

Study Proves TV's Effectiveness

A majority of television advertising campaigns in France in the last three years have improved a range of brand metrics and increased sales, a new study has found.

TNS Worldpanel Mediaway and TF1 Publicité recently assessed the effectiveness of television advertising in France over the period from 2007 to 2009.

More specifically, the two companies evaluated 451 campaigns across the food, beverage, household goods and beauty sectors.

Overall, the average campaign boosted the market share of the product concerned by 15% among viewers who were exposed to the relevant TV spots.

Moreover, 58% of these campaigns ultimately delivered an increase in the subject brand's total market share.

Further research covering the cleaning, mineral water, shampoo, soft drinks and yoghurt categories found these effects remained consistent over time.

The 70 campaigns monitored in these sectors that were aired in 2007 were awarded an index score of 116 points, well above the average of 100 points.

This result was repeated for the 105 campaigns analysed in 2008, although figures fell to 113 points for 51 campaigns tracked in the first half of 2009.

It was argued that this was one consequence of many brands deciding to cut their TV adspend as the economic downturn gathered pace, meaning the number of spots for individual products declined.

By segment, health and beauty lines tended to derive the greatest benefit from their activity on this medium, posting 122 points on the TNS/TF1 index.

This compared with 110 points recorded by operators in the food and beverage industry on this measure.

Elsewhere, it was revealed that challenger brands also gained substantially from utilising TV, with an index score of 113 points, with "outsiders" and product launches on 118 points.

This compared with the rating of 109 points registered by category leaders, which typically already enjoyed widespread popular awareness.

One other observation contained in the report was that TV campaigns actually had a more pronounced impact on sales than on brand image.

Similarly, price elasticity was reduced for products with an established presence on TV, while goods in areas with a high purchase frequency tended to see sales rise the day after ads were shown.

A survey of consumers also discovered that 67% of participants believed advertising on TV was an "essential" factor in driving brand recognition.

Some 54% of respondents added that they felt "closer" to goods that regularly featured in TV spots, thus helping marketers form a strong bond with consumers.

In seeming confirmation of this assertion, 58% of firms which had that boosted their outlay on TV ads in each of the last three years enjoyed above-average growth in brand preference.

By contrast, this was the case for only 20% of their more cautious rivals which had opted simply to maintain budgets in the same timeframe.

TNS and TF1 also said the unique strengths of television included strong levels of attentiveness among its audience and the fact families often watched content together.

Sourced: WARC 18 May 2010 Data sourced from Les Echos.