

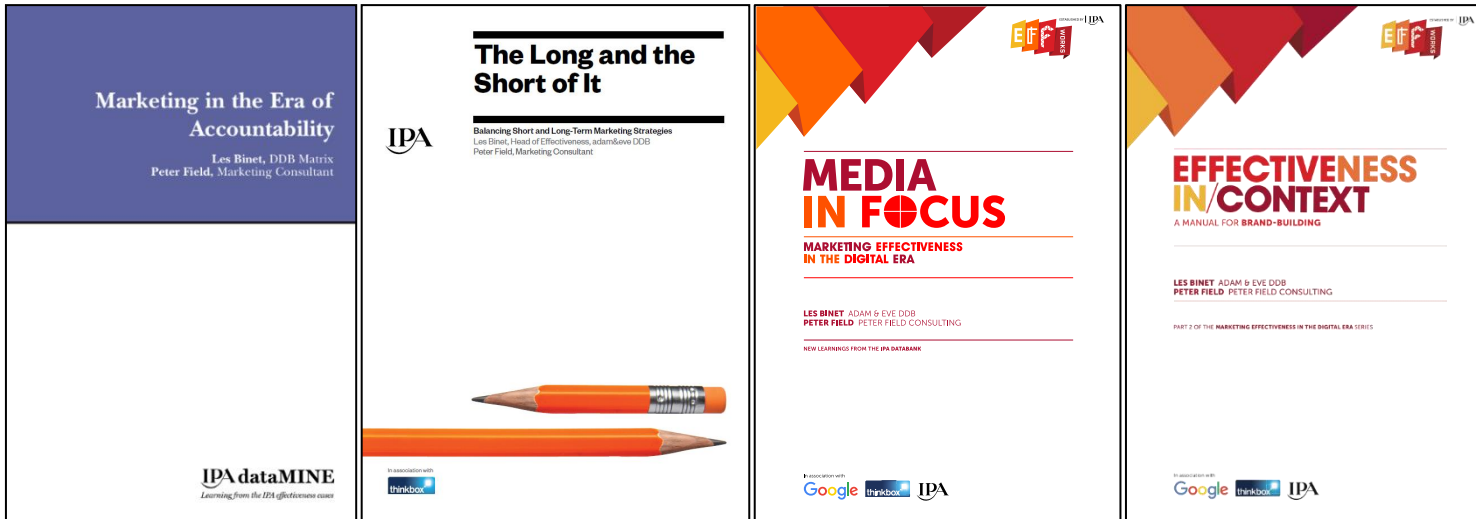
The Long and the Short of It - 10 years on



Radio's enduring role in Effectiveness

October 5th 2023

Research references



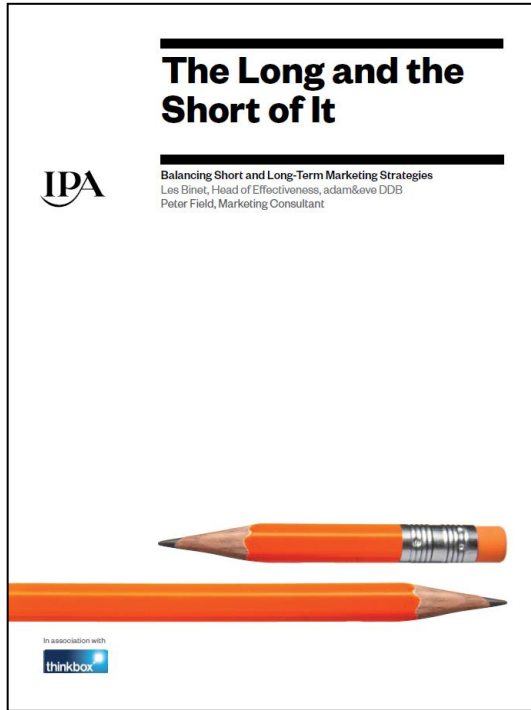
Updated findings
from four
evidence-based
books

650 digital era for-
profit cases

“Radio significantly increases SOV efficiency, making budgets work harder.”

Media in Focus, IPA 2017

Six rules of long-term effectiveness



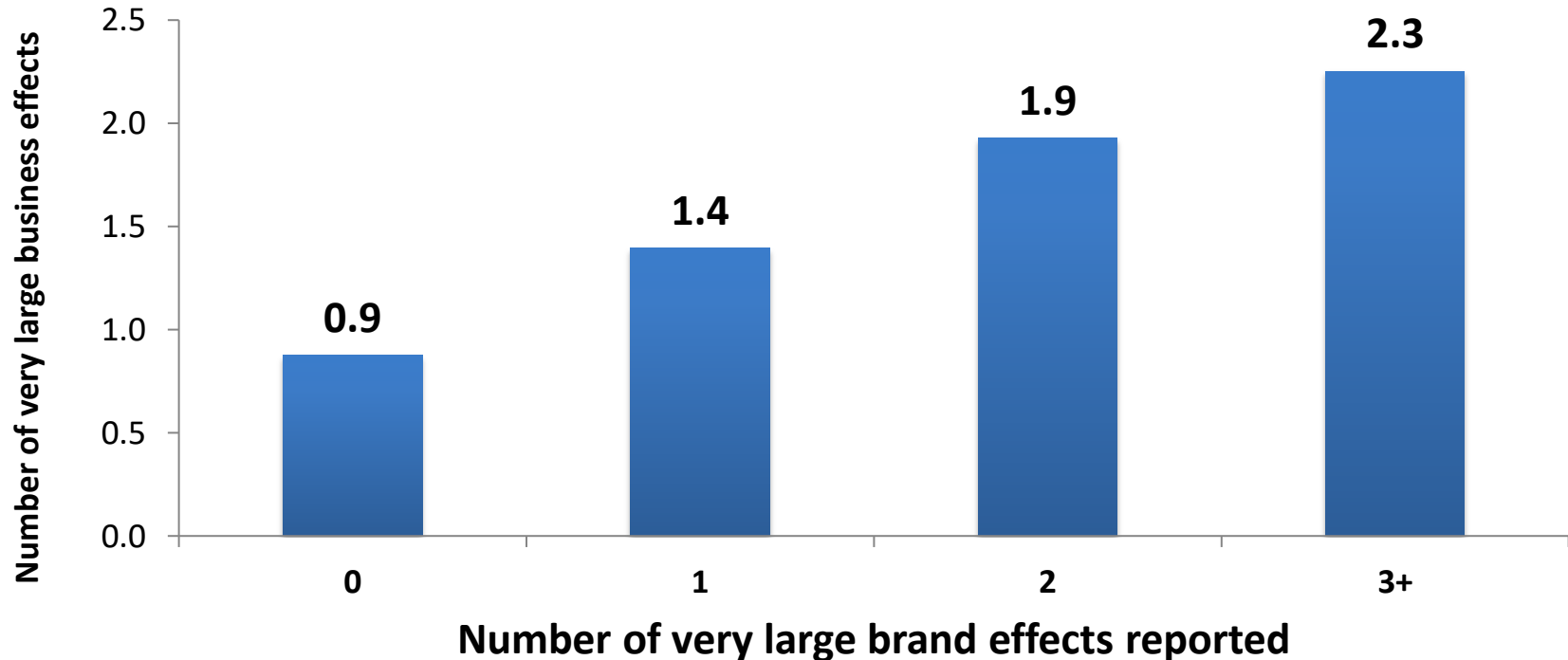
1. Build Mental Availability
2. Engage Emotionally
3. Get Creative
4. Be Consistent
5. Build (out) Reach
6. Balance Long & Short

1. Build Mental Availability

“Mental availability is a complex property that defines the propensity of the brand to be noticed and/or thought of in buying situations”

