

TALKING PAPER

The Scientific Principles of Media Planning are Few, but Awesome.

No, “talking Paper” is not some new media device developed at MIT.¹ It’s a short-text brief, like those prepared for the President to keep him out of trouble in Burundi.



This is a Talking Paper on the Scientific Principles of Media Planning. It’s a brief because there aren’t many.

Agreed, scientific principles are no match for the mysteries of life. But media planners still need to be pupils of Science, not its fugitives. And if “principles” seems an over claim, let’s think of them as things that appear to work.

There are at least five media planning ideas worth studying. *Targeting, Recency, Satiation, Acceleration* and *Synergy*. It makes for a hopeless acronym.

¹ The Media Lab invented Reusable Paper, most of which is still stacked in their closet waiting to be used, again and again.

1. TARGETING

Henry Kissinger said the "organizing principle" of Western geopolitical strategy was the threat of Communist aggression. I admire the phrase, so I've decided to steal it. The organizing principle of media is "the consumer target", which we need to develop further in our planning.

Targeting's value is consistently underestimated, because we fix on demographic, user and life style targets, which don't work well for television, where most of the money is still spent.

When we expand our target to include those more likely to buy for other reasons, it now includes "geo-targeting," and "receptivity" targeting. Both are powerful.

Geography and Receptivity

Geo-targeting is a fancy name for spot planning. It works because all brands have good and bad markets, which sell for much the same CPM.



Receptivity targeting exploits the psychological dimension of response. When I was a kid impatient for my allowance, my mother would advise "ask your father after dinner." That is receptivity targeting. What a person is feeling, doing or thinking at

the time of communication can greatly enhance response. Other dinner-related examples:

A Domino's Pizza commercial, before dinner, when we're hungry.

A "stop smoking" spot after dinner, when we've lit-up, although we've quit.

A Weight Watchers commercial Monday, when we've over-indulged all weekend.

When receptivity requires precise targeting-in-time, it's limited to TV and Radio. But in Print, context can create its own receptivity.

Media people champion the benefits of "environment". That usually means *content, quality* and even *rating level*. I would argue what is going on inside the consumer's head when the message is received is the most important environment of all.



Near-to-purchase

"Near-to-purchase" is more generalized targeting-in-time. It has leverage because purchases are concentrated, and the last competing message received is more likely to be remembered. Near-to-purchase targeting works with most media. Seasonality is a special case.

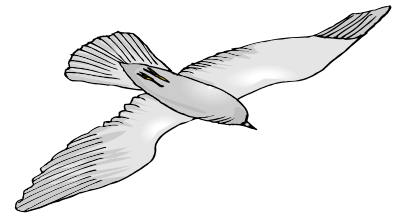
We vote on election day. Supermarket sales peak Friday and Saturday.

We go to movies and shop cars on weekends.

We buy insect repellent in the summer.

2. RECENCY

Recency is receptivity targeting expanded into a model of advertising effect. The *recency model* is simple. Advertising works with consumers who are in the market for the product being advertised at the time. It doesn't convince those people they need something. Life does that (*the car lease is up*). It gets those people to buy a brand (*Toyota is having a sale*).



Skimming

In any selling situation, there are hard and easy sales. Survival dictates a brand go after the easy ones first. Recency is a *skimming* strategy.

When a person is ready to buy a product (*the corn flakes box is empty*), life has already done the hard work. That consumer needs cereal. If you are there with an ad to remind them of your brand (*Kellogg's*) before they make the purchase, you will get more than your share.

The problem is you can't target incipient purchasers directly, because you don't know who they are. Instead, you have to reach as many potential purchasers as possible, over as many weeks as the budget will allow, and let probability pull the trigger.

But recency *is* not simply reach planning. It stresses reach with continuity. This transforms frequency into something much more valuable in advertising -- *continuing brand presence*.²

Presence

The idea of "presence" helps explain the reach-frequency issue. Most advertising doesn't work through repetition. It works by being there at the right time.



Successful scheduling reminds more people who are ready to purchase the product; about a brand they already know.

