

Leveraging the Single Point of Truth in Integrated Media Campaigns

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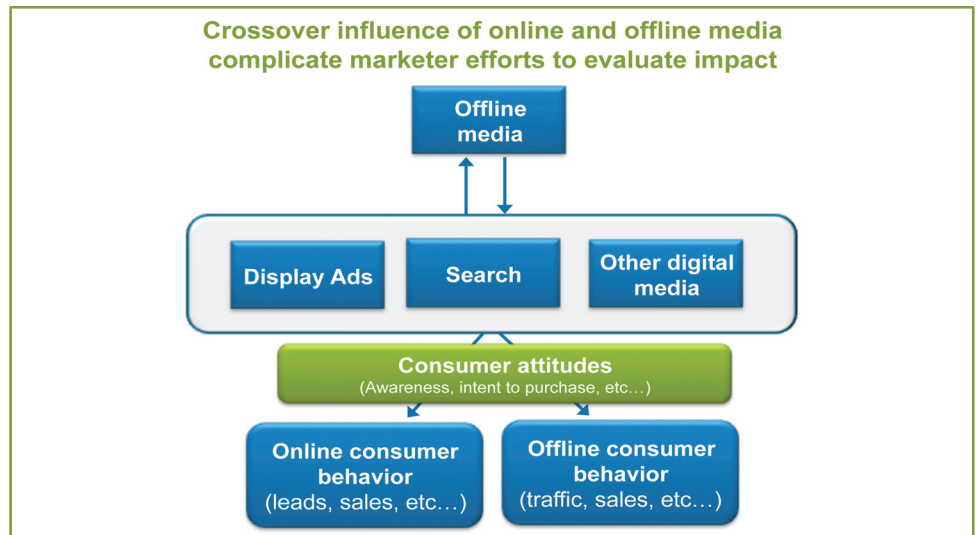
Point of View



Leveraging the Single Point of Truth in Integrated Media Campaigns

As little as three years ago, digital media marketing was an experiment at most companies—something to test, something new, something mysterious. Digital experts spoke their own language and were the marketing equivalent of the mad scientists off in the corner with bubbling caldrons. Identifying the offline value of these online campaigns was impossible. Today, digital media spending is at parity with traditional media at many companies and may soon exceed spending on traditional media. This rapid acceleration is the result of a perfect storm of timing. Digital media practices matured at just the time the U.S. economy began its fall into recession and marketers sought less expensive media for brand promotion. Concurrently, a new generation of quantitative and qualitative solutions emerged enabling marketers to develop quantitative and qualitative methodologies for evaluating the offline benefit of online marketing.

As marketers reallocate more of their advertising dollars to online media campaigns, counting page clicks and views no longer suffices in measuring the results of their digital marketing efforts. Determining the return on investment (ROI) of digital media campaigns, especially gauging the offline impact of online activities, has lagged until recently. Although the numbers of clicks and views provide a quantitative snapshot of visits to a certain website or microsite, it doesn't disclose much of its offline impact. To truly



Marketers today face the significant challenge of evaluating the quality of impressions generated through online media where traditional media, such as TV, may have impacted results.

understand the value of digital marketing dollars compared to dollars spent on traditional media, marketing teams must compare digital media spend effects with sales revenue and determine the correlations. These managers also need to evaluate the total impact of both online and offline marketing campaigns through a standard set of metrics that enable an “apples to apples” comparison. We must understand the scale and efficacy of digital marketing before it can be compared effectively to more traditional forms of marketing initiatives.

Today, marketers find themselves today in an interesting position. Over the last 2-3 years, they have experimented with digital media campaigns, expanding the scope and budget as they gained experience. Digital media budgets have grown to

the point where marketers must have robust methods for demonstrating return on investment to satisfy senior executives and shareholders.

Today's central question remains: how do marketers determine—in a quantitatively and qualitatively accurate way—the offline impact of online marketing?

Framing the Challenge

An overabundance of variables is the principal challenge to successfully measuring the salutary effects of digital media marketing. In addition, experts creating models to measure digital media in many cases don't understand the media buy or the metrics associated with digital media well enough to model it.

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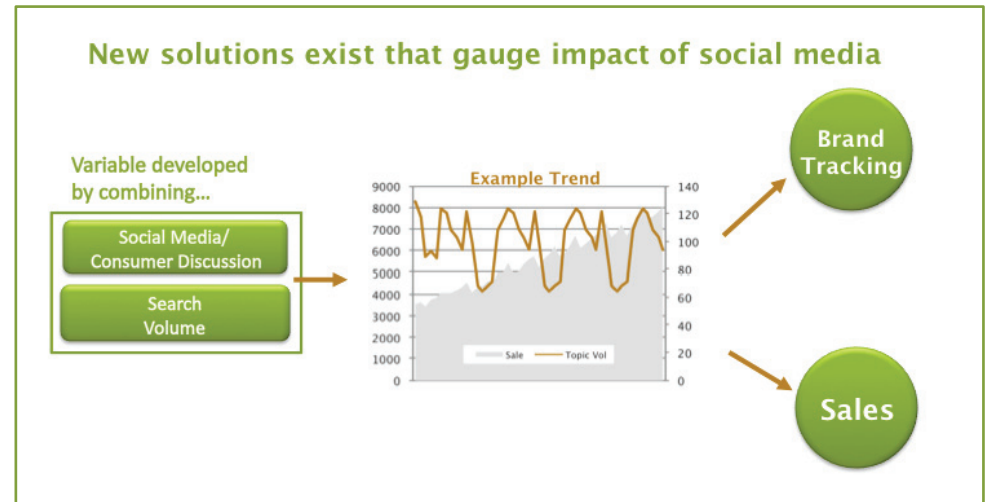
Digital media remains a confusing space. There are hundreds of potential metrics, some complement each other and others overlap or provide conflicting information. Some companies have experienced multiple departments attempting to model and create metrics for digital media, with each department producing wildly differing results. This lack of a “single point of truth” has also proved a significant obstacle.