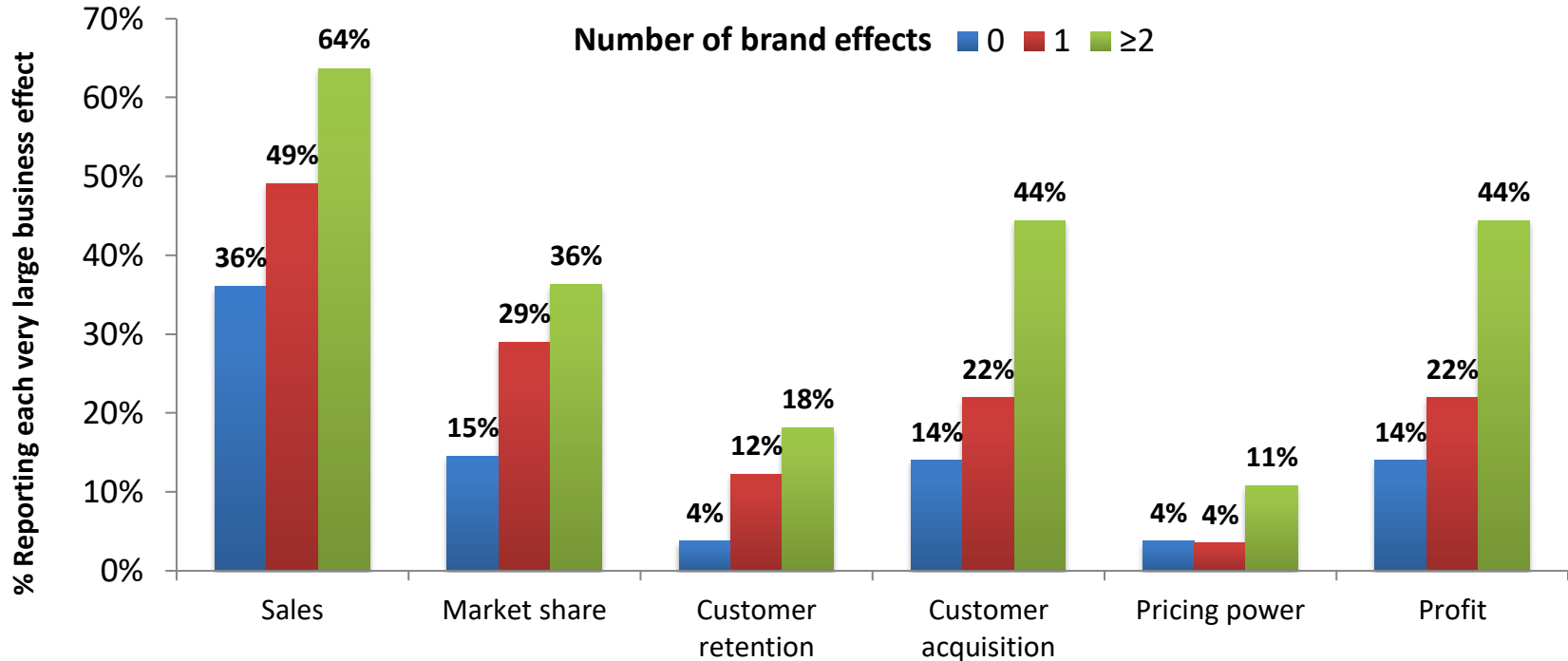
Byron Sharp, from ‘How Brands Grow’

Mental availability drives business success



Source: IPA Databank, 2000-2022 for-profit cases

Mental availability boosts all business metrics



Impact of mental availability on metrics

Source: IPA Databank, 2000-2022 for-profit cases

Two ways advertising works

Short-term sales activation: Performance marketing, DM etc

Bottom of funnel:

information to nudge the purchase now

Little impact on mental availability

Relies on those buying now for attention

Short term sales uplifts

Exploits brand building

Long-term demand growth: Brand building

Top of funnel:

