

WHY A CROWDED PLATFORM BEATS A SINGLE SOURCE

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Channel planning is not about a single factor, but about balancing the power of a medium with its reach, the precision of targeting with cost, and understanding the tactical needs of the campaign with the characteristics of delivery. With so many factors at play, it is no wonder that previous attempts at defining cross-media comparisons have concentrated on just one of these factors. The demand today is for a real-world solution to assist with the many potential angles involved in setting up a communications campaign. Compose is presented here as a “crowded platform” to pull everything together, providing results that go beyond those offered by a “single source”.

THE CROWDED PLATFORM

Given today's sophisticated advertising environment and need for accountability, media campaigns can no longer rely on one tried and tested medium, or aim for simple exposure. Instead, planners must assess the full range of communication channels in order to design a campaign that genuinely connects with the right audience.

The well-documented difficulty here is that, in order to define a media-neutral plan, different media must be compared – yet most existing media measures are silo-based. With the exception of cost, the currency of measurement for TV is quite different from that of, say, cinema or outdoor. Consequently planners have traditionally had to rely on intuition for media-mix combinations.

So, if silos don't work, you might think the answer would lie with a moment of insight which produces the perfect cross-media question that enables us to get great cross-media assessments which can be directly linked to action. This route we also think is flawed. Channel planning is not about a single factor. It is about balancing the power of a medium with its reach. It is about the precision of the targeting with the cost. It involves understanding the tactical needs of the campaign with the characteristics of delivery.

With so many factors at play, it is no wonder that many previous attempts at defining cross-media comparisons have concentrated on just one of these factors. Yet the demand today is for a real-world solution to assist with the many potential angles involved in setting up a communications campaign. So we present Compose as a "crowded platform" where we aim to pull everything together, and suggest this will give us results that go beyond those offered by a "single source"

WHAT IS COMPOSE?

By combining innovative consumer research with planner insight, key industry data and intelligent analytics, Pointlogic and KMR have developed Compose – a unique and reliable technique that can be used to compare all of the different media available, in terms of their ability to deliver on specific campaign goals. Compose explores how consumers experience the myriad of channels around them and applies this insight to campaign planning: in many ways, a true combination of art and science.

Compose was first implemented in the United Kingdom and is being rolled out in the United States at present. Across the two markets it is supported by Carat, Initiative, Mediacom, Mediaedge:cia, Mindshare, OMD and PHD. It is also being adopted by media vendors.

In considering the best way to design Compose, we were reminded time and again that there is no silver-bullet solution to channel planning – no one single factor that can determine optimal media budget allocation. We recognised that Compose had to be holistic because the process of communicating a media message is holistic – involving multiple goals and constraints, all of which interplay. Think about a message on cinema versus one on TV. At one level, TV clearly has advantages. More people watch it, and you can control how many times they are exposed to your commercial in a short period. Equally cinema offers huge impact if we think about the audience experience sitting in front of a big screen, exposed to the sheer scale of the ad. The challenge of weighing up the role of each medium is complicated enough without getting into the relative costs and targeting efficiency of each channel.

A channel's ability to perform will vary according to the goals the campaign is trying to achieve, and so strategy must somehow be included in the assessment process. Getting awareness may be easier than generating a sale. Compose helps the planner firstly to isolate which communication traits are important to convey, and then to identify which channels offer the best vehicle to deliver them, taking into account other factors at the same time, such as cost, power, and reach and frequency measures for the channel.

In summary, Compose:

- assesses how well each channel can deliver different kinds of brand messages;
- reveals how different channels can work together and complement each other in delivering campaign objectives;
- allows users to evaluate and prioritise between different combinations of channels.

