# FIVE KEYS to ADVERTISING EFFECTIVENESS

# QUANTIFYING THE IMPACT OF ADVERTISING ON SALES



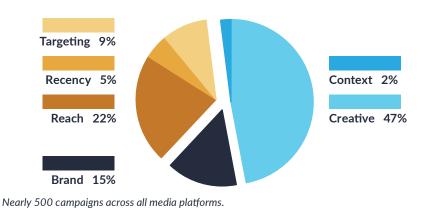
There was a time when creative dominated the effectiveness mix. However, as media planning, buying and execution have become more data driven, we're seeing a significant shift toward the media side of the equation.

This paper by Nielsen and NCSolutions (NCS) is based on two new metastudies and more than 10 years of experience linking advertising to sales results. The project was created to prove that advertising not only works, but works well, and can be as accountable to sales as other elements in the marketing mix.

# THE FIVE KEYS

Creative quality is the most important factor for driving sales, but most likely due to new breakthroughs in data and technology, media is playing a much larger role than before.

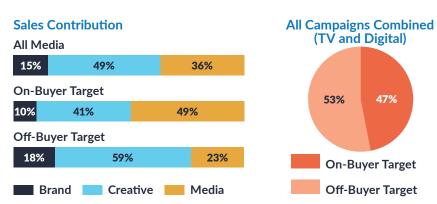
#### PERCENT SALES CONTRIBUTION BY ADVERTISING ELEMENT



## **TARGETING**

Less than half of all campaigns are doing a good job of reaching category or brand buyers. When a campaign is Off-Buyer Target, creative has to work even harder to drive sales.

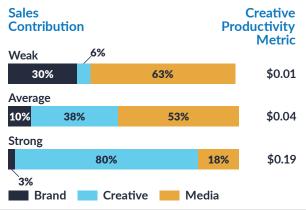
#### **ALL MEDIA: ON-BUYER TARGET vs. OFF-BUYER TARGET**



# **CREATIVE**

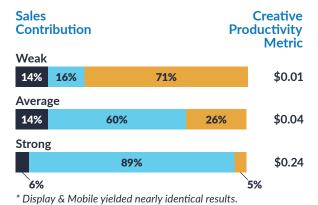
When we break down the results by the quality of the creative, we find that when the creative is weak, the sales lift is weak and comes primarily from the media side of the equation. That's true for both TV and digital campaigns. This relationship is reversed when the creative is strong - incremental sales are higher and media has a much smaller contribution to sales.

# TV - BY CREATIVE PERFORMANCE



# **DIGITAL - BY CREATIVE PERFORMANCE\***

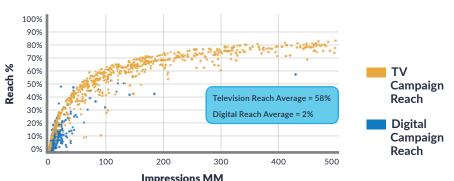
47%



# **REACH**

The average reach of the TV portion of a typical cross media campaign is 58% of the target, vs. 2% for the digital portion. Only when digital campaigns are "large," meaning reach that is greater than 60%, do we see that digital does sometimes add incremental reach.

#### TV & DIGITAL CURVE FOR CROSS MEDIA CAMPAIGNS



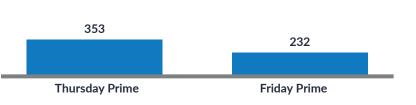
Nielsen: 863 TV & digital cross media campaigns from Q4 2016 - Q1 2017 on P13+; No advertiser verticals excluded. Analysis performed by NCSolutions

# **RECENCY**

For products most often bought on a Saturday or Sunday, advertising on Thursday or Friday has a dramatic effect on sales. Advertisements that run on Thursdays outperform Fridays (3.5× vs. 2.3×), but together they deliver almost three times more incremental sales lift than ads running on other days of the week.

#### THURSDAY/FRIDAY PRIME DRIVES WEEKEND SALES

Sales Index vs. Any Other Programming



Note: Advertising lift measured on a 3-day rolling exposure window. Thursday/Friday Prime does not include: News, Sports, Children's or Spanish Language.

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