emotional priming to create interest

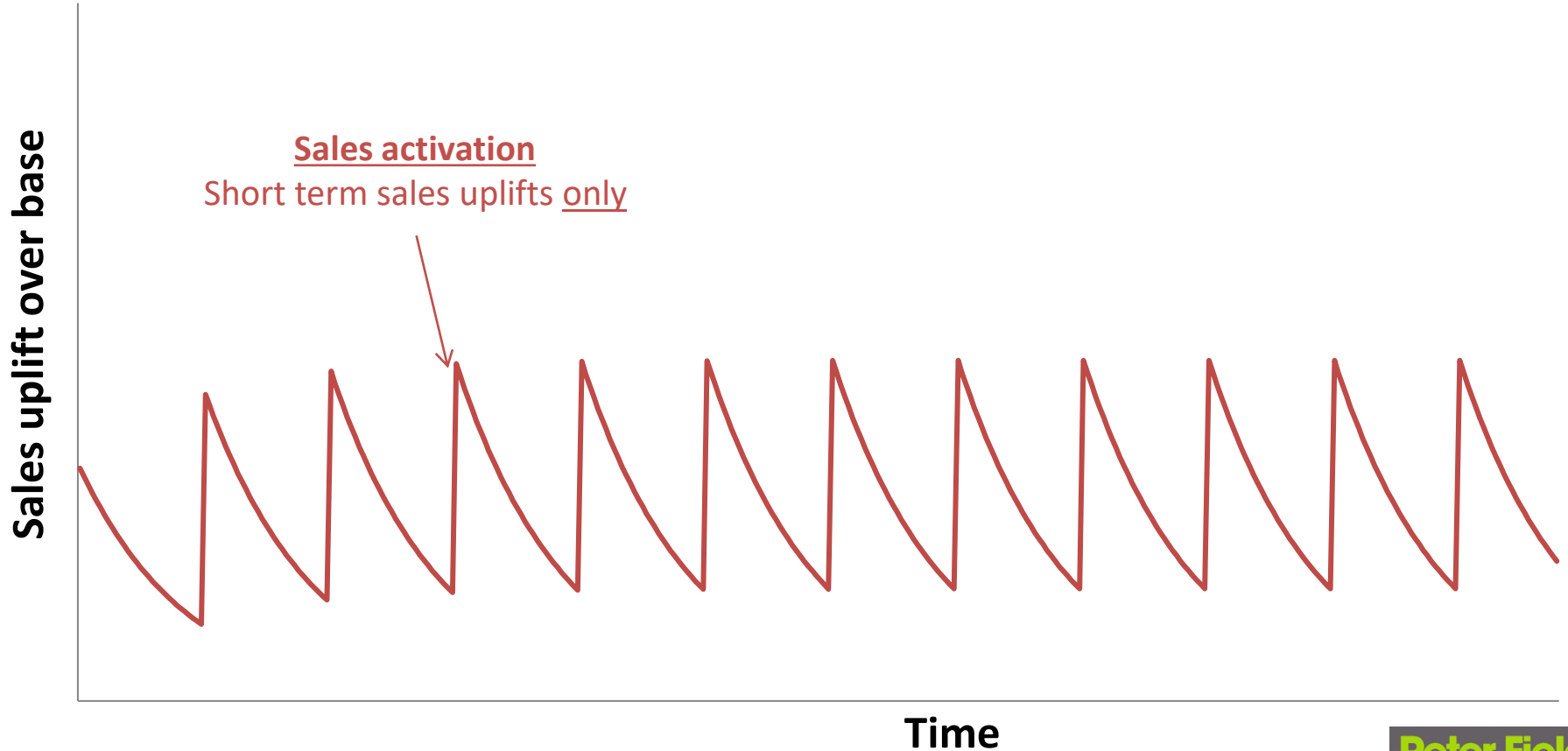
Strong impact on mental availability

Potential attention of all category buyers

Long term sales & margin growth

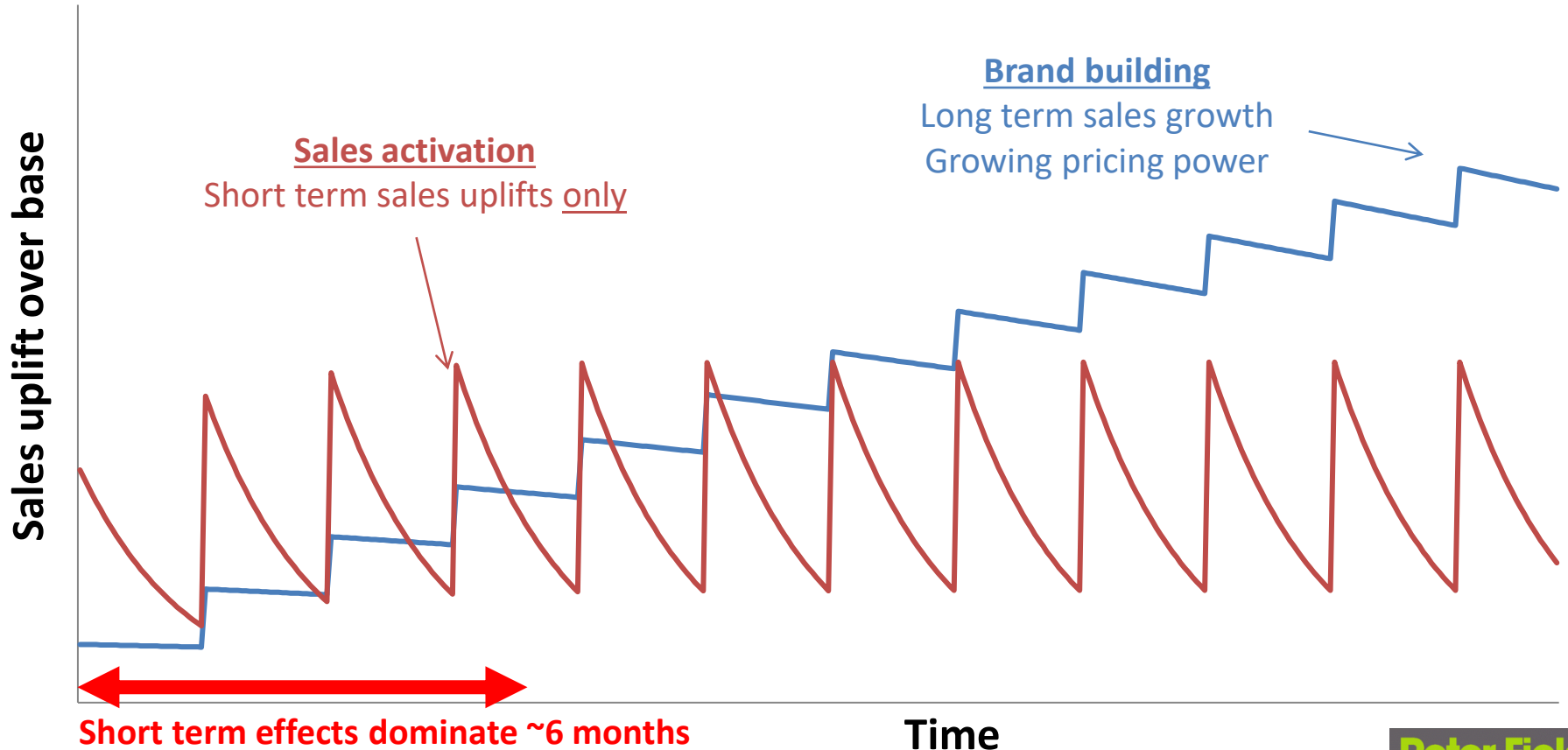
Amplifies sales activation

The Short



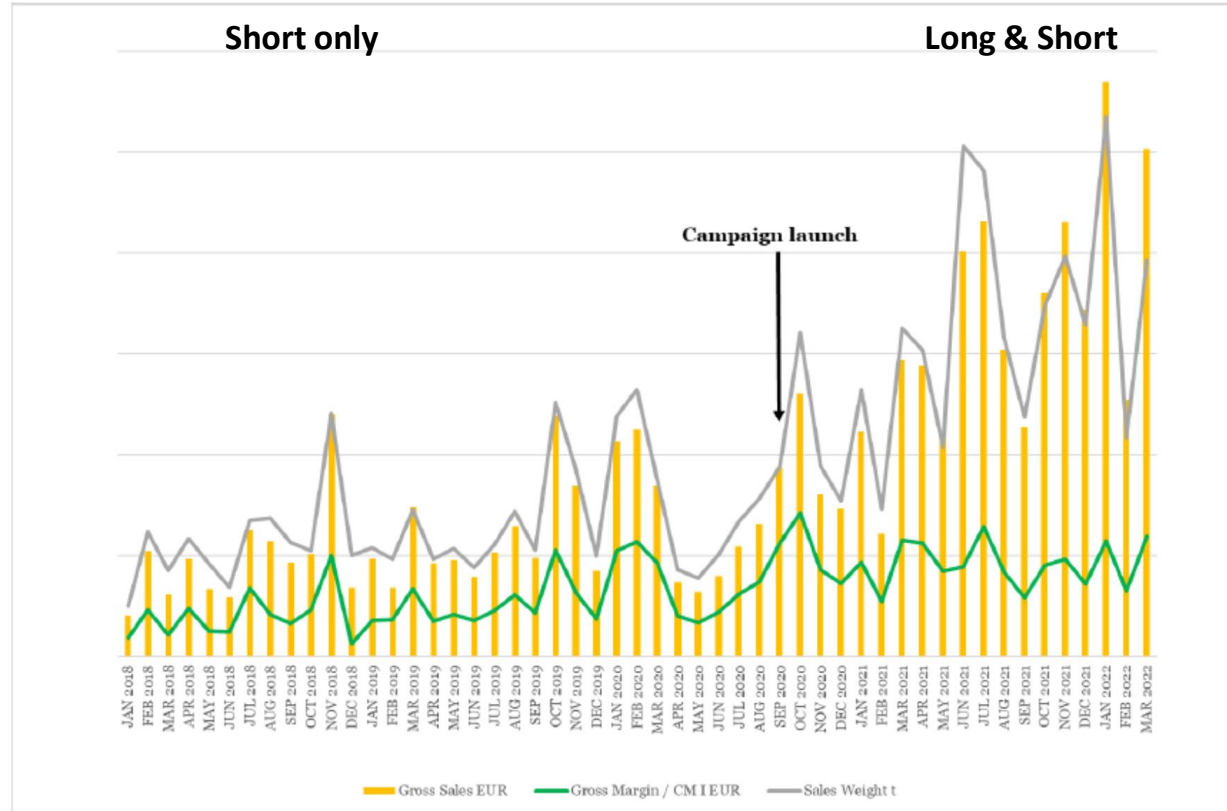
Source: Binet & Field 2013

The Short vs. the Long



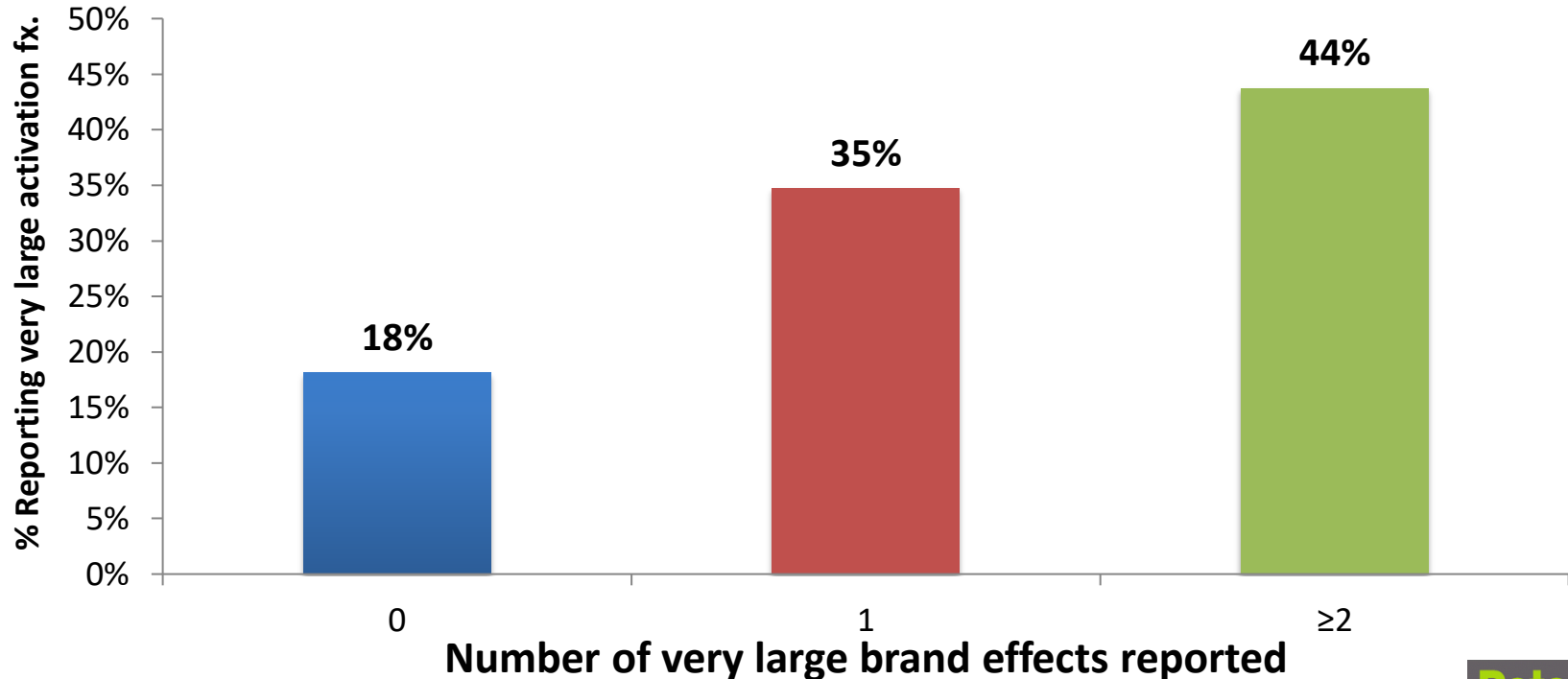
Source: Binet & Field 2013

Long & Short together: Pergraphica



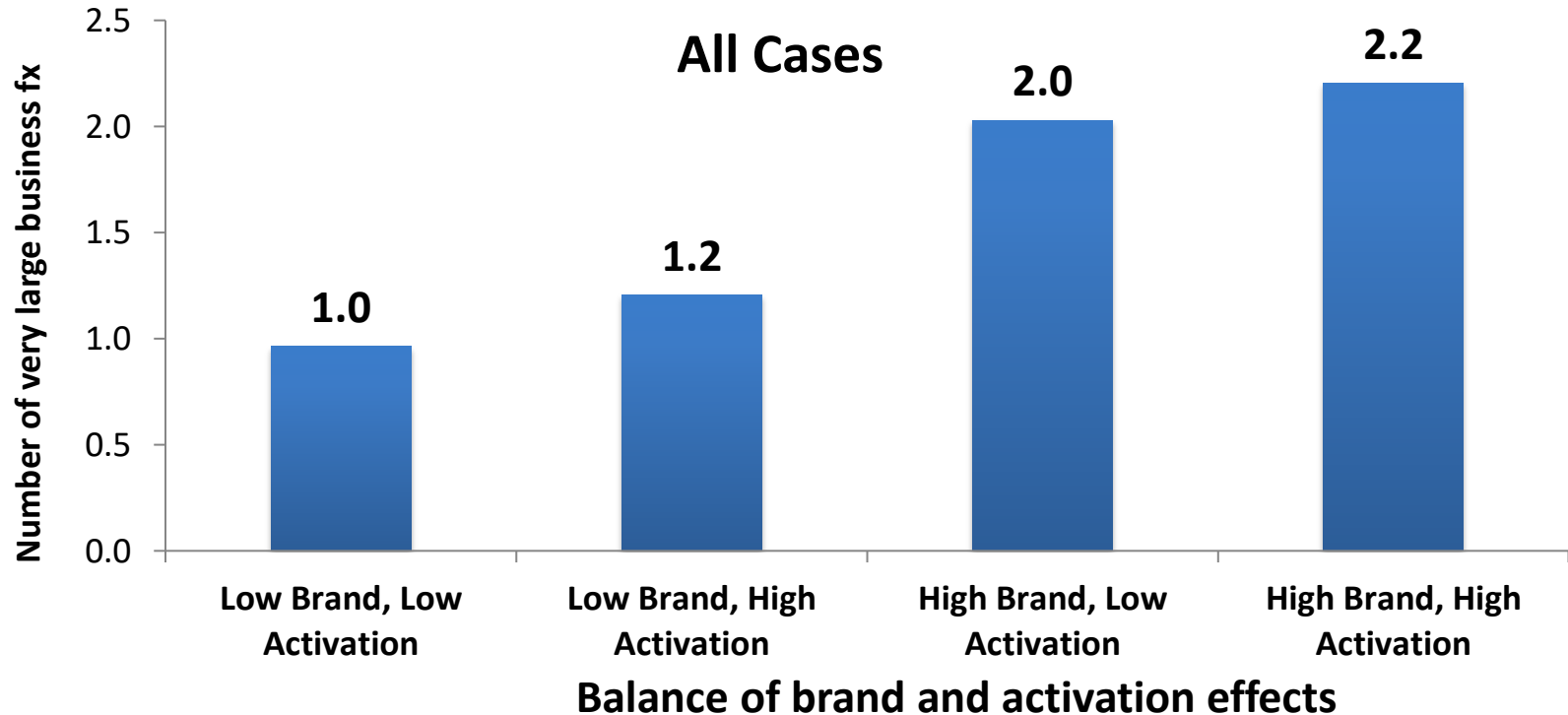