Creating Meaningful Information

When initiating digital media campaigns, marketers must first identify the objective of the media buy. Is it to drive sales, encourage visiting a Website, create impressions, drive shoppers to a brick and mortar location or another objective? As with traditional media purchases, it's critical to understand the strategy behind the media buy prior to starting the campaign.

New, more powerful models are available today that allow marketers to isolate single or groups of variables, simulate media buys and determine ROI. Included in these models is econometric information, which in today's turbulent economy, is highly likely to affect shopper behavior.

An added level of complexity occurs when companies conduct traditional and digital campaigns concurrently. Marketers must understand which media impact shoppers to what degree in order to maximize the benefit of media integration and the



A new generation of solutions exists, designed specifically to gauge factors such as how various discussion topics impact “equities/Sentiment” or total sales, and the lag between discussion and business outcomes.

resulting ROI. It is clear that online media drives both online and offline activity but traditional media impacts online and offline activity as well. As always, the greater level of detail marketers can gain directly impacts the effectiveness of the campaign. One company, for example, discovered that 8-10 percent of online search activity was driven by television advertising.

Recognizing this complexity and understanding the questions to ask are critical to creating that single point of truth. With the correct models, marketers can determine which TV campaigns, for example, provide the highest contribution to online search. They can then test specific messages and/or key words in this TV campaign and measure its impact

on online activity. That capability is a powerful tool to determine the optimal mix of traditional and digital media activity.

Uncovering New Opportunities

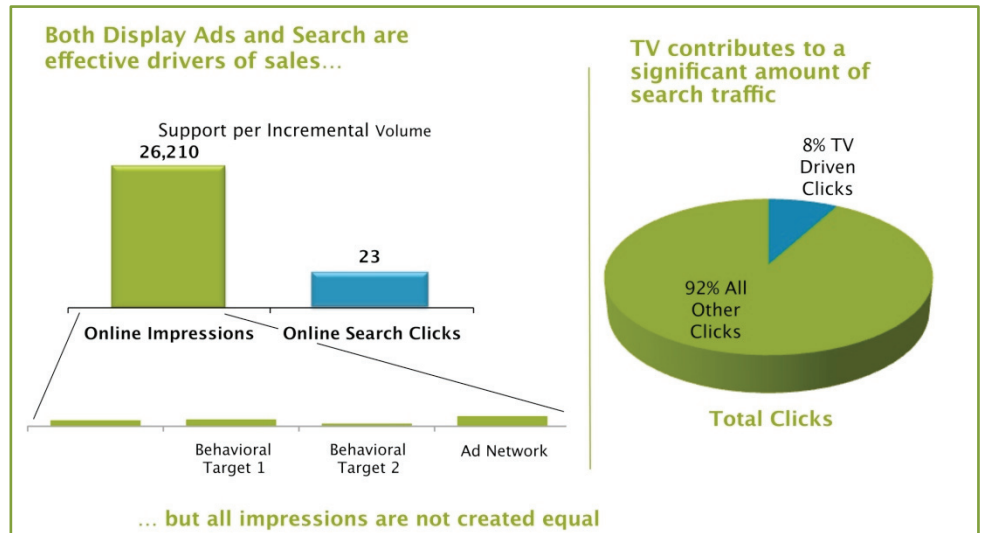
Another important capability of today's new analytical models is the ability to determine market saturation. Marketers today can apply these models by focusing on a few key markets or a single campaign, and study the impact of increased spending. Because these models include econometric data, results are much more “real world” than if the information included just market or campaign results alone. This capability enables a true “apples to apples” comparisons as well as helping marketers understand where their products are on the saturation curve.

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Marketers also gain the opportunity to test specific words or messages in both traditional and online media, determining which supports both online and offline results. This way, marketers can determine if key words or messages drive online sales, offline sales or both more effectively than other words or messages.

Determining digital ROI requires people that understand digital as well as traditional media. It requires powerful modeling techniques and experts versed in applying those techniques to highly complex, multivariate marketing situations. Comprehensive econometrics ensure that modeling results reflect “real world” situations and provide actionable insights. And finally, effective measurement of digital ROI requires team leaders experienced in assembling these skill sets into a focused, results-driven program.



Conducting online and offline activity concurrently adds complexity to the evaluation process.

About SymphonyIRI Group

SymphonyIRI group, formerly named Information Resources, Inc. (“IRI”), is the global leader in innovative solutions and services for driving revenue and profit growth in cpg, retail and healthcare companies. SymphonyIRI offers two families of solutions: core IRI solutions for market measurement and symphony advantage solutions for enabling new growth opportunities in marketing, sales, shopper marketing and category management. SymphonyIRI solutions uniquely combine content, analytics and technology to deliver maximum impact. SymphonyIRI helps companies create, plan and execute forward-looking, shopper-centric strategies across every level of the organization. For more information, visit www.SymphonyIRI.com.

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