SMG INTENTRACK™ MEASURING THE ROLE THAT PRINT PLAYS IN THE JOURNEY

Kate Sirkin, Starcom MediaVest Group
Judy Bahary, Starcom USA

In the United States, it is hard to miss the industry trade headlines on the doom and gloom in publishing. Globally we see ad spend trends point to a serious decline in share for both the newspaper and magazine industries.

Share of total ad spend by medium[1]

	2007	2008	2009	2010	2011
Magazines	12.2	11.6	10.5	9.9	9.7
Newspapers	26.9	25.1	23.4	22.2	21.2

Is this trend indicative of a fundamental switch for consumers moving to digital, magazine websites, blogs and social media spaces to learn about their passions as diverse as fashion, food, gardening, sports and current affairs? Most likely we believe, it is indicative of two important trends in this industry. First, the rise of very user friendly applications that many publishers and content providers are putting out there for consumers, and second a consequence of the very challenging economic climate we are in where people worldwide now expect more for less (or mostly for free) . But one can argue that the printed copy does still have a place for consumers. They turn to magazines to gain information as well as engage with our brands that advertise in any given title. The experience print has with consumers as a "my time:" medium is unique to print versus any other medium. In Starcom's past WRRS papers we presented our ACE platform and explained the six key drivers to successful print engagement, and how we developed an accountability framework for brands and publishers that acknowledges and builds on the unique benefits of print which has been adopted by the US print industry[2].

In April 2007, Starcom MediaVest Group (SMG) launched a new proprietary research product, IntenTrack™, an insight and accountability approach that identifies consumer Intent actions that are most correlated with sales. The tool has now been available for more than two years and covers consumer response to 400 brands across 35 product categories in 32 countries.

IntenTrack™ is a continuous tracking service that measures the relative impact of the 12 most important contact points (such as, Print, TV, in-store, word-of-mouth, branded sites, OOH and radio) on brand attitude and brand behavior via specific Intent behaviors. We then perform sophisticated modeling and time series analysis to get a clear understanding of the customer journey and their path to purchase in a specific category. Using this intelligence, SMG has identified the most powerful contacts at every stage of the consumer journey and can develop communication strategies to motivate target users against each stage.

IntenTrack™ also captures the effectiveness of a brand's activities vs. target *Intent* goals, as well as competitive performance, comparing the perceived weight of client marketing effort against the competition. We define Intent as interim behaviors that are stimulated after campaign exposure and before final sales, such as search online, go in store and talk to a sales representative, clip a coupon, write on a shopping list or discuss with a friend or family member. This allows SMG to predict with added precision *where* the right consumers are reached, at the right stage and with the right message to drive those *Intent behaviors which we know correlate most closely to final sales*. We can define Intent as the measurement of a consumer behavioral response as described above or emotional response, such as a change in a critical attitude that is more likely to impact final sales.

This paper will examine the impact different media types have on Intent behaviors across regions and categories and will show in the U.S. the impact different media have on campaign awareness and contact persuasiveness.

[1] Zenith Optimedia Ad spend

[2] *Now You See Me, Now You Don't! does Ad Positioning Matte?r*, Bahary & Fielding, 2003 Cambridge WRRS, *Are You Experienced? The Development of an engagement based planning approach in print*, Bahary & Fielding, 2005 Prague WRRS

Our analytic approach

The procedure starts with the selection of a single variable that is the focus of the Connection Story™. Typically this is a question such as "purchased this brand in the past week/month." This main variable is referred to as the "primary dependent variable." Once this is selected, a logistic regression is performed to find which other questions drive positive response to the primary dependent variable. The regression procedure only considers as candidates for inclusion in the model those questions related to (1) brand's attributes; (2) past week campaign exposure; and (3) past week behaviors.

The initial model consists of a set of variables, each with a value that indicates their relative importance in predicting the primary dependent variable. These values are "odds ratios," and are greater than or equal to zero. An odds ratio greater than 1.0 can be interpreted as meaning that a positive response to that particular question makes it X times more likely that the respondent would respond positively to the primary dependent variable, where "X" is the value of the odds ratio.

Odds ratios can also indicate a negative relationship, in which case they will have a value between 0 and 1.0. For example, an odds ratio of 0.5 can be interpreted as "a positive response to this question make the respondent 50% less likely to respond positively to the primary dependent variable."