Source: Mondi Pergraphica 2022 IPA case study

Mental availability boosts short-term effects



Source: IPA Databank, 2000-2022 for-profit cases

You need brand and activation



Source: IPA Databank, 2000-2022 for-profit cases, based on scale of activation effects and number of brand effects

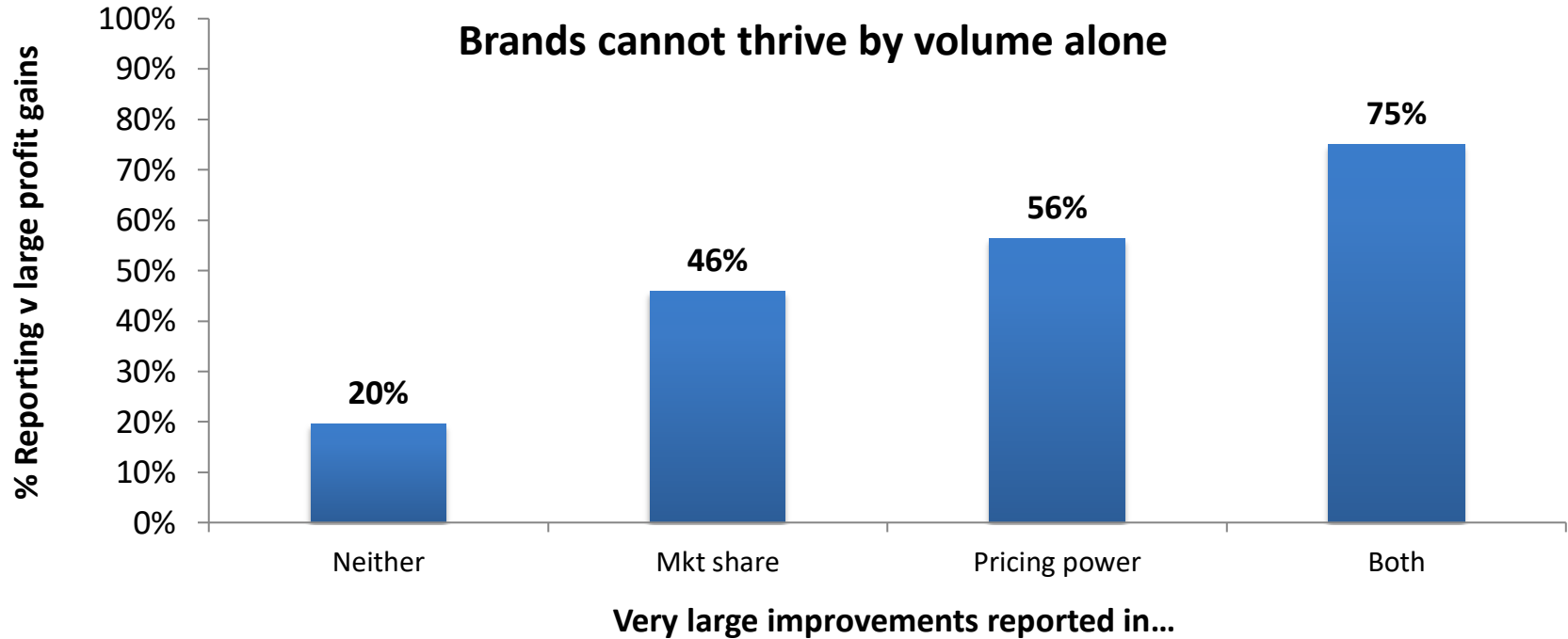
Warren Buffet on pricing



“The single most important decision in evaluating a business is pricing power.”

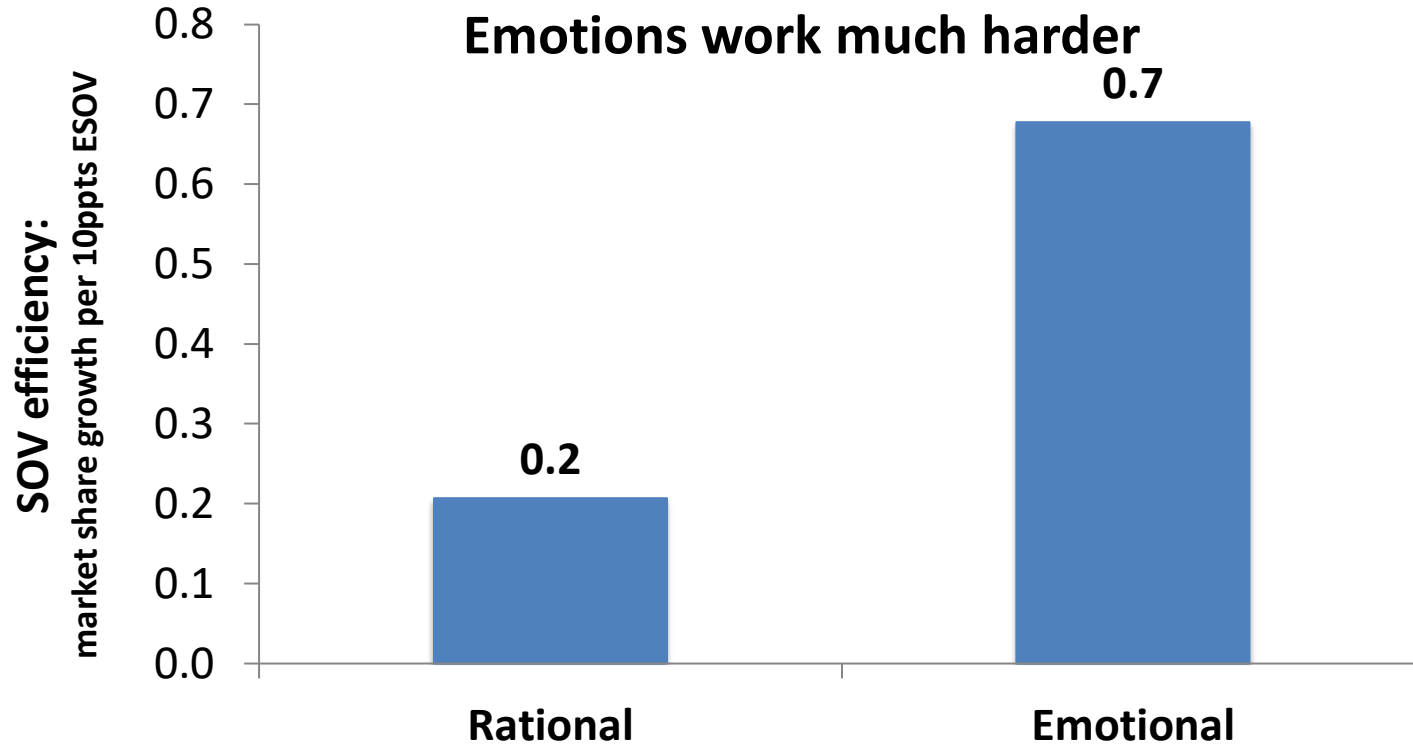
– Warren Buffet, investor/philanthropist

