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Chapter Fifteen

Evaluating an Integrated Marketing Program

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Sands Research, Inc.

- Tangible evidence advertising works
- Neuromarketing – Dr. Steve Sands
- Cognitive neuroscience technology
- EEG sensors
- Measures brainwave activity
- Ability to measure impact of advertising
- Three memory structures
 - Knowledge memories
 - Emotion or episodic memories
 - Action or procedural memories



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Evaluating an Integrated Marketing Program

Chapter Objectives

1. What are the three broad categories of evaluation tools used to evaluate IMC systems?
2. How do marketing teams match evaluation methods with IMC objectives?
3. What forms of message evaluations can be conducted to assess IMC programs?
4. Which evaluation criteria are suggested by the positioning advertising copytesting (PACT) system?

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Evaluating an Integrated Marketing program

Chapter Objectives

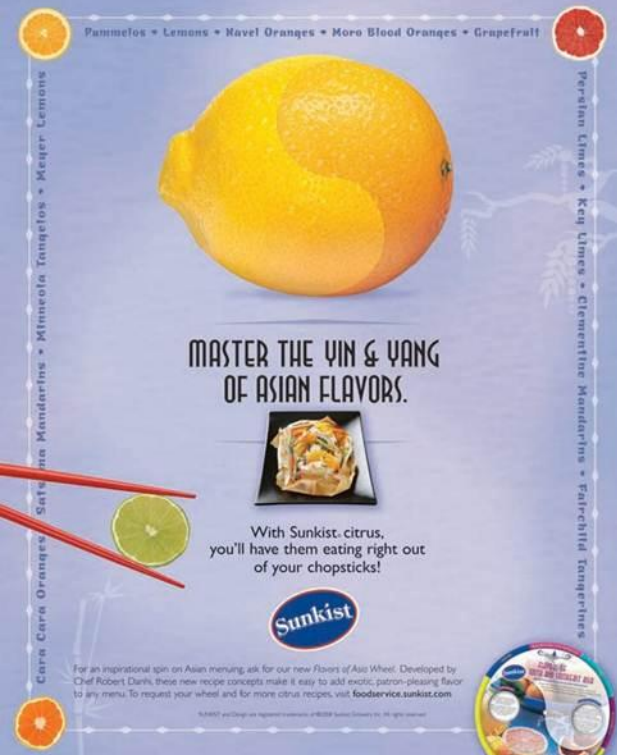
5. How do online evaluation systems assist advertising managers in assessing the quality of a firm's Internet activities?
6. What types of behavioral evaluations can be employed to assess IMC programs?
7. What criteria should be used to assess the overall IMC program?
8. How are evaluation programs adjusted to match international operations?

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Evaluating an Integrated Marketing Program

Chapter Overview

- Evaluation of advertising
- Accountability
- Message evaluation techniques
- Online evaluation metrics
- Respondent behavior evaluations
- Long-term success

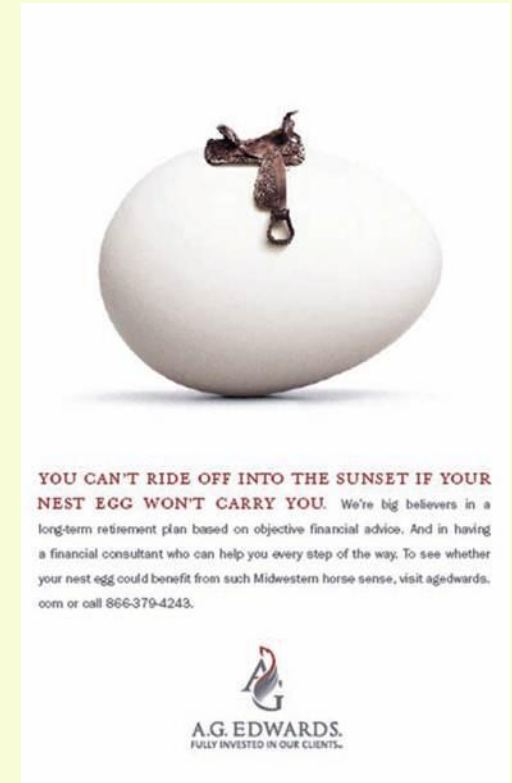


Evaluation Categories

- **Message evaluation techniques**
 - Physical design of ads and marketing materials
 - Cognitive elements
 - Affective elements
 - Behavioral intentions
- **Online evaluation metrics**
 - Unique set of measures
 - Real-time measures
- **Respondent behavior evaluations**
 - Conative elements
 - Measurable with numbers
 - Customer actions