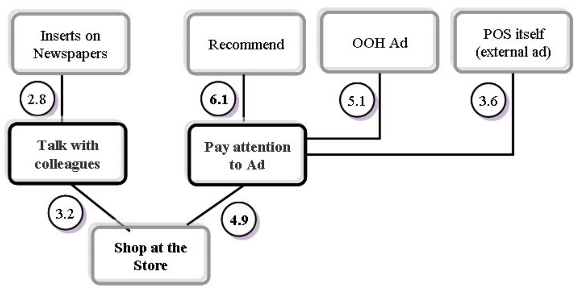
The set of factors that predict the primary dependent variable are referred to as the "primary dependent factors." Once this set is determined, another set of regressions is performed. This second group of regressions develops models that each show which variables are predictive of positive response to one of the primary dependent factors. The factors in the second group of regression results are referred to as "secondary dependent factors." We can also combine contacts to understand where combinations of contacts can drive stronger odds ratios than individual contact analysis.

Another set of metrics that are calculated during the execution of the Connection Story™ procedure are the incidence rates of the various factors included in the results. These incidence rates are calculated against a base of only those respondents who were asked that particular question, not necessarily against the entire respondent population.

In Figure 1, an example from Argentina, we see that the two Intent variables most highly correlated with going to this retail establishment are talking with colleagues about the store and paying attention to the advertising. Our analyses show that professionals who recalled the inserts in the newspapers were almost three times as likely to talk to colleagues about the store as those who had not. Outdoor advertising, and POS, along with colleague recommendations were the contacts that drove a higher incidence of paying attention to the advertising.

Figure 1. Connections Story™

Among Professionals, WOM is critical to increasing store visits. Newspaper Inserts were key to driving WOM, which along with OOH / POS increased attention to the campaign which in turn lead to higher store visits and ultimately sales



Print and IntenTrack™ – United States

Looking specifically at the role of media in IntenTrack™, we examined the impact different media types have on both campaign awareness and persuasiveness across brand categories as well as how they drive the Intent behaviors. The following analysis shows the ability of those media types to contribute to campaign awareness and persuasiveness, additional Intent behavior analysis and case studies will be presented at the conference.

Looking at the US data in Figure 2, on a category level we see that Print has been particularly memorable for the Cereal, Consumer Electronics, Credit Card, Mobile, Retail and Vacation categories Note that Print is stronger than other media, excluding Television, for driving campaign recall in the Cereal, Consumer Electronics, and Retail categories.

Figure 2

Campaign Awareness by Media Type Indexed to TV

Category	TV Ad Awareness %	Online Ad	Total Print	Newspaper Ad	Magazine Ad	Outdoor Ad	Radio Ad
Banks	**6.7%**	26		**38**	33	**41**	29
Cereal	**8.2%**	15			**50**	24	20
Consumer Electronics	**9.7%**	31	**87**			51	44
Mobile Service	**23.5%**	40		**49**	**50**	**47**	39
Restaurants	**15.0%**	17		26	22	**41**	27
Retail	**12.5%**	24		**80**	37	31	28
Credit Card	**4.5%**	40	**62**			47	42
Vacation	**10.9%**	37		38	**55**	31	30

When looking at the average persuasiveness of each media type for the US data in Figure 3, we see that Television is again the top ranked medium. While Print continues to perform well for persuasiveness, it should be noted that print is under-utilized in many markets. For example as illustrated in Figure 4, in the US , when looking at the top 10 total ad spend advertisers, top 10 Print advertisers and the top ten TV advertisers Print GRPs are on average between 2-30% of TV GRPs[3].

