



Research Business

Report

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Technological, Methodological, Economic & Business Changes Impacting MR

360° IMC Measurement Boasts Validated ROI

“With new technologies increasingly fractionalizing media consumption, this industry is evolving at a geometrically faster pace than ever before...The concern I’ve always had is that media technology will outstrip our ability to measure it.”

—Alan Wurtzel, President—TV Research and Media Development, NBC Universal
Research Department Report (May 2008)

Today’s unabating new media explosion has created a marketing diaspora, and researchers have had to scramble to cover emerging information voids through holistic, 360° solutions that promise to measure effectiveness within each medium—old and new—and accurately portray each medium’s impact on the other. *RBR* cannot speak to the efficacy of any particular tool, but the latest entrant in this space appears to bring something new to the party.

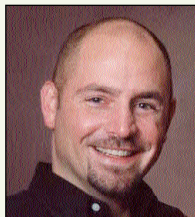
ARSgroup (Evansville, IN) launched its “Impact” suite of integrated marketing campaign testing and optimization tools just a year ago, but according to the firm’s President of Innovation, **Ashley Grace**, the measurement system already accounts for 20% of annual company revenues and some of the world’s biggest advertisers are hooked on it.

“In the first year, we fielded roughly 25 projects across 10 advertisers,” Grace told *RBR*. “Marketing dollars are migrating away from traditional media as new channels emerge. And as marketing spend gets spread more thinly across more and newer touchpoints, not only is it critical to match the right strategic message to the right vehicle, but also to get the right combination of vehicles to achieve creative synergy across the whole campaign. There are so many moving parts these days, but none of them exist in a vacuum.”

Like other 360° measurement tools, ARS uses factorial design, but Grace claimed “our competitors’ former clients who are now working with us say Impact is the only solution with information that means something from an ROI, awareness or brand building perspective. Impact’s ‘performance ratings’ are comparable across and within campaigns, which simplifies an ROI discussion. And that’s key, because CFOs want justification when their business puts marketing dollars into unproven channels.”

Grace noted that independent parties have validated the strong correlation between Impact numbers and market performance. “We encourage our clients to use market mix modeling firms to conduct these audits. They prove the superior accuracy of our offering; from an ROI measurement perspective, no one else even comes close.”

The Impact suite is equipped for a wide variety of touchpoints likely to be found in many integrated marketing campaigns—TV, online viral video, online direct response, outdoor, in-store, print, radio, PR, etc. It enables marketers to go through the continuum from strategic



ARS Group
President of Innovation
Ashley Grace

message identification and optimization, to creative sorting, campaign optimization and post hoc tracking.

Impact was developed over three years, and was tested for a year with major clients, including a giant CPG and leading retailer (with whom ARS partnered on the in-store component). “We believed it would only be a matter of time before copy testing was replaced by campaign testing,” Grace related. “And we wanted to be in this space first, but we had to be sure the system had the necessary research empiricism and rigor.”

“We conducted exhaustive parallel testing,” he informed. “We ran through the consumer modeling, and tested long-established programs and the corresponding databases, and drew connections between the new testing mechanisms and the old. We parallel tested 1,000 ads with our behavioral method and built a bridge from standard industry measures of persuasion and recall, to our ability to deliver those measures in a more comprehensive diagnostic fashion.”

The system is currently best suited for campaigns with four media touchpoints; the key is being sure each client understands the specific objective for each medium selected. “TV might be used to build awareness, with an in-store tactic used to generate immediate action. What you need to have when testing them holistically is the flexibility to decompose and understand the varying objectives of each touchpoint in addition to the collective impact,” Grace outlined.

Impact is fielded entirely online, with average turnaround of one week.



Grace estimates a standard four-piece campaign

test would require 1,000 to 1,250 people, broken out across a design akin to adaptive conjoint. “For the monadic leg in a three-media campaign, we might show 125 subjects the TV spot; another 125 see the print; another 125 see the mobile piece,” he detailed. “Then 50 see a combination of TV and print; 50 see print and mobile; 50 see TV and mobile. Another 250 see all three executions. The remaining sample would comprise a control cell who don’t see anything.”

Despite its success to date, Grace admits to hurdles that need to be overcome in holistic communication optimization. “Obtaining reliable reach and frequency numbers for some touchpoints is the leading issue. We provide the quality measure, and our validation work has shown quality is on average four times more important than reach alone. But as a metric for optimizing your marketing spend, adding reach and frequency would improve sales forecasting. You could have a billboard that is more effective than your TV spot, but is it a good investment if no one sees it? The industry needs to continue innovating in the area of cross-media exposure.” **RBR**

For more information, contact:

dagrace@ars-group.com