TWO-PRONGED RESEARCH

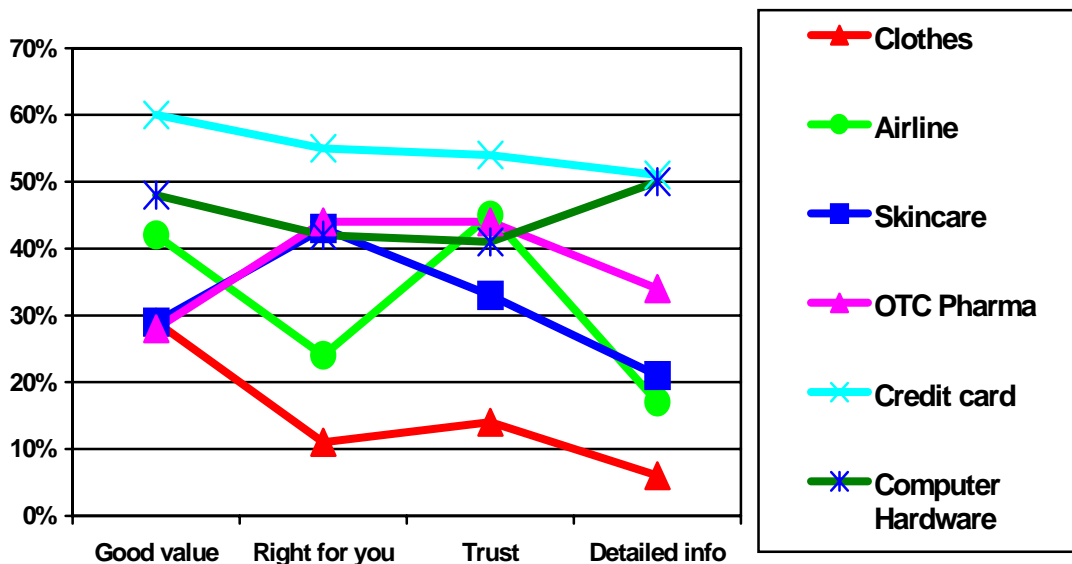
The base data for Compose comes from a re-contact study conducted by BMRB (the KMR company in the United Kingdom) on a sample of 2,385 adults across Great Britain. All respondents had previously been TGI respondents (TGI is a large-scale, continuous survey collecting a wide range of demographic, media, marketing and lifestyle data) and their responses to Compose can be dynamically linked to this rich set of profiling information, so that results from Compose do not sit in isolation or become outdated.

Information within Compose is derived from two key research questions:

A: What marketing traits are important to people when making purchase decisions across a variety of product categories?

For each of 28 common product categories – from soft drinks to toiletries and computer hardware – respondents are asked to rate the importance of seven marketing factors. These include: having trust in a brand; whether a brand is “right for you”; previous experience/familiarity with the brand; having detailed information on the brand readily available etc.

Figure 1
% RESPONDENTS EVALUATING THE TRAIT AS “VERY IMPORTANT”



As shown in figure 1, each product category has its own profile in terms of what people believe is important when selecting a brand within that category. For instance, here “trust” is the most important factor in choosing an airline. For those buying computer hardware it is having “detailed information”, whereas for clothing the most important factor is “good value”.

B: How effectively do the different channels deliver against these marketing factors?

This element of the research measured 26 communication channels, including traditional above-the-line media such as TV and radio, below-the-line marketing activity such as free samples and promotions, and even one-to-one channels such as personal recommendation.

Respondents are asked how they rate each channel at delivering against 12 marketing factors: Five of these are the same as in the first stage of the research, so that responses can be matched. For example ‘good value’ may be scored as the most important factor when buying soft drinks and promotions may be scored as the best communication channel for reinforcing good value.