Matching Methods with IMC Objectives

- Match objectives
- Before and after analyses
- Levels of analyses
 - Short-term
 - Long-term
 - Product-specific
 - Corporate level
 - Affective, cognitive, or conative
- Plan evaluation prior to campaign
- Use multiple measures



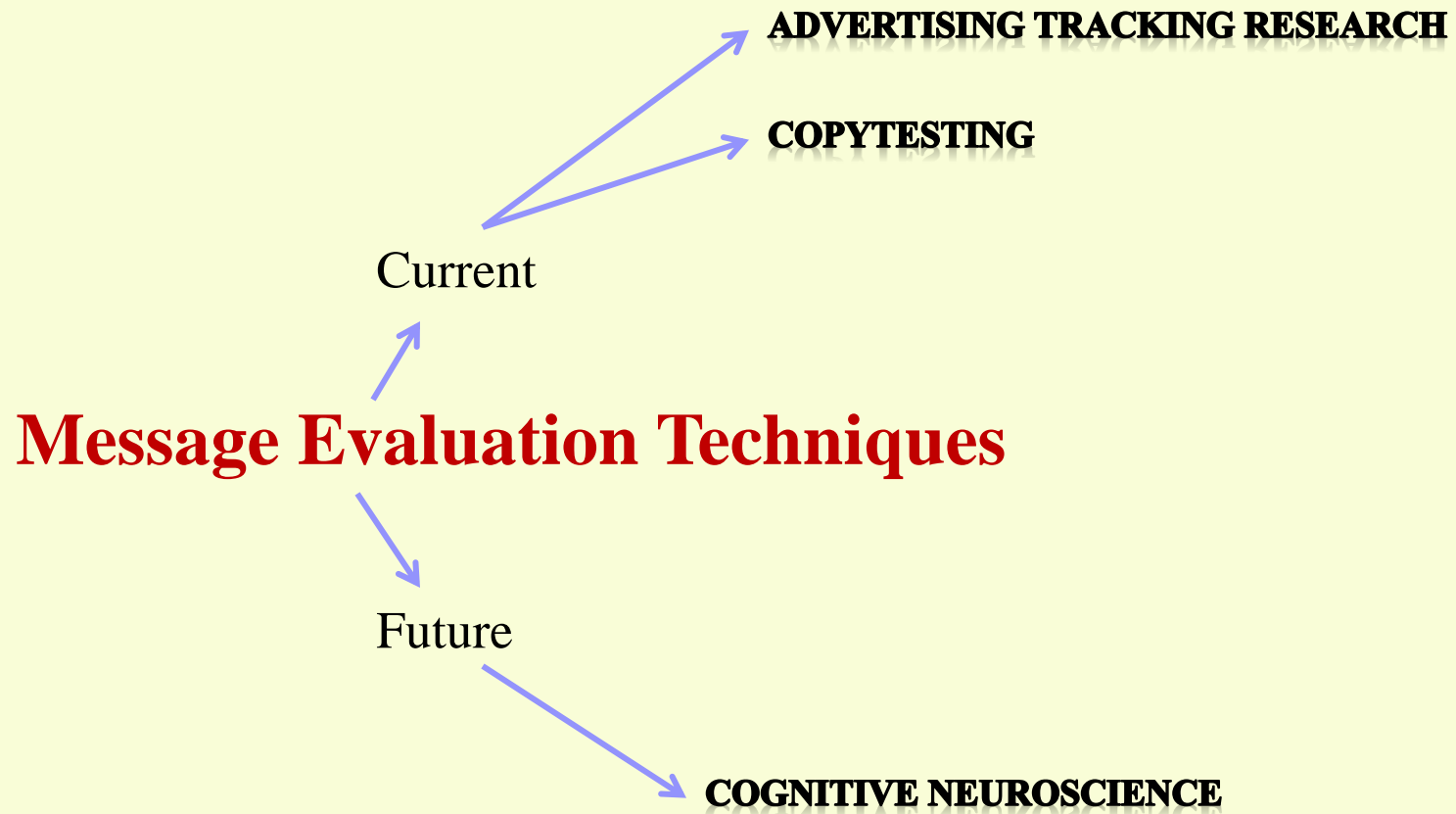
Message Evaluations

- Every stage of development
- Concept testing
- After ad design
 - Broadcast – Storyboards
 - Print – artist sketches
- Pretesting not used widely by agencies
 - Consumers are used to see finished ads
- Advertising agencies tend to test
 - Post-production
 - Post-launch



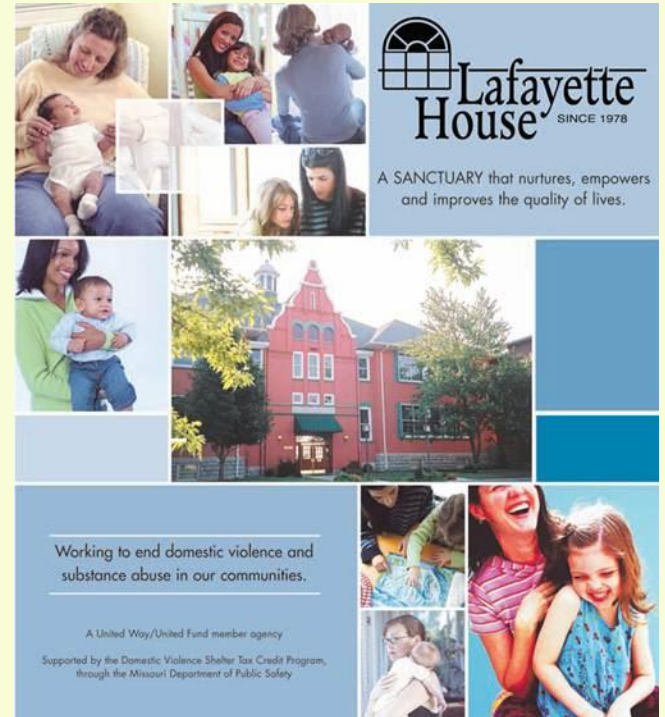
FIGURE 15.1

Evaluating Advertising Management



Advertising Tracking Research

- Track ads after launch
 - Nielsen IAG
 - Millward Brown
- Monitors
 - Brand performance
 - Advertising effectiveness
- Specific time test
- Continuous tracking



Ad Tracking Methodology

Advertising Tracking Research

- Respondents shown brief portion of ad or stills with brand name removed
- Measures
 - Brand and ad recognition
 - Unaided brand awareness
 - Memorability
 - Likability
 - Unaided and aided message recall
 - Unaided and aided campaign recall
- Similar measures for magazines
 - Mediamark Research
 - Affinity

Report Cards and Benchmarks

Advertising Tracking Research

- Continuous report card – Nielsen IAG
- Measures
- Benchmark
- New campaign performance
 - Compared to competitors
 - Compared to previous campaigns
- Indicates when wear-out begins
- Disadvantage – no diagnostics as to why

Copytesting

- Finished or final stages of development
- Evaluates main message and format
- Portfolio tests
- Theater tests
- Online tests
 - Gaining in popularity
 - Immediate results and lower costs
 - Consumers pay more attention to ads
 - Measures ad potential

Millward Brown - Copytesting

150 respondents

- Breakthrough ability
- Brand message and image
- How memorable ad and brand are
- How enjoyable ad is
- What the ad communicates
- How well the ad communicates intended message
- Potential response
- Persuasive power of ad
- Engagement of the viewer with ad and brand

Testing Emotional Reactions

Copytesting

Millward Brown

- Second by second emotional reaction chart
- Respondents move computer mouse
- 150 emotional reactions on one graph
- Indicates when emotions change
- Does not measure level of emotions