Warren is right (funnily enough)



Source: IPA Databank, 2000-2022 for-profit cases

2. Engage Emotionally

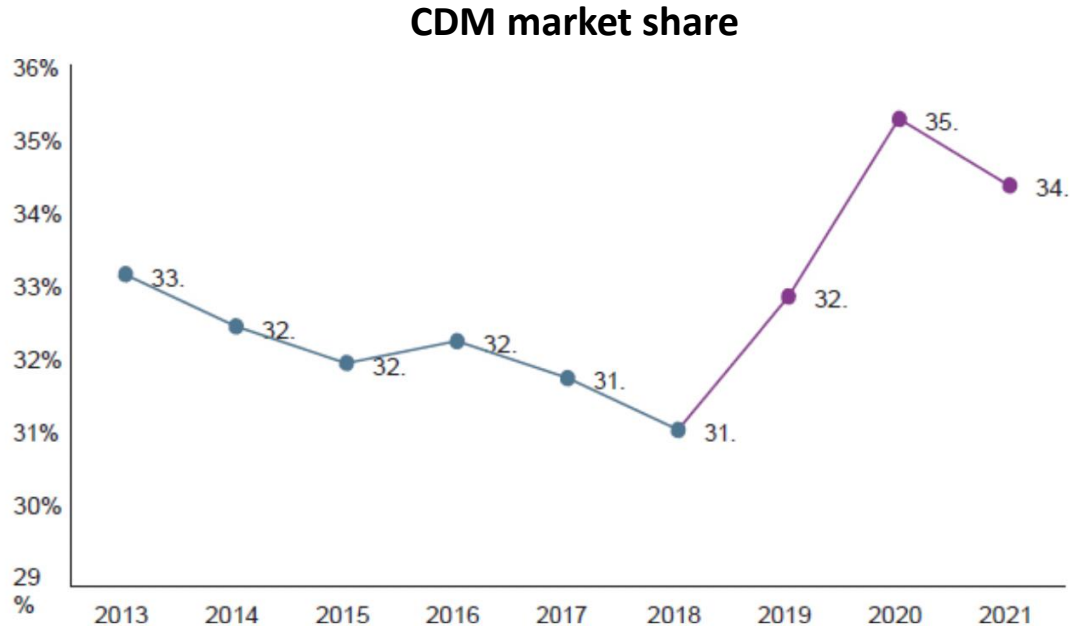


Source: IPA Databank, 1998-2022 cases

Cadbury Dairy Milk – emotions at work



Cadbury Dairy Milk – emotions at work



Source: Nielsen

Emotions work in radio as well.

“Radio is as likely to cause long-lasting effects through an emotional response as TV advertising.”