Figure 2
OVERALL EVALUATION OF CHANNELS AVERAGED ACROSS ALL TRAITS

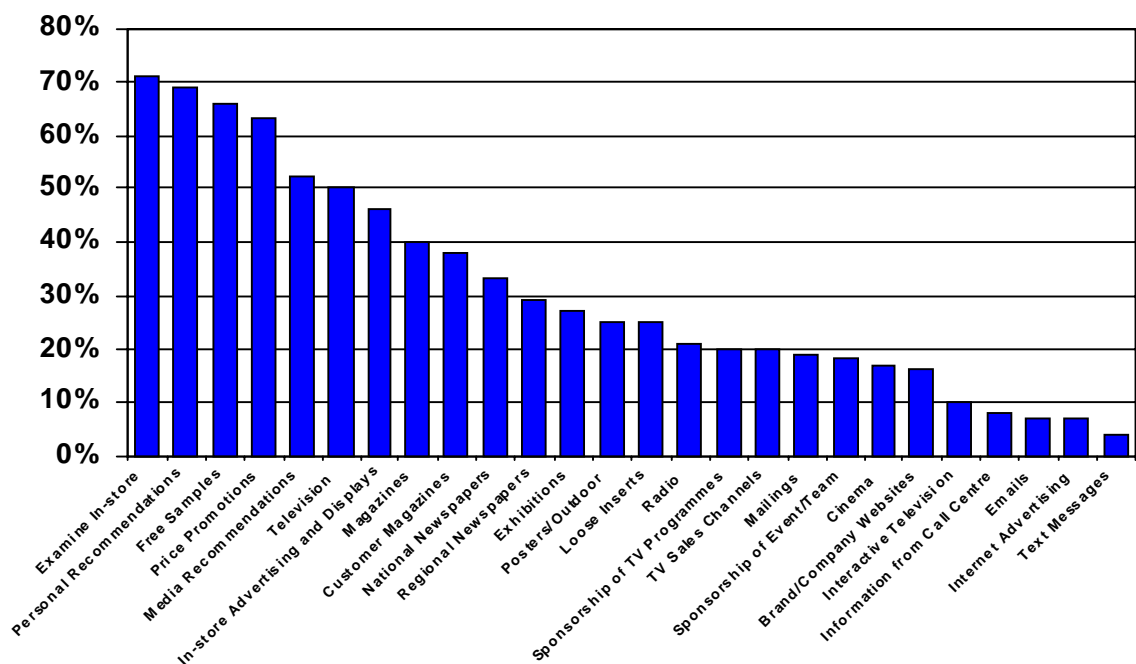


Figure 2 above shows the scores for channels based on people rating the channels as ‘good’ or ‘very good’. It is averaged across all the 12 traits, so it represents a simple summary of the evaluation of channels.

It very much stacks up with the experience of planners but also has some insights. One-to-one channels are strong, but television is recognised to be the most powerful of the above the line channels. Newspapers and magazines are strong, and interestingly custom publishing or customer magazines are very positively rated by consumers. As we will see, specific tasks and categories will cause us to report different patterns to this average, but the key finding from this is that the technique does seem to have worked in capturing a comparable measure of channel power.

Compose also draws on existing TGI data on the reach and frequency delivery characteristics for the channels. Thus from TGI we know the reach and frequency probabilities for TV consumption. This is very important, as it helps us to understand not only which channels are powerful, but also how efficiently can they be used to deliver the messages the right number of times. Costs are also entered for the 26 channels.

EXPERT SURVEY

A unique feature of Compose is that it does not separate the empirical data on channel power from planner insights on the specific properties of media. TV and radio can, under most circumstances, be controlled by time of day or day of week. Outdoor can not typically be controlled by time of day. If a campaign has a requirement to reach people at a particular time of day (e.g. breakfast promotions) or a certain day in the week (retail promotions) then the relative strength of channels to deliver against that brief is an important part of the planning process.

Within Compose these properties are called tactics. A survey of planners provided insights on the power of channels for 10 tactics. These included

- Ability to target by time of day
- Ability to target by day of week
- Ability to use consumer lists
- Ability to reach people out of home

The choice of the expert route versus the consumer route was both practical and empirically better. Planners are the best source of information about these technical properties of media.

In other markets, where some of these properties may vary, then the tactics covered will vary. The planners chosen to complete this task will always be local to the market.

Once we have all of the data ingredients, then Compose can be applied to any planning task. The next sections walk through how that process works. We will then talk a little bit more about what is going on in the back-end of Compose and finish with a case study.

ENABLING TOOL

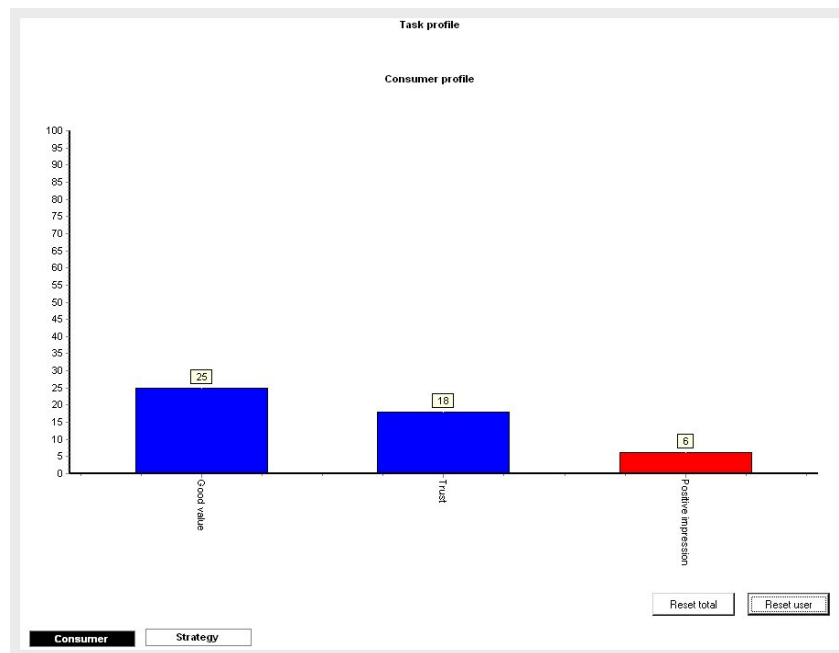
Compose is designed to provide a step-by-step platform for planners to input a profile of their proposed media campaign and to then gauge which combination of channels will best deliver on the campaign goals and truly connect with the chosen audience.

