contextual data in place, the tracking measures would need to address two key issues. These were to provide an understanding of the competitor environment in which BT advertisements were airing, and to disentangle the various components of BT advertising in order to understand the significance of the discrete contributions made by weight of spend, creative design, media mix, and so on.

The Project

Given that BT's advertising was nationwide, almost constant, and needed to reach a broad consumer group, it was determined that research should reflect these facts. Therefore, interviews were to be conducted throughout Great Britain, on a continuous weekly basis, among a broad sample of adults aged 16-65. Importantly, quotas were applied to ensure that each of the ITV regions were proportionately represented within the sample.

It was further decided that the survey should be conducted via face-to-face interviewing using CAPI (computer-assisted personal interviewing) technology. CAPI was selected over CATI (computer-assisted telephone interviewing) primarily for the ability to show advertising stimuli, and CAPI was preferable to PAPI (paper and pencil interviewing which depends on the postal service rather than email and keying in of data, editing etc. on arrival) as speed would be critical to ensure research insights could be actioned swiftly (e.g., if branding is found to be weak during the life of a campaign, then it can be improved to increase efficiency – but once the campaign is finished it is too late).

At the outset, it was appreciated that to deliver insightful research to the business and to ensure the effective implementation of recommendations, strong relationships would need to be formed between four key partners: clients, researchers, ad agencies and media agencies. A series of inductions began this process, during which a commitment to knowledge-sharing was initially fostered, and consequently weekly interactions between all parties were instigated.

Having had no specialist advertising tracking vehicle previously, BT was keenly aware of core knowledge gaps. Thus it was in considerable harmony that BT and TNS designed the questionnaire. Beginning with the assumption that all marketing communications need to perform four main tasks of reach, involvement, message take-out and correct brand linkage, measures were included to evaluate each of these. Arguably, the most powerful inclusion was TV Cut-Through. Here, respondents are asked to describe recent TV advertising they have seen for the sector. Their descriptions are later validated against known advertising campaigns. This gauges the proportion of the target audience which has proven recall of a brand's advertising, irrespective of whether they know which brand is advertised. As a true measure of advertising awareness, unadulterated by brand name awareness, this disentangles advertising contribution from brand saliency.

Evaluation and Results

In 2003, BT found the budget to run a dedicated advertising tracker for an initial period of one year. Following recommendations made from the first year of research, and owing to cost efficiencies made by implementing those recommendations the following year, BT chose to continue dedicated advertising tracking.

Compelling recommendations in the first year demonstrated there were:

- ◆ Too many campaigns;
- ◆ Too many executions per campaign;
- ◆ Too few peak TVRs supporting executions;
- ◆ Few re-used campaigns, inhibiting burst-on-burst benefits;

- ◆ Issues with campaigns moving to a Direct Response (DR) focus before establishing the message at target levels.

In direct consequence of these conclusions BT, in tandem with TNS and the creative agencies, re-wrote the rulebook on how all marketing communications should subsequently be delivered. This policy was disseminated and accepted by all divisions and functions within the business – an impressive feat when the size, diversity and long history of such a company is considered.

Accordingly, in its second year, the research was able to tangibly illustrate the benefits of adherence to revised communication rules based on the following detailed observations. .

- ◆ The target set for total BT TV Cut-Through was regularly exceeded, despite much lower advertising spend levels (see Figure 3 in Appendices)
- ◆ More focused advertising enabled a reduction in TVRs (see Figure 4 in Appendices);
- ◆ BT generated higher awareness of its advertising than any competitor (see Figure 5 in Appendices)
- ◆ Branding improved across all areas (see Figure 6);
- ◆ Greater efficiencies were achieved through using repeat bursts;
- ◆ The most successful campaign of the year individually peaked above the target set for overall BT TV Cut-Through;
- ◆ Increasing focus generated better campaign reach

The research clearly demonstrated its initial value to BT, and led to the implementation of more focused advertising that was not only more effective, but achieved with a cost reduction of more than £6,000,000 between the first and second year for Consumer TV advertising alone.

Beyond this, the programme has become an integral feature of target and bonus setting for BT marketers and their creative agencies. And with monthly 'open-house' results presentations attended by representatives throughout the BT group (and agencies), the value of this research across the full breadth of the business is very much in evidence.

Indeed, Simon Elwood, Head of Market Research, Intelligence and Communications Planning, comments that, "We set the cut-through target for the past year at a level that we had only ever seen once before, fleetingly, and twice the level to which it had subsequently declined. Our confidence that this was achievable came from the TNS research and the issues so clearly identified. And it proved to be right in every respect, reinforcing the value of the research and creating an increased appetite for future findings. A really powerful example of research at work in a business."

Questions

1. Outline the merits and disadvantages of advertising (television in particular) and other forms of marketing communications (PR for editorial material, Direct, Sponsorship, word of mouth).
2. What is the value of an advertising tracking study? What decisions might it aid?
3. How might you evaluate the effectiveness of PR (press releases for the media)?

Appendices

References

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Feldwick, P., (1996). 'What is brand equity anyway, and how do you measure it?', *Journal of the Market Research Society*, Vol 38, No 2, pp85-104.

Authors:

Laura Evans, Managing Consultant, TNS IT & Telecoms

Trent Cottle, Head of Communications Insight, BT.

Clive Nancarrow, Professor, Bristol Business School, UWE