Source: ‘Listen Up’, System1 for Radiocentre UK

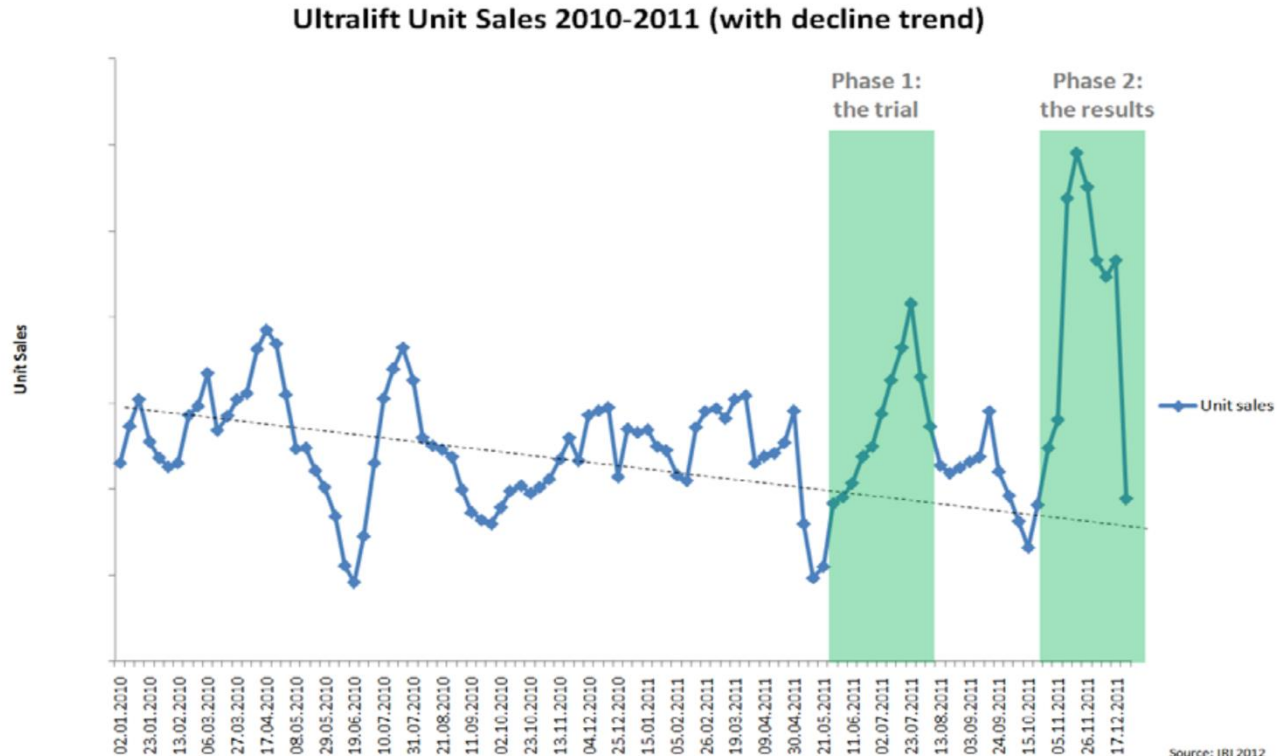


Weetabix radio – 3.5 stars in System1 testing

Garnier Ultralift ‘wrinkle reader’ – rational response

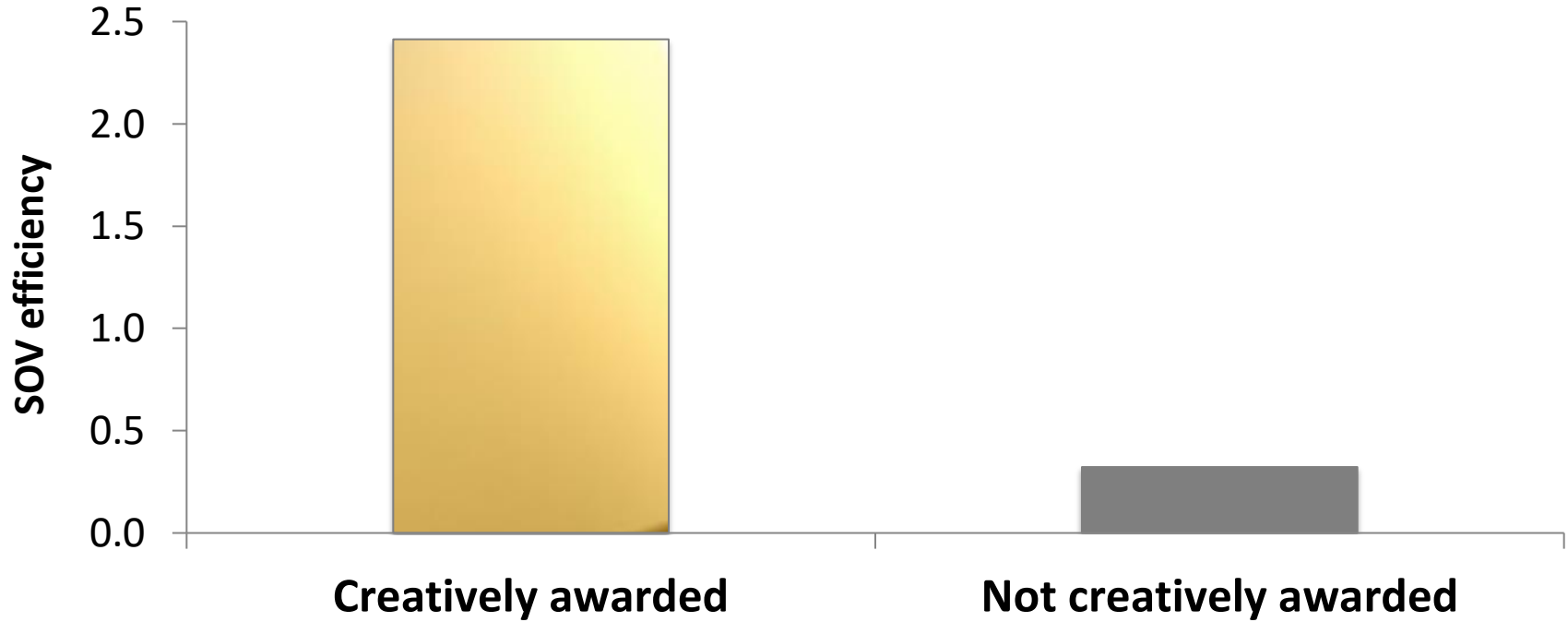


Garnier Ultralift 'wrinkle reader' bottom of funnel sales response



3. Get Creative

NB: creativity is a top of funnel tool



Source: IPA Databank, 1998-2018 cases

Twix – all the creative virtues



Source: Cannes 2022

4. Be Consistent

- Fluent devices help drive growth

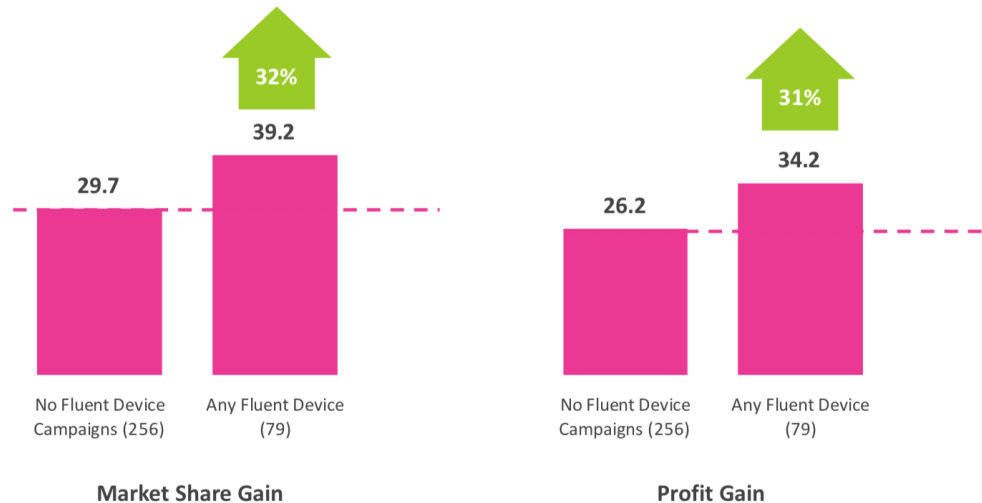


**“You’re not
you when
you’re
hungry”**

Fluent devices help drive growth

Long-term campaigns with Fluent Devices much more likely to achieve profit gain

% Achieving Very Large Effects on Each



Fluent devices are becoming rare

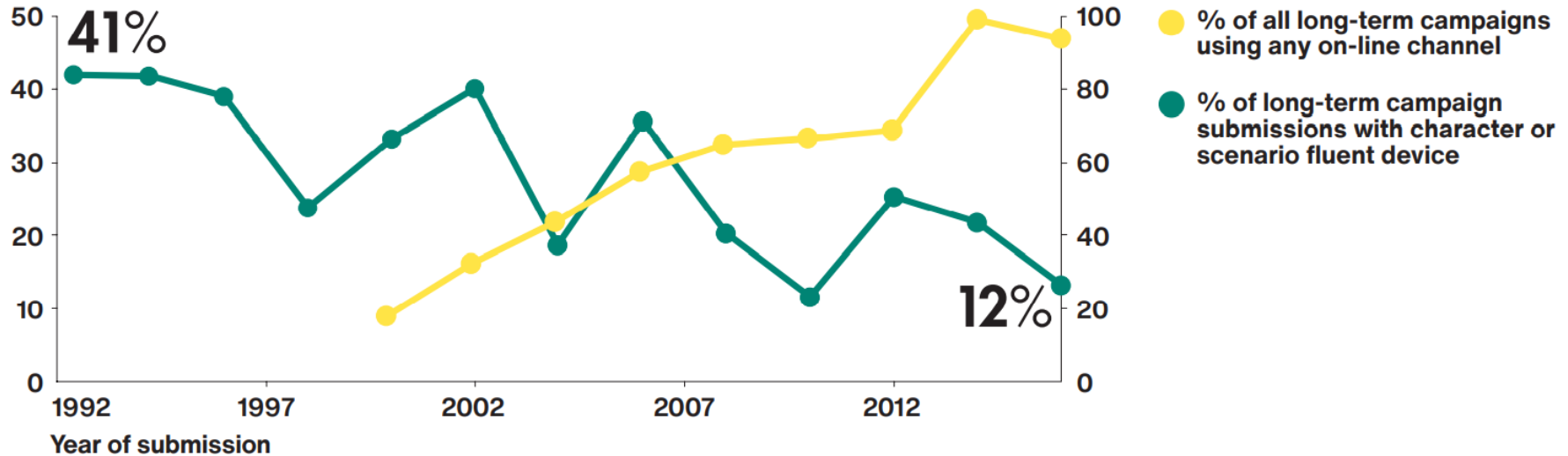


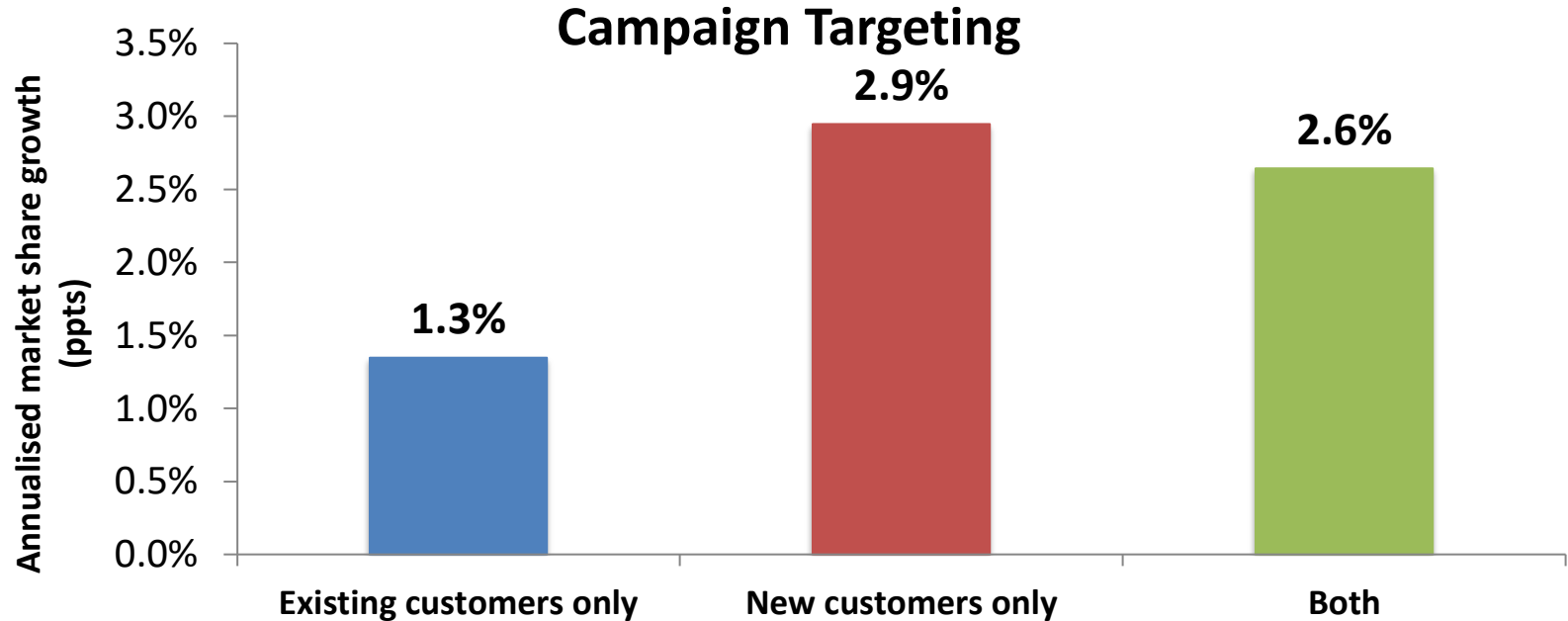
Fig 60 The rise in the digital channels in the period of the fluent device's decline