Compose is not intended as a shiny new ‘robot planner,’ replacing the intuitive work that individual media planners carry out. It is instead designed as an enabling tool, structured to help planners use their experience to make informed decisions about the media campaign and its objectives.

In Compose, planners first define the target audience and product category of their media campaign. They then have the chance to de-select certain channels that are simply not relevant to the campaign, for instance free samples in a campaign designed to increase car sales.

Compose uses its background survey data to calculate a default consumer task profile for the campaign, based on the selected audience and product category. This shows the relative importance that typical consumers in that audience assign to different campaign attributes, when talking about products in that category. For example, in figure 3 this audience rates communicating that the brand is ‘good value’ as important for the chosen product category, while communicating trust scores lower.

Figure 3
REVIEW IN THE SOFTWARE OF THE CATEGORY DRIVERS



Planners will typically use these values as stated, but there may be circumstance where they wish to alter the profile. If we were discussing airlines, and we were promoting a low-cost airline, then the value dimension might need to be up-weighted to reflect the particular brand positioning. (Compose can be adapted so surveys can be run on a category or brand specific level, but for the purpose of this paper we will focus on the existing category-level version). So if desired, users could now apply their expertise to fine-tune the profile. In this case, as denoted by the red bar, the planner has opted to alter the relative importance in this campaign of communicating a 'positive impression.'

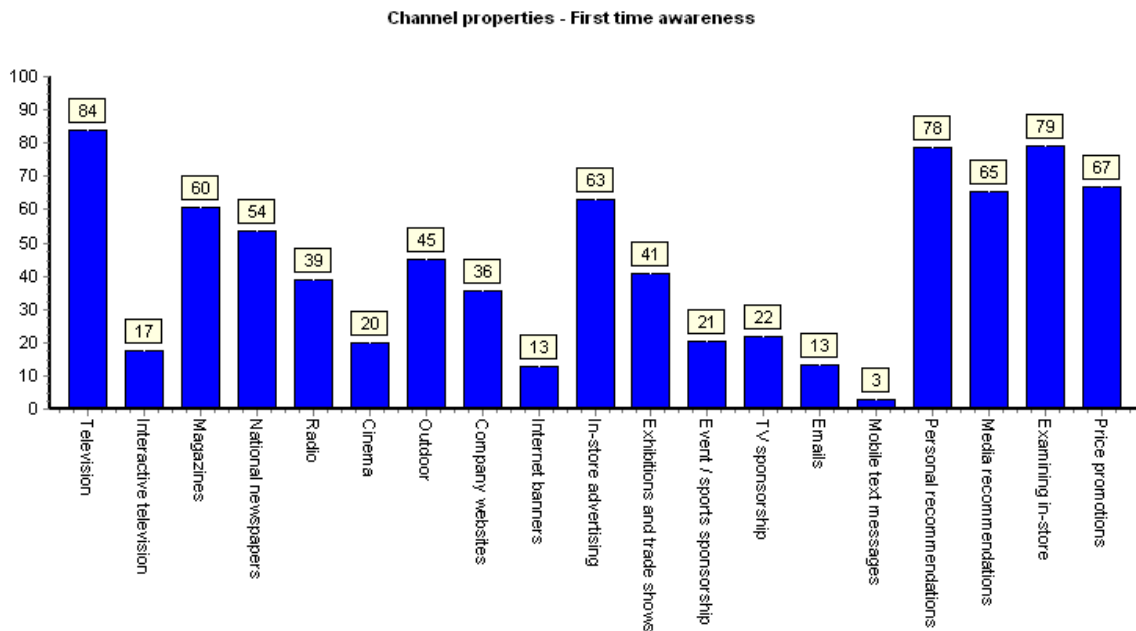
Planners can also shape the campaign profile further by assigning their own weights to different strategy goals for the campaign, e.g. prompt purchase, convey desirability, etc.

Turning to the empirical insights from the expert survey, planners also have the opportunity to flag certain campaign tactics as important, e.g. 'reach people out of home'. This has a direct effect on eventual choice of channels, as expert panel data on the ability of different channels to deliver against these tactics is already held on the system and is used in the overall channel planning calculation.