This suggests brands should plan for the highest 52-week total of weekly

² Frequency is part of the old teaching/learning model. Sellers like the idea of advertising teaching people about products because that seems to deserve a higher CPM.

reaches the budget can afford, because different people are in the market for a product during different weeks, but most people shop each week.³

Using the highest “sum of weekly reaches” as a planning goal, results in schedules of moderate GRP weight and more weeks of advertising.⁴

ROI Modeling

For the remaining three planning principles, *Satiation*, *Acceleration* and *Synergy*, we move to a new area of discovery through Return On Investment (ROI) analysis.

ROI is the philosopher’s stone of media measurement. It looks at dollars in and dollars out. *What does a dollar spent on the Internet deliver in payback compared to a dollar spent in magazines or TV?*

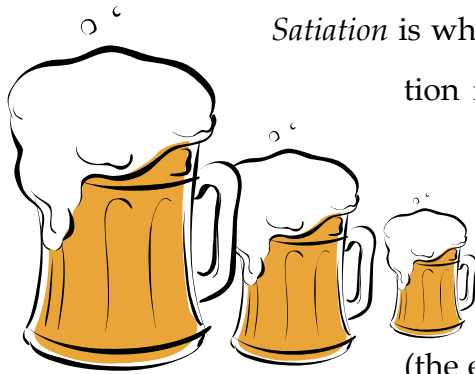
Does a mix of media payback more? Which is the best mix?

³ The Recency rule on planning interval is “shorter is better”. The actual length is a function of budget. McDonald’s should plan by the day.

⁴ There is a complication in the need for a reach threshold. A minimum target reach of 30 to 35 seems necessary for the advertising effects to be read in the market. That translates to a weekly weight of 50 to 70 TRPs.

When we look directly at media's contribution to sales, we leapfrog the troubling lack of media comparability. Here's what ROI modeling tells us about how media work:

3. SATIATION



Satiation is why that first beer tastes best. In media, satiation is diminishing marginal returns to concentration.

It shows up in two ways. There is decreasing marginal response to frequency, (the earlier exposure has the greater effect). And there is decreasing marginal response to concentration, (the earlier GRP in any medium has the greater effect).

The first supports reach, not frequency, the second argues for media-mix.

Satiation also works within a medium. For example, dispersion across TV dayparts and venues produces a higher payback than concentration does. But it's not that simple.

Since the rate of response to a medium changes with dollars spent, definitive answers on how to mix media are hard to come by. It depends where you are on the medium's response curve.

MMA data (below) show that at current allocations, other media now usually outperform television.

Media Effectiveness Index – By Marketing Element

| Category | # Brands | Media \$MM | TV | Print | Radio | All Media |
|----------|----------|------------|-----|-------|-------|-----------|
| Non-CPG | 20 | \$547 | 104 | 127 | 174 | 112 |
| CPG | 25 | \$229 | 63 | 87 | 64 | 69 |

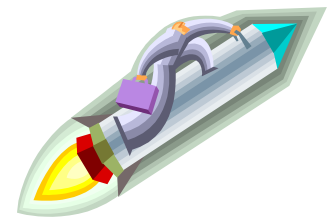
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4. ACCELERATION

Acceleration is increasing returns to continuity. There is a higher marginal response to each added week of advertising. This is probably a systemic effect of prior weeks of advertising, which increase brand awareness and saliency, and make advertising and all marketing efforts more productive.



5. SYNERGY



Synergy is increasing returns to media convergence. It is the idea that concurrent brand messages to the same consumer in different media will produce a total effect, greater than the sum of the effects of the individual expo-

tures. This is the so-called “Media Multiplier.”⁵

This is quite different from our current media-mix planning. We combine media so as to reduce overlap. Synergy planning would favor overlap.⁶

It’s appropriate to end our discussion of planning principles on a guarded note. There are conflicting goals. Media overlap can reduce the positive effect of continuity since overlapped schedules may result in fewer weeks of advertising.



And attempting to cover the same consumer with multiple media will increase schedule frequency, which conflicts with recency. So, synergy is not a clean win. But it’s probably of primary importance in media-mix.

Those are the five principles of media planning and this was a talking paper. If you’re ever invited to Burundi, Mr. President, now you can talk media.

Erwin Ephron

⁵ Alan Smith is the champion of Media Synergy. He is brilliant and tireless on the subject.

⁶ The current generation of Media-Mix optimizers does not consider media synergy. Impact-value weighted reach is the goal.