Sonic fluent devices work in radio



Still from Gousto TV/Online video

5. Build (out) Reach

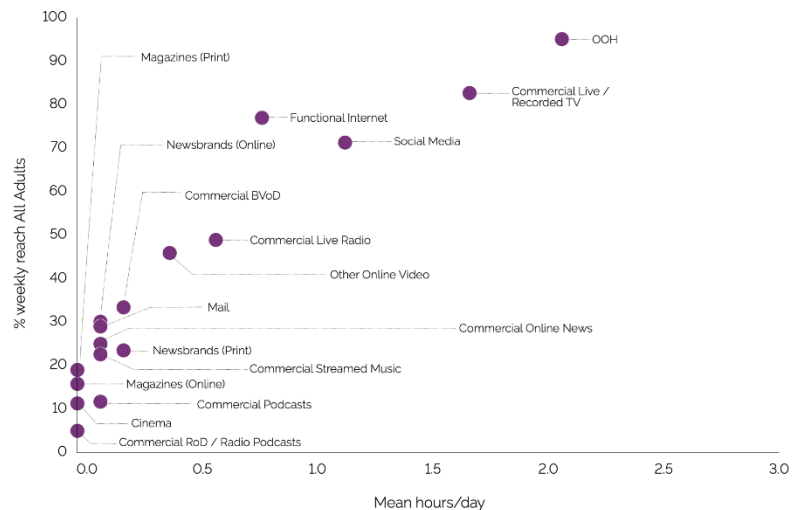


Source: IPA Databank, 1998-2022 cases

UK Radio Reach & Duration

All Adults

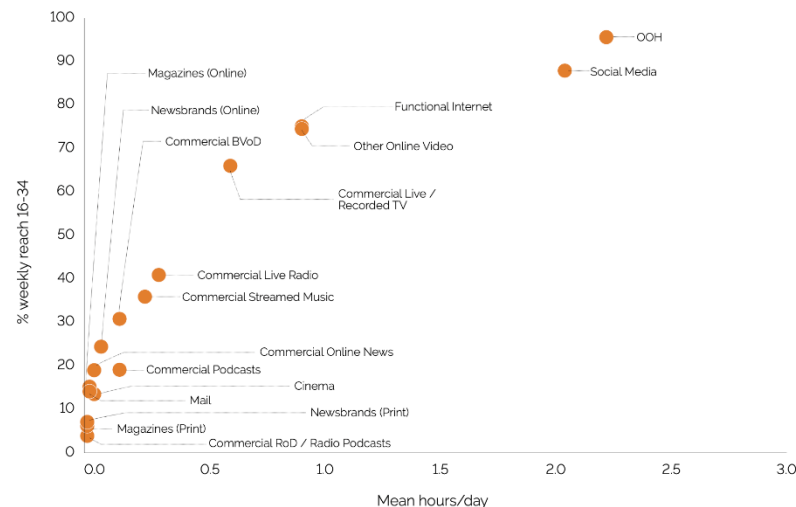
TouchPoints 2022 W2



Source: IPA TouchPoints - Weekly reach and mean hours per capita per day of buyable media types for All Adults

15-34s

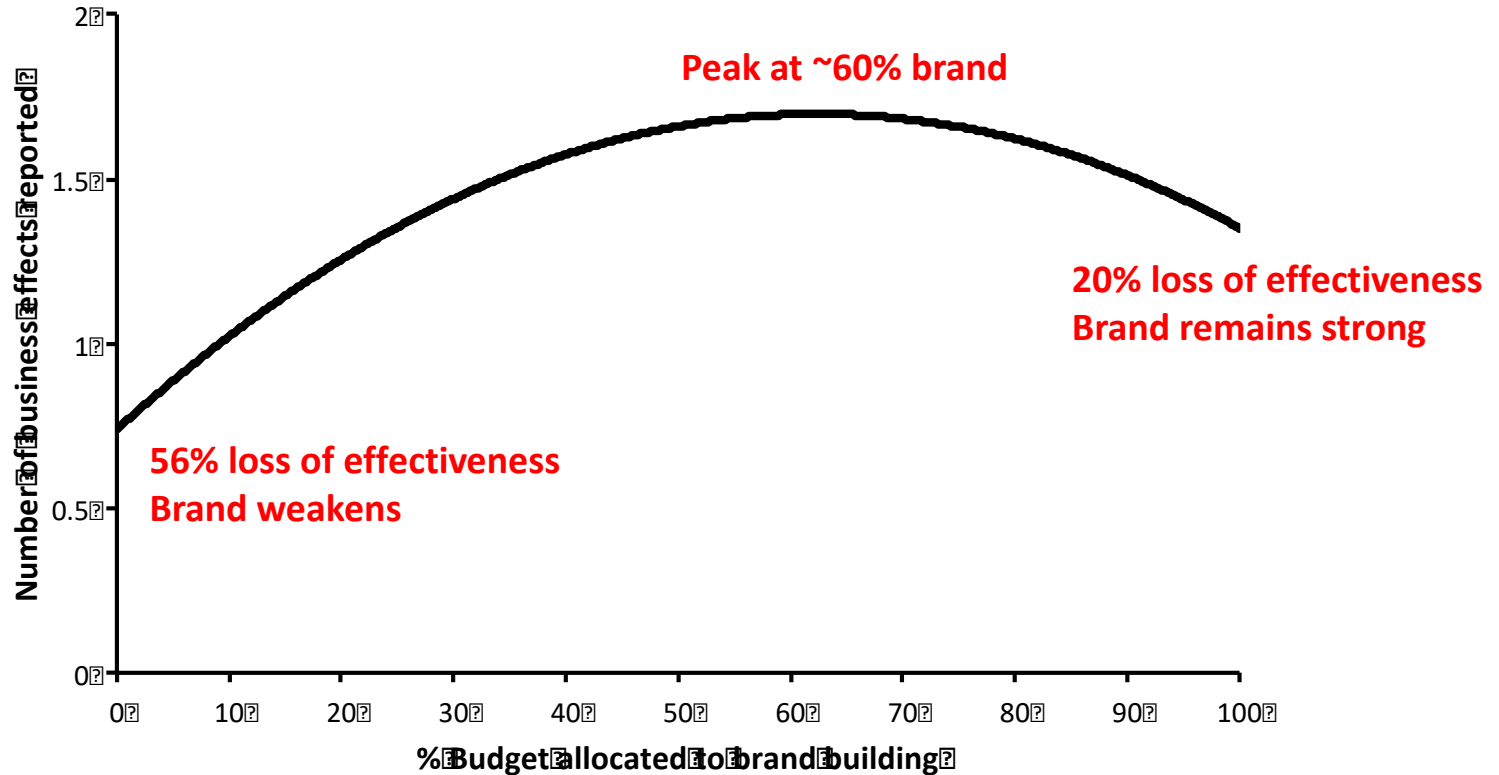
TouchPoints 2022 W2



Source: IPA TouchPoints - Weekly reach and mean hours per capita per day of buyable media types for 15-34

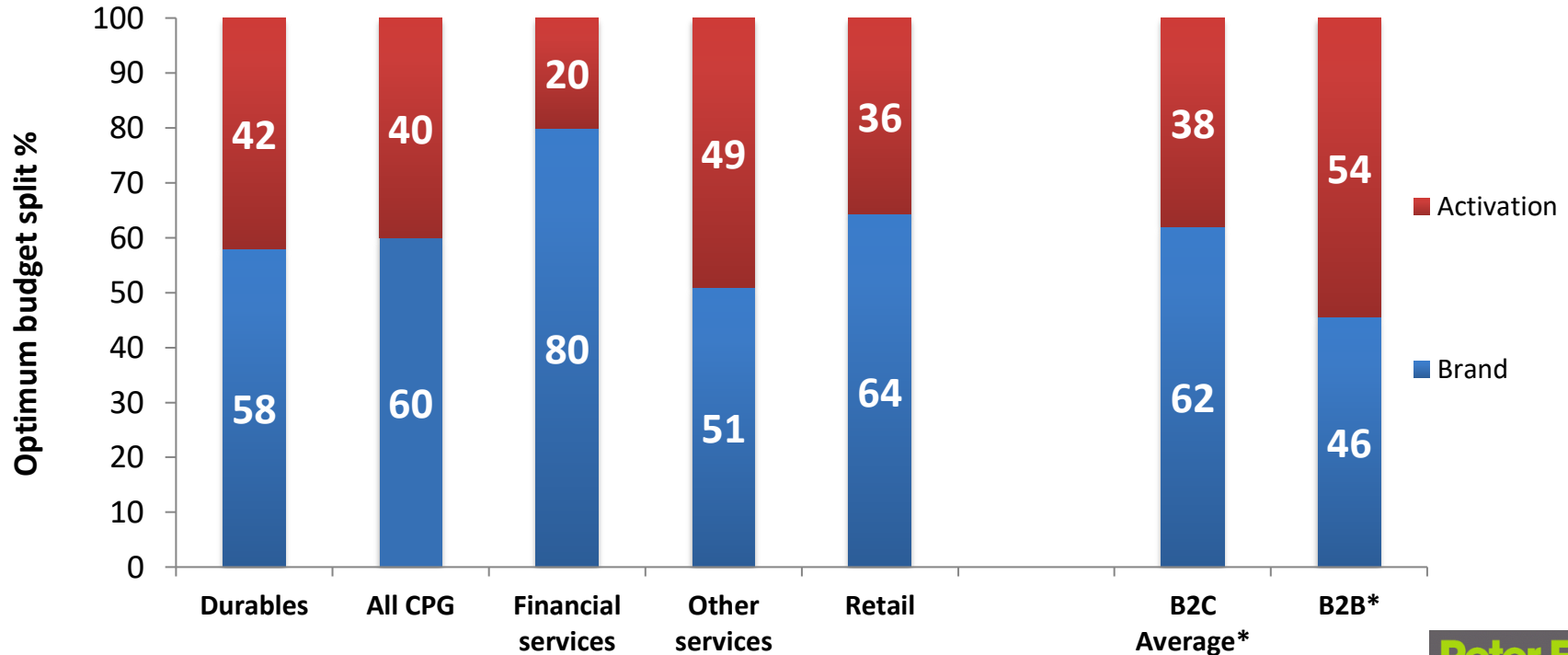
Source: IPA Touchpoints, Making sense - The commercial media landscape, 2023