Verbatim Comments

Copytesting

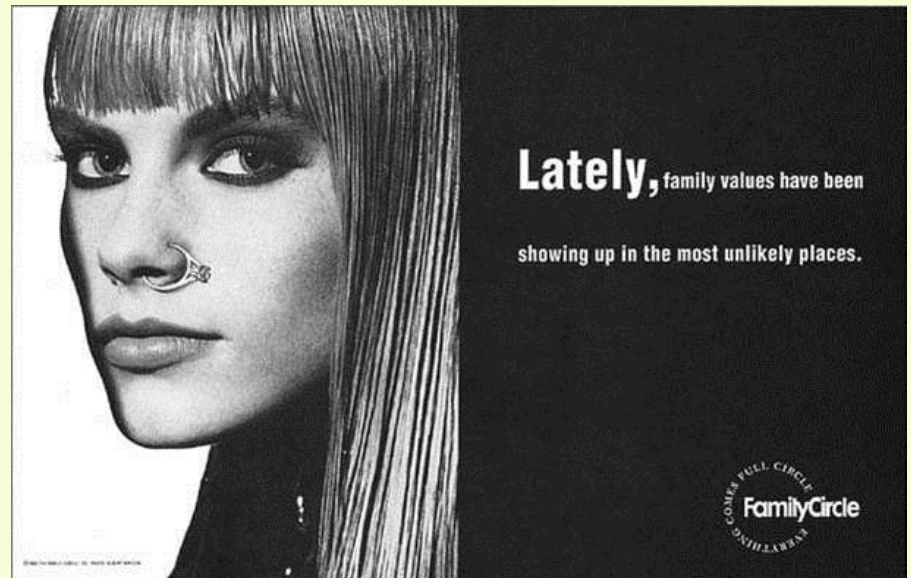
- Comments by respondents
- Extremely valuable to clients
- Open-ended questions
- Tell story of ad
- Can indicate why ad is performing poorly
- Gain valuable ideas

Copytesting Controversies

- Criticisms of copytesting
 - Some agencies not using
 - Stifles creativity
 - Focus groups not good judge
- Support of copytesting
 - Issue of accountability
 - Majority support because clients want support
 - Provides key consumer insights

Emotional Reaction Tests

- Affective advertisements
- Used for material designed to elicit emotions
- Difficult to measure emotions with questions
- Warmth monitor
- Emotional reaction tests are self-reported instruments