THE POWER OF CHANNELS

From the consumer study, we have a detailed evaluation of the power of the channels against all of the traits such as trust or awareness. We also have the evaluation results from the expert survey. Earlier in this paper, we looked at the overall ranking. That was comprised of trait by trait ratings such as the one in figure 4 below:

Figure 4
% RESPONDENTS EVALUATING AS GOOD OR VERY GOOD
FOR “FIRST TIME AWARENESS

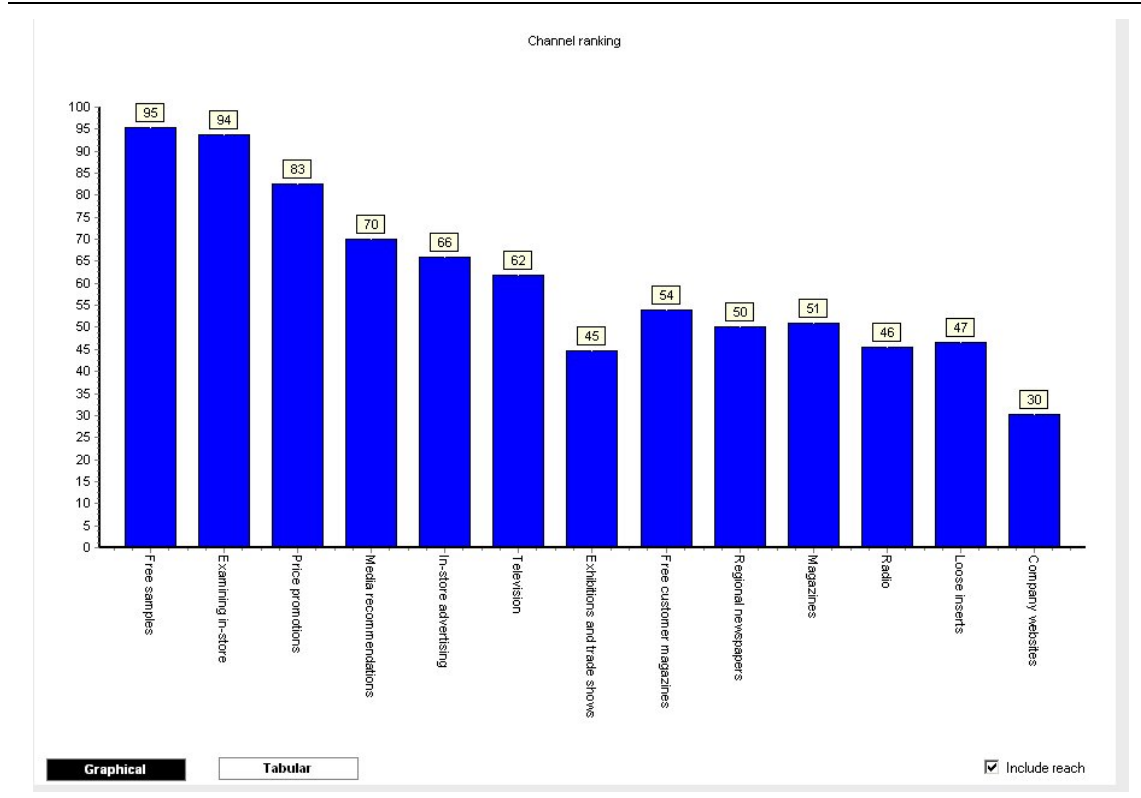


Again, planners have the opportunity to input their own expertise here by altering the relative weights assigned to these results. For instance, if one planner has compelling econometric evidence of the power of radio to deliver sales, and this isn't reflected on-screen, then they can manually alter the results for radio to include this insight.

CHANNEL RANKING

Compose now calculates and displays relative scores for each channel in delivering against these consumer, strategy and tactics profiles, as shown in figure 5 below. In doing this, that ranking is largely driven by the ratings given by the consumers on the ability of the channels to deliver against the various traits, e.g. trust vs. awareness. Taking into account the performance measures in combination with the importance attached to the traits, the tool automatically rates the channels on their ability to deliver against factors that will ultimately determine the success of the campaign.

Figure 5
THE CHANNEL RANKING.
A WEIGHTED SUMMARY OF CHANNEL POWER



At this stage, planners can also review the results taking reach into account when determining the channel ranking. If so, then channel performance will be placed in context. For instance, a score of 60 in a channel with a reach of 50% will be re-displayed as a score of 30.

Before moving on to the detailed channel planning stage, planners can also finalise their list of candidate media through a filtering process before they move onto the detailed channel planning stage.

It is worth noting that this is the point where consumer research normally stops. Performance measures such as rankings or rating scales are interesting, but no real help for the planner who has to try and decide whether 50 GRPs is enough for press, or whether the combination of TV and outdoor is better than TV and radio.