Figure 3

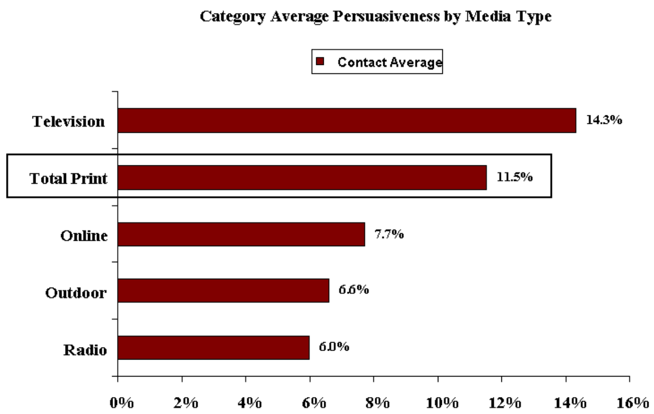


Figure 4

Top 10 Media-Wide Spenders	P18+ TV TRP's	P18+ National Magazine TRP's	Top 10 Magazine Spenders	P18+ TV TRP's	P18+ National Magazine TRP's	Top 10 TV Spenders	P18+ TV TRP's	P18+ National Magazine TRP's
US GOVERNMENT	107943	10018	PROCTER & GAMBLE CO	204936	27346	US GOVERNMENT	107943	10018
PROCTER & GAMBLE CO	204936	27346	US GOVERNMENT	107943	10018	PROCTER & GAMBLE CO	204936	27346
VERIZON COMMUNICATIONS INC	52928	1837	JOHNSON & JOHNSON	96234	11219	AT&T INC	55422	1059
AT&T INC	55422	1059	KRAFT FOODS INC	39113	12717	VERIZON COMMUNICATIONS INC	52928	1837
JOHNSON & JOHNSON	96234	11219	LOREAL SA	42667	6921	JOHNSON & JOHNSON	96234	11219
TOYOTA MOTOR CORP	37518	3501	PFIZER INC	19525	3356	TOYOTA MOTOR CORP	37518	3501
FORD MOTOR CO	32593	1766	UNILEVER	41323	6753	YUM! BRANDS INC	64257	286
GENERAL ELECTRIC CO	48771	3031	GLAXOSMITHKLINE PLC	40132	4672	FORD MOTOR CO	32593	1766
WALT DISNEY CO	48082	4704	PEPSICO INC	28227	5668	UAW HEALTH CARE TRUST	27440	1195
TIME WARNER INC	43268	2616	CAMPBELL SOUP CO	32007	6474	GENERAL ELECTRIC CO	48771	3031

[3] Nielsen Monitor Plus Year 2008 data

When looking at specific product categories in Figure 5, Print is considered to be highly persuasive for banking, cereal, consumer electronics, retail, mobile, vacation and credit cards.

Figure 5.
In nearly every category consumers list persuasion of print media as being higher than awareness levels.

Category	Print Media Type	Persuasion %	Awareness %	Percent Difference
Banks	Newspaper	3.9%	2.6%	50% ★
	Magazine	4.0%	2.2%	82% ★
Cereal	Magazine	5.8%	4.1%	41%
Flat Screen TV	Total Print	14.7%	8.4%	75% ★
Mobile Services	Newspaper	13.6%	11.5%	18%
	Magazine	14.4%	11.7%	23%
Restaurants	Newspaper	3.7%	3.8%	-3%
	Magazine	3.7%	3.2%	16% ●
Retail	Newspaper	10.3%	10.0%	3% ●
	Magazine	5.2%	4.6%	13% ●
Credit Card	Total Print	8.2%	2.8%	193% ★
Vacation	Newspaper	5.9%	4.1%	44%
	Magazine	8.1%	6.0%	35%

★=Category not activated to the optimum. ●=Category activated at the optimal level.

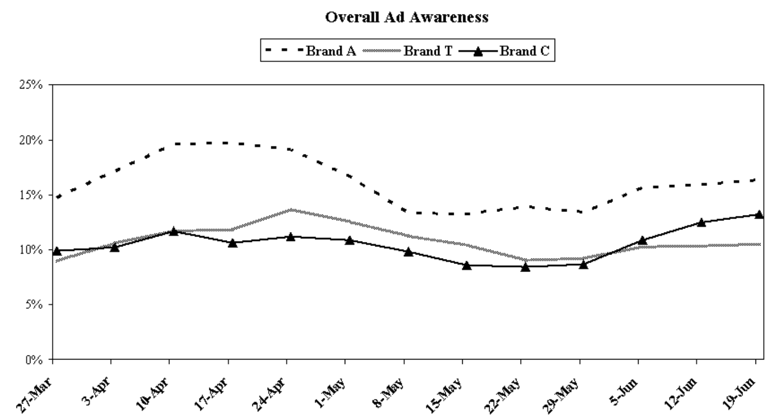
In nearly every category, consumers list persuasiveness of Print media as being higher than campaign awareness levels. These suggest a potential under-utilization of Print medium, in that consumers feel it is persuasive but are not recalling advertising within this medium. In particular, for brands in the credit card, banking, cereal and consumer electronics categories Print could be more effective at driving campaign awareness and Intent.