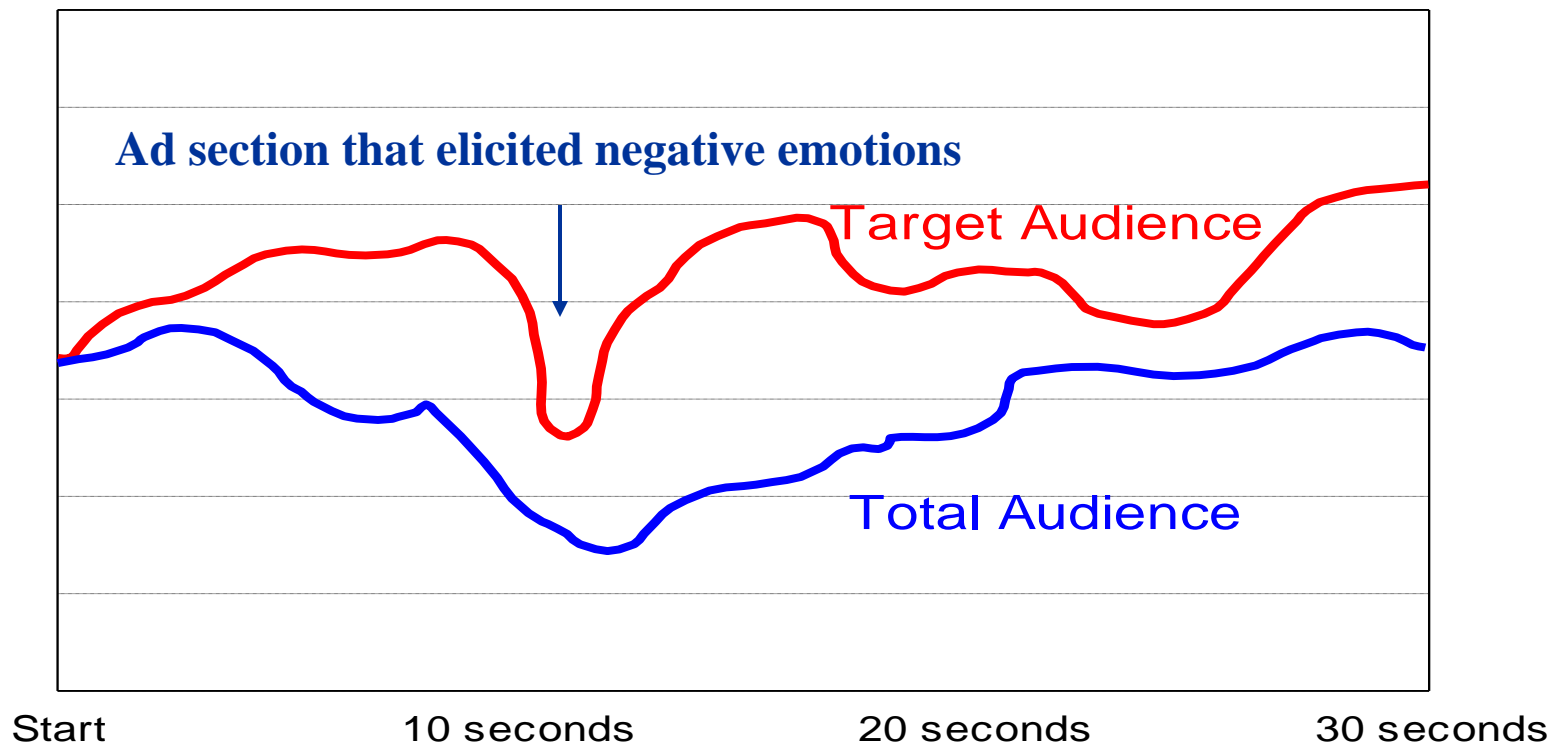


Sample Graph from a Warmth Meter

30-Second TV Advertisement

Sample Ad Rating

Warmth Meter



Cognitive Neuroscience

- Measures brainwave activity
- Better indicator of respondent's true reaction
- Does not rely on self-reporting
- Companies experimenting with neuroscience
 - EmSense, NeureoFocus, Sands Research
 - Frito-Lay
- Power of cognitive neuroscience
 - Reveals physiological reactions
 - Understand how information is being processed

FIGURE 15.2

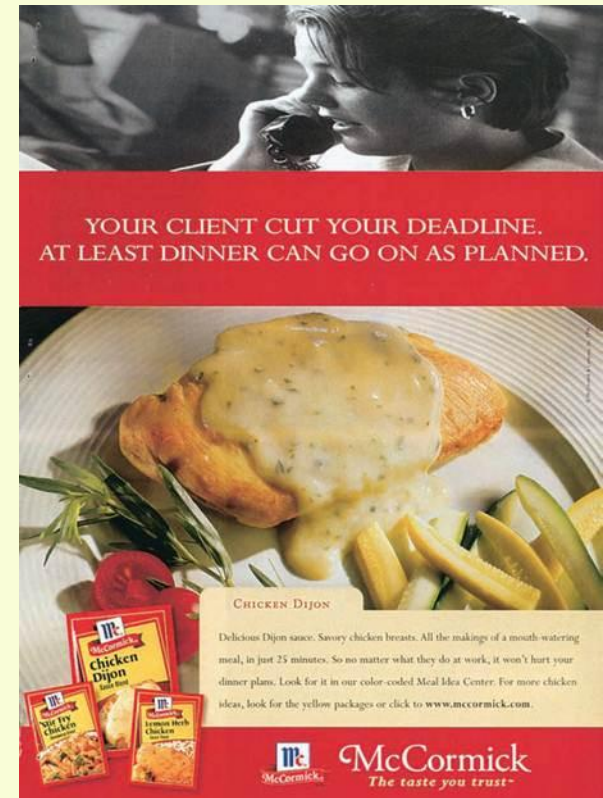
Copytesting Principles of PACT

- Testing procedure should be relevant to objectives.
- Researchers should agree on how the results will be used in advance.
- Multiple measures should be used.
- The test should be based on some model or theory of human response to communication.
- Testing procedure should allow for more than one exposure.
- In selecting alternate ads to include in the test, they should be at the same stage in the process as the test ad.
- The test should provide controls to avoid biases.
- Sample used for the test should be representative of the target sample.
- Testing procedure should demonstrate reliability and validity.