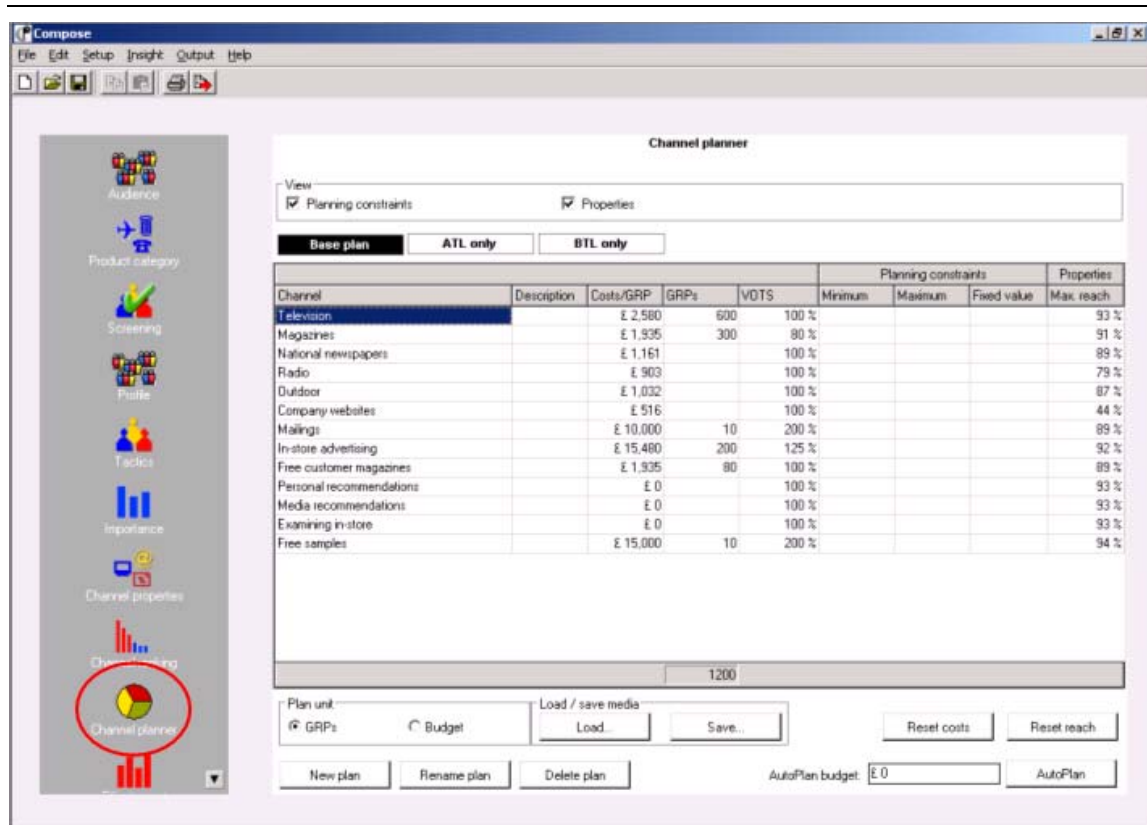
Compose now takes all of these inputs and uses them to help the planner to assess the strength of different channel plans. And this is where Compose breaks significant new ground in terms of truly media-neutral campaign planning ...

Rather than just indicating which channel is “good” for a certain task, Compose helps planners assess how much to spend to exploit a particular strength of a channel, and when to switch from using a single channel to deploying a mixed-media approach.

CHANNEL PLANNING

At this point, the planner decides how much money or how many GRPs they are going to put into the different media. They then have the choice of either formulating a communications plan themselves or using the ‘AutoPlan’ function, which prompts Compose to use optimisation techniques to produce the most efficient plan possible. In figure 6, the planner has allocated budget to TV, magazines, mailings, in-store advertising, customer magazines and free samples.

Figure 6



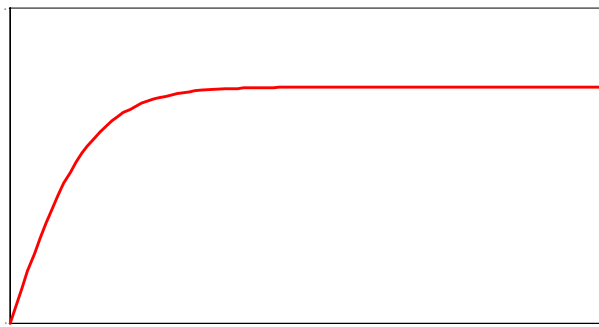
WHAT'S BEHIND COMPOSE?