Case Study – United States

We picked a brand that was within the restaurant category that had high overall advertising awareness (Figure 6). As previously shown (Figure 5), the category as a whole has relatively comparable print awareness and persuasion scores , and is activated accordingly.

Figure 6

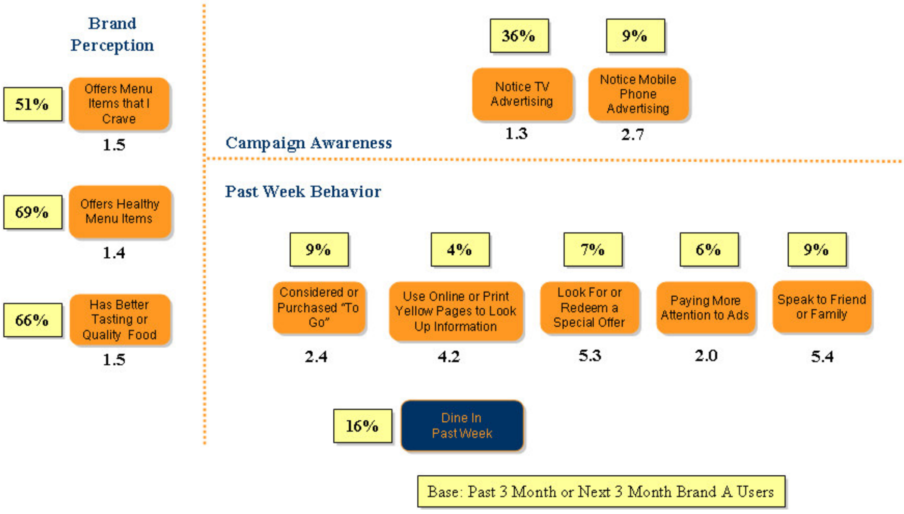
• Brand A leads competitors in traditional media ad awareness as well as recommendations



Base: Category Users

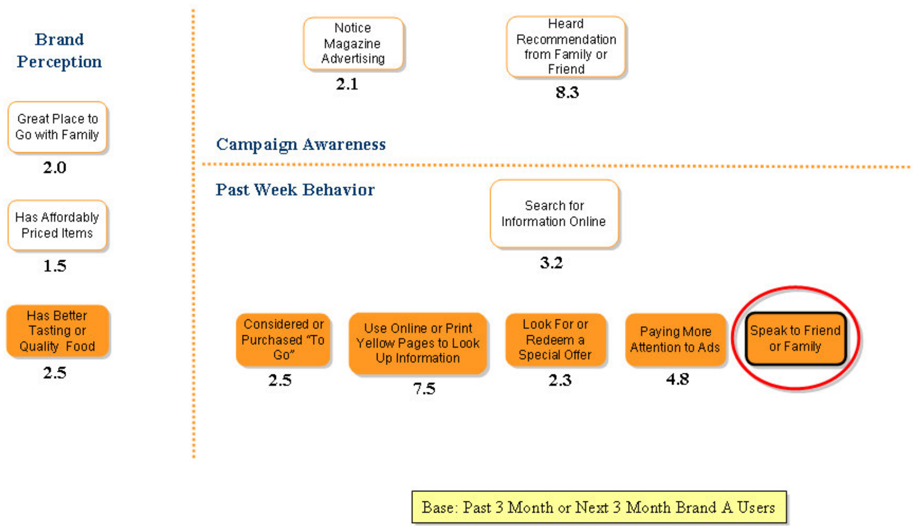
Through our Connection story™ below, we know that TV and mobile advertising had significant and high odds ratio to effect past or future dine-in behavior. In addition, we know that consideration or actual use of take out, online/print yellow pages, coupons, engagement/attention to ads and WOM also drive usage in the future.

Figure 7



In a secondary driver analysis (Figure 8), we find that magazine advertising and recommendations have the highest correlation to WOM.

Figure 8



Increasing takeout was a key marketing objective for this brand and knowing that we were able to isolate the impact that magazine had on meeting this objective (Figure 9). Through IntenTrack™ we were able to uncover and underscore the importance of a multi-channeled media recommendation to drive any of the brand's key objectives.