Source: Based on PACT document published in the Journal of Marketing, (1982), Vol. 11, No. 4, pp. 4-29.

Online Evaluation Metrics

- *Click-throughs* primary measurement
- Length of engagement
- Dwell rate
- Dwell time
- Redemption rates
- Response rates
- Sales
- Web chatter



YOUR CLIENT CUT YOUR DEADLINE.
AT LEAST DINNER CAN GO ON AS PLANNED.

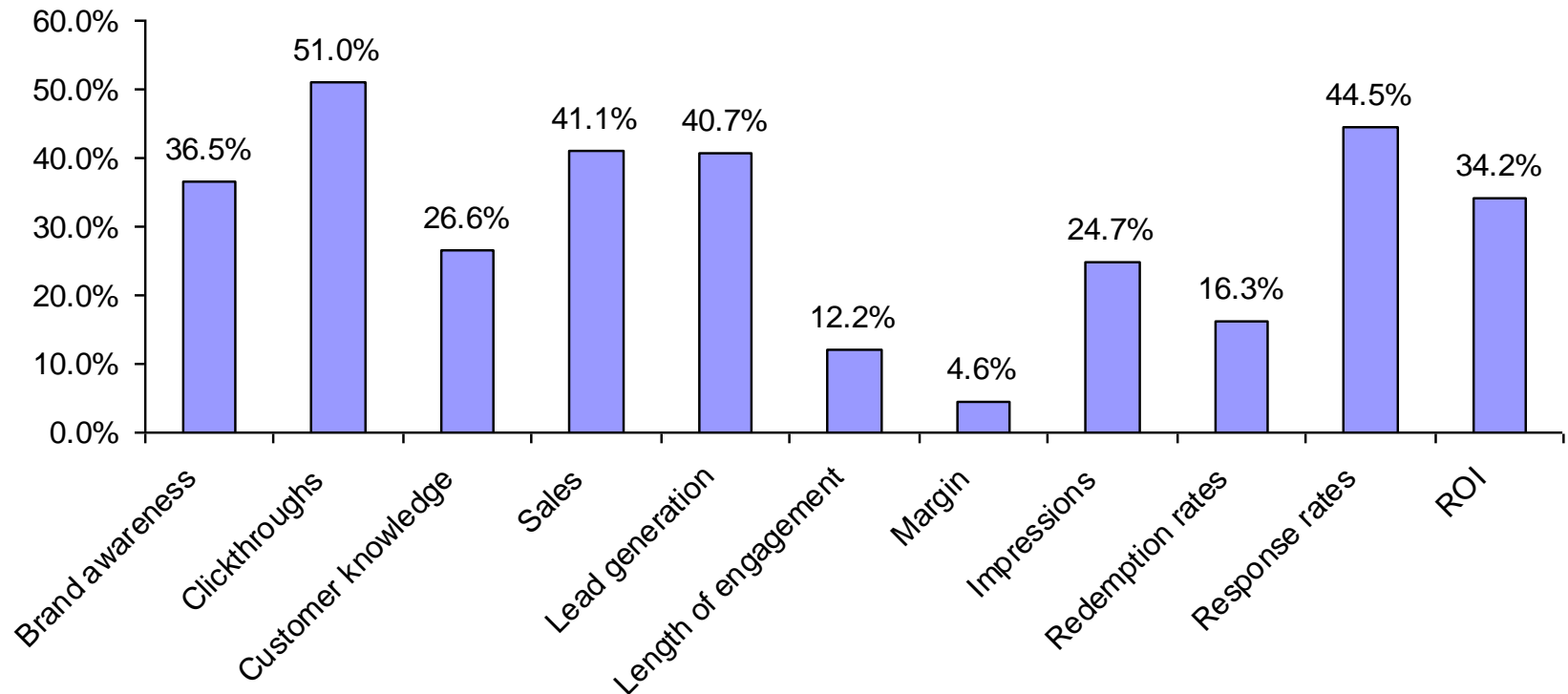
CHICKEN DIJON

Delicious Dijon sauce. Savory chicken breasts. All the makings of a mouth-watering meal, in just 25 minutes. So no matter what they do at work, it won't hurt your dinner plans. Look for it in our color-coded Meal Idea Center. For more chicken ideas, look for the yellow packages or click to www.mccormick.com.

McCormick
The taste you trust™

FIGURE 15.3

Methods of Measuring Digital Marketing



Source: Adapted from Larry Jaffee, "Follow the Money," *Promo*, Vol. 20, No. 11 (November 2007 Sourcebook), pp. 5-10.

Online Metrics Services

- Adknowledge
 - MarketMatch Planner
 - Campaign Manager
 - Administrative Campaign Manager
- Audience demographics
 - MediaMetrix – Basic demographics
 - NetRatings – GRP and other rating instruments
 - SRI Consulting – Psychographic information
 - NetGuide – Web site ratings and descriptives
 - BPA Interactive – Web traffic audit data

Behavioral Evaluations

- Only evaluation – sales
- Measures results
- Not all communications objectives measurable
- Promotions easier to measure than advertising



FIGURE 15.4

Behavioral Measures

- Sales
- Response rates
- Redemption rates
- Test markets
- Purchase simulation tests

Sales and Response Rates

Behavioral Evaluations

- Measuring sales with UPC codes
- Scanner data
 - Retailers
 - Manufacturers
- Caused by other factors
- POPAI
 - Point-of-purchase displays
 - POPAI provides low cost data

FIGURE 15.5

Reasons Advertising is Difficult to Evaluate

- Influence of other factors
- Delayed impact of advertising
- Consumers changing their minds
- Brand in consumer's evoked set
- Level of brand parity

Non-Sales Behavior Tracking

- Toll-free numbers
- Response cards
- Internet responses