While the interface that the planner sees is clear-cut and simple, the powerful analytics engine within Compose is busy combining all of the inputs previously described, in the form of millions of response curves. The curves reflect the projected impact at an individual level of successive exposures to an average message carried by the communication channel.

As with all response curves, these have two main elements: maximum height or potential, and speed or steepness on the way to that potential. Figure 7 illustrates this.

Figure 7
ILLUSTRATION OF AN INDIVIDUAL RESPONSE CURVE

Power towards **trust** in **confectionery** category



Person 125

Number of contacts

Within Compose, the following information is used to estimate the shape of the curve:

- Compose survey responses on the evaluation of the channel for that task
- Compose average difficulty measures for the task
- Compose average importance scores for the category
- Compose survey and expert panel input on the relative power of the first exposure within that channel
- User input on the tactics variables

Using a combination of these factors, Compose produces curves for each individual consumer, for each combination of category, task and channel. In total, this creates over 10 million potential curves.

Each response curve has exposures along the horizontal axis. In order to gauge the effect of a plan, Compose must first translate proposed GRPs into reach and frequency for the individual, by combining consumption probabilities for all of the channels.

These consumption probabilities are derived from either the background survey data in Compose or TGI data. They are then combined with overall reach definition for each channel. For example, if the universe for TV is calculated or estimated at 50%, any GRPs deployed will only be distributed among 50% of the target audience. The interaction of media consumption, reach and planned GRPs is complex and by handling this for planners, Compose frees up planners to think about the more qualitative elements of the planning process.

Critically, while any campaign plan will have hundreds of thousands of curves associated with it, the relative importance of one task versus another also needs to be taken into account. In Compose, the underlying curves are combined with empirical or user-defined weights so that results reflect both the potential of channels to achieve goals and the relative importance of those goals within the overall campaign.

PLAN POWER

Compose uses its powerful underlying response-curve intelligence to assess the power of alternative channel plans. This assessment is based on how much impact each plan has had on the campaign factors that the planner marked out originally as important. Plan performance is measured in percentage terms as ‘plan power’: The premise is to identify a “maximum communication effect” and then evaluate how plans stack up against that goal. The maximum communication effect or maximum plan power is a function of the power of the most powerful overall channel. All plans are then evaluated in terms of how close they get to the maximum.

CASE STUDY

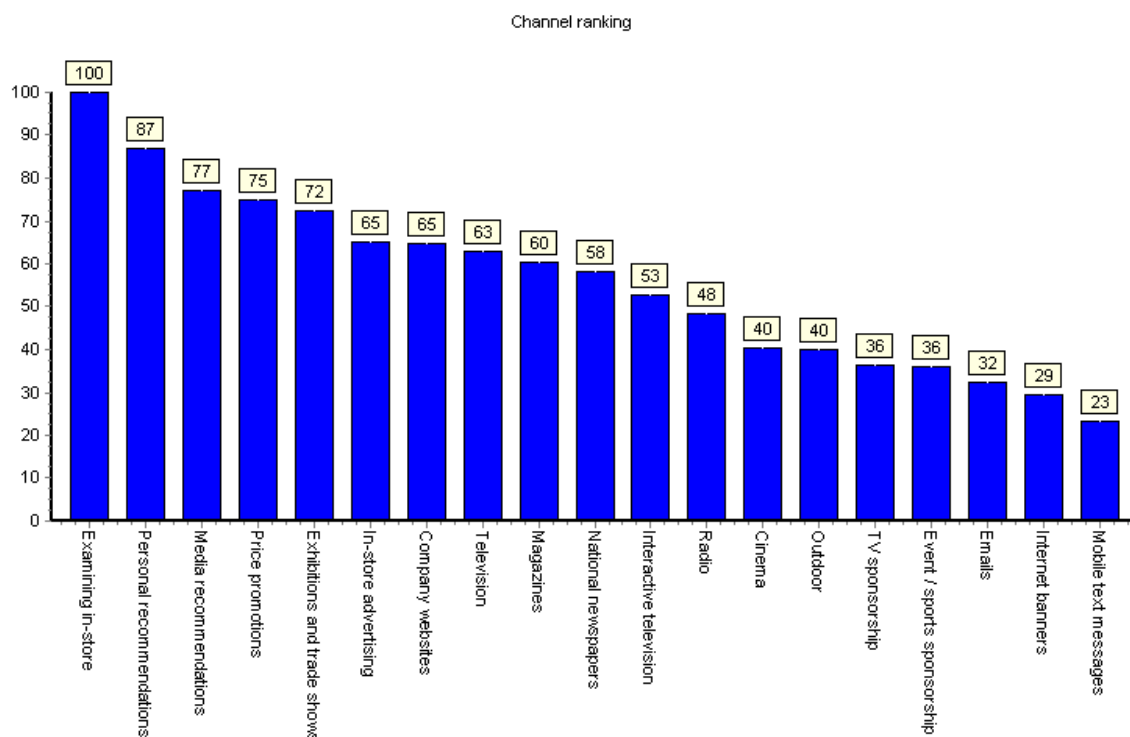
Compose is currently being used by agencies and media owners in the United Kingdom and will shortly be available in the United States. The following example shows how users can fit Compose into the planning cycle.