Figure 9

The Role of Print - A Global Perspective

IntenTrack's™ enormous dataset allows us to create meta-analyses so we can compare countries, regions and brands around the world. Figure 10 is the first of four charts that report the historical influence across many campaigns of the most important contact points on Intent behaviors. It highlights the power of print and more importantly the power of print combined with another media, which in reality is most often how it is used in our experience. The charts are a summary of correlation analyses between respondents who recall being exposed to brand level messages in each contact and the changes in behaviors and attitudes that followed those exposures. We can at what place in the customer journey print is strong by itself and where is it strong in conjunction with other contacts by region of the world.

For North America, we see some consistency in a contact's ability to drive real response at each stage of the customer journey, with the acceptation of improved attitude. Attitudinal change, as we all know from tracking studies, takes a significant amount of time and effort regardless of the contact and campaign creative being used for the brand. It's interesting to see the relatively high scores for Print with Online across most stages of the customer journey, but in particular for experience and seek, search and talk which we know a critical objective for many brands in today's social media world.

Figure 10 North America

	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Radio	0.19	0.59	0.56	0.35	0.58
Television	0.25	0.48	0.49	0.30	0.49
Online	0.33	0.57	0.54	0.36	0.59
Print	0.30	0.57	0.53	0.34	0.57
Out of Home	0.31	0.57	0.55	0.36	0.58
	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Print+TV	0.31	0.57	0.55	0.37	0.57
Print+Online	0.41	0.61	0.57	0.39	0.61
Print+Radio	0.09	0.65	0.59	0.40	0.63
Print+OOH	0.37	0.61	0.57	0.39	0.60

The same analyses for our Latin American region shows some interesting trends (Figure 11). Print delivers the highest correlations for most stages and was particularly effective when combined with TV or online.

Figure 11 Latin America

	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Brand Site	0.49	0.45	0.47	0.41	0.60
Radio	0.40	0.43	0.38	0.30	0.46
Television	0.43	0.48	0.47	0.38	0.50
Online	0.43	0.45	0.44	0.35	0.52
Print	0.51	0.55	0.53	0.44	0.58
Out of Home	0.41	0.47	0.45	0.37	0.48
	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Print+TV	0.44	0.49	0.46	0.37	0.51
Print+Online	0.45	0.47	0.44	0.33	0.53
Print+Radio	0.41	0.45	0.40	0.30	0.47
Print+OOH	0.41	0.47	0.45	0.34	0.50

The same analysis for Europe (Figure 12) shows similar trends but demonstrates Europe's more advanced online advertising experience and ability to use that contact to drive both brand and retail experiences and seek, search and talk behaviors.

Figure 12 Europe

	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Radio	0.48	0.56	0.40	0.17	0.60
Television	0.49	0.57	0.43	0.28	0.58
Online	0.52	0.60	0.43	0.25	0.62
Print	0.54	0.59	0.46	0.32	0.61
Out of Home	0.52	0.54	0.44	0.28	0.59
	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Print+TV	0.48	0.54	0.40	0.16	0.56
Print+Online	0.46	0.54	0.41	0.17	0.58
Print+Radio	0.48	0.53	0.39	0.09	0.57
Print+OOH	0.47	0.51	0.44	0.19	0.54

The final analysis is for Asia (Figure 13), where we have some widely differing media marketplaces – from India and China to Australia and Japan. TV appears to be surprisingly weak here for some objectives, but does improve when combined with Print. Print and OOH performs well, and likely is indicative of the less developed TV market and the more accessible outdoor market in some countries.

Figure 13 Asia

	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Brand Site	0.47	0.57	0.35	0.26	0.54
Television	0.22	0.21	0.26	0.16	0.19
Online	0.44	0.46	0.34	0.21	0.47
Print	0.34	0.33	0.26	0.17	0.36
Out of Home	0.41	0.39	0.28	0.19	0.38
	Generate WOM	Experience	Intend to Purchase	Improved Attitude	Seek Search Talk
Print+TV	0.33	0.32	0.28	0.18	0.30
Print+Online	0.44	0.48	0.33	0.22	0.45
Print+Radio	0.43	0.42	0.33	0.23	0.39
Print+OOH	0.44	0.42	0.31	0.20	0.39

Although headlines say doom and gloom, we have shown the power of Print to drive key actions. And are encouraged that through IntenTrack™ we have quantified the impact that magazines have in a multi-media channel environments

More analysis of this nature including brand, category and market level will be presented at the conference.

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