- Redemption rates



QR Codes and Facebook Likes



Ads contain QR code

- Count access code

Facebook

- Number of likes
- Number of fans
- Responses to special offers

Test Markets

Behavioral Evaluations

- Used to assess
 - Advertisements
 - Consumer and trade promotions
 - Pricing tactics
 - New products
- Cost-effective method of evaluation prior to launch
- Resembles actual situation
- Design test market to model full marketing plan
- Length of test market is a concern

Test Markets

Behavioral Evaluations

- **Competitive responses**
 - May introduce special promotion in test area
 - Not intervene
 - Prepare counter marketing campaign
- **Scanner data**
 - Test results of test markets



Purchase Simulation Tests

Behavioral Evaluations

- Bias in purchase intention questions
- Simulated purchase tests
- Research Systems Corporation
- Does not rely on opinions and attitudes



Evaluating the IMC Program

- Greater demand for accountability
- ROI of advertising and marketing
- No agreement on marketing ROI
 - Difficult to measure ROI – 70%
 - Difficult to define ROI – 70%

FIGURE 15.7

Measures of Overall Health of a Company

- Market share
- Level of innovation
- Productivity
- Physical and financial resources
- Profitability
- Manager performance and development
- Employee performance and attitudes
- Social responsibility

Source: Pete Drucker, *Management: Tools, Responsibilities, Practices*, New York: Harper and Row, 1974.

International Implications

- Assessment of IMC Programs
 - Domestic results
 - Results in other countries
 - Overall organization
- Individual ads and promotional programs
 - Local culture
 - Across national boundaries
 - Multinational – regional offices

Ouachita Independent Bank

(Part 15)

Message Evaluations

- Ad tracking research
 - Memorability
 - Likeability
 - Unaided and aided message/campaign recall
- Copytesting
- Emotional reactions

Ouachita Independent Bank

(Part 15)

Behavioral Evaluations

Pre- and post-measures

- Changes in number of accounts
- Changes in revenue
- Number of inquiries
- Online metrics