We have a brief for the launch of an MP3 player. Within Compose, we define a target of Male 25-44 who are active buyers of audiovisual (AV) equipment, and who have web access. Within the software, we can input a profile for the task. This draws heavily on the empirical data about what is important for AV buyers, and we introduce some of our strategic thinking by saying that we are

interested in generating awareness and in communicating detail about the product.

The first stage output from this is shown in figure 8. This is the channel ranking. It is interesting to note the strong showing for websites, which are rated as one of the most powerful channels. In-store and other one-to-one channels also feature strongly.

Figure 8
CHANNEL RANKING FOR AN MP3 LAUNCH

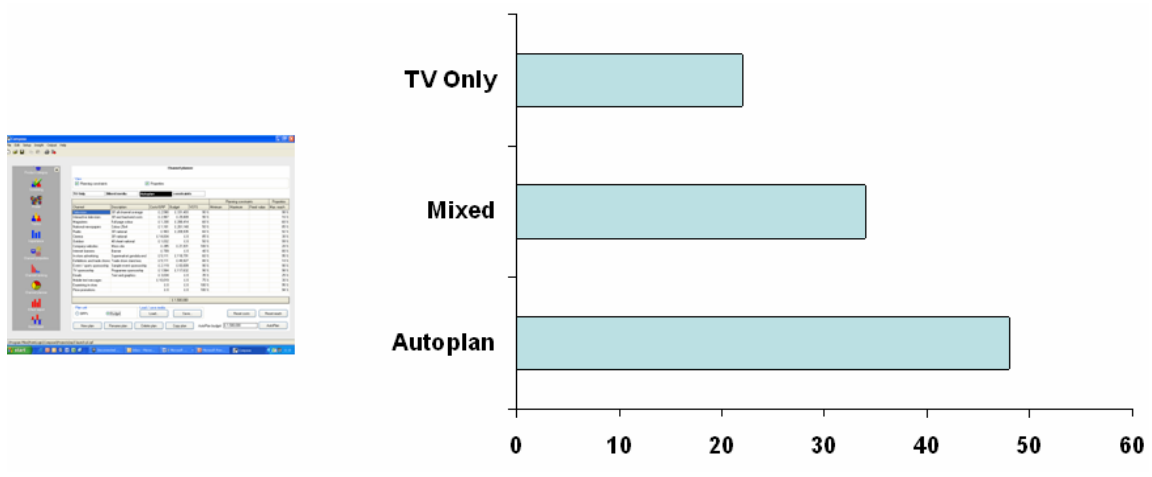


This is a useful input into the planning process, but, as we discussed at the beginning of the paper, it still does not take into account cost and reach, and does not give feedback on diminishing returns or what we should do at different budget levels. All of these things are addressed within the channel planner.

We built three plans: a TV only plan, a mixed-media plan and a system generated plan using “auto-planning”

We can see the relative performance of the three plans in figure 9 below.

Figure 9
THE PLANNING SCREEN AND THREE SAMPLE PLANS



Taking the insight achieved from these three plans, the planner can bring in the knowledge that they have about the task and factor-in production costs and other items. For example, the “auto-plan” recommended putting a small amount of money into interactive television. The set-up costs combined with the low budget might cause this to be edited out from any final plan.

Pulling all this together, the planner can then arrive at a final plan knowing that his solution is grounded in both a solid data foundation combined with his qualitative skills and experience.

SUMMARY

Putting it all together, Compose allows planners to embrace all of the traditional industry channel currencies and use them in their media-neutral planning. It’s a much more constructive route to achieving what we all need – effective ways of managing and deploying clients’ marketing budgets – than trying to create any kind of new measurement that confuses a measure of media consumption with a service to help channel planning.

There may be no silver-bullet solution to channel planning, but Compose does provide a single platform for designing campaigns that help planner and marketer connect with consumers.

THE AUTHORS

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