6. Balance Long & Short



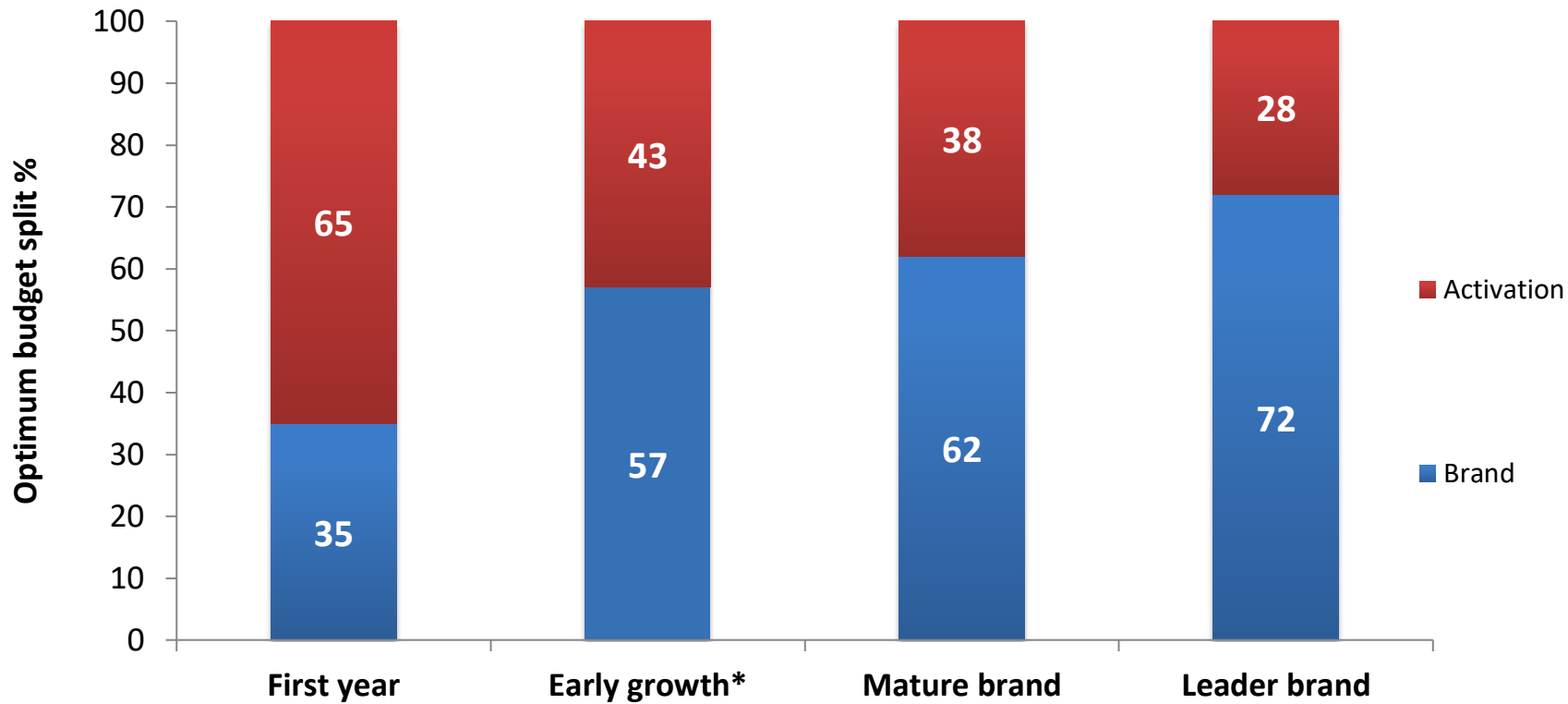
Source: IPA Databank, 1998-2016 for-profit cases

The '60:40 rule' is not one-size-fits-all



Source: IPA Databank, 1998-2016 for-profit cases, * latest data to 2022

Optimum mix changes as brands mature



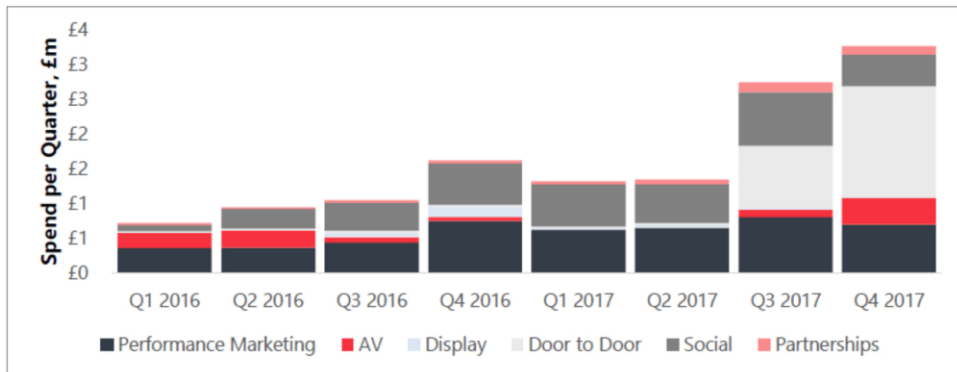
Source: IPA Databank, 1998-2018 cases

* New brands excluding 1st year

Breaking through the growth inflection point: Gousto

2012-18 Response driven

2019-20 Brand + Response



Market share growth +9 ppts

“Activations across Radio and Social delivered the strongest incremental CPA of any activity with over £1m in spend”

The trade-off between brand and activation across channels



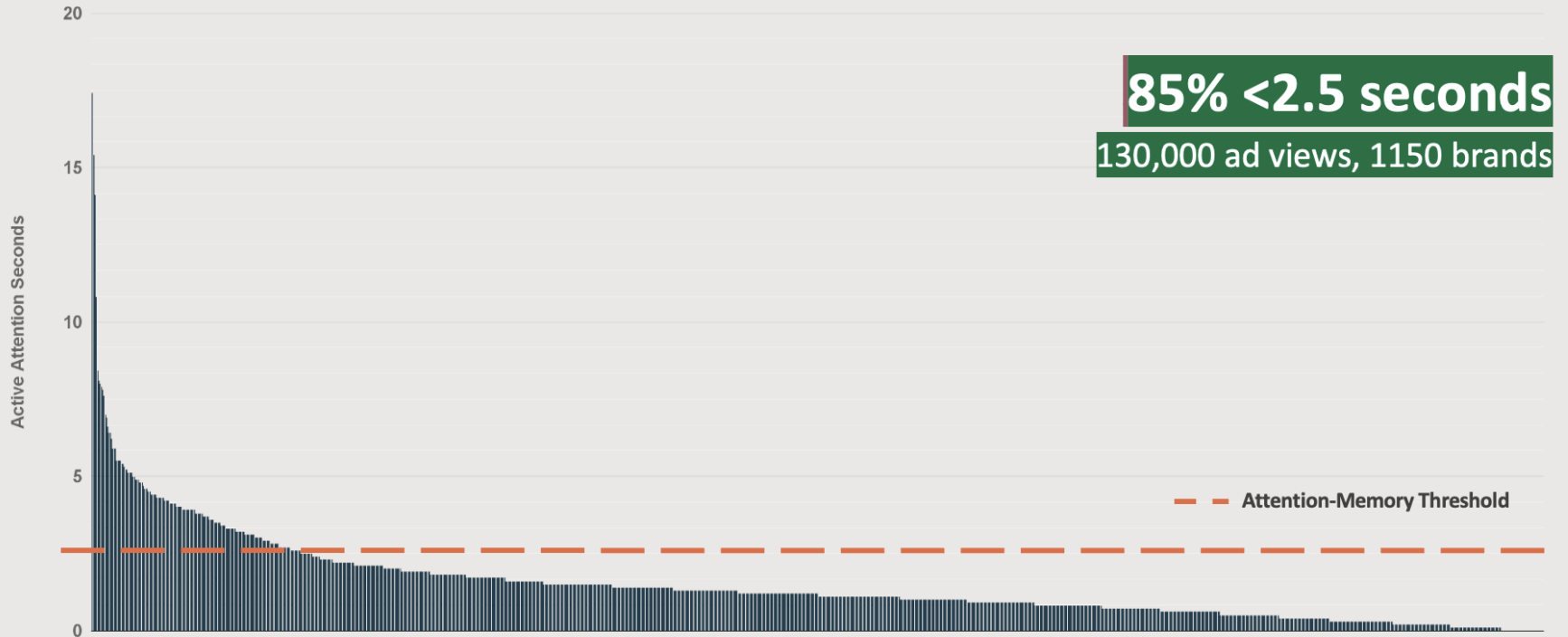
Radio building brand and response



Specsavers radio – 3.3 stars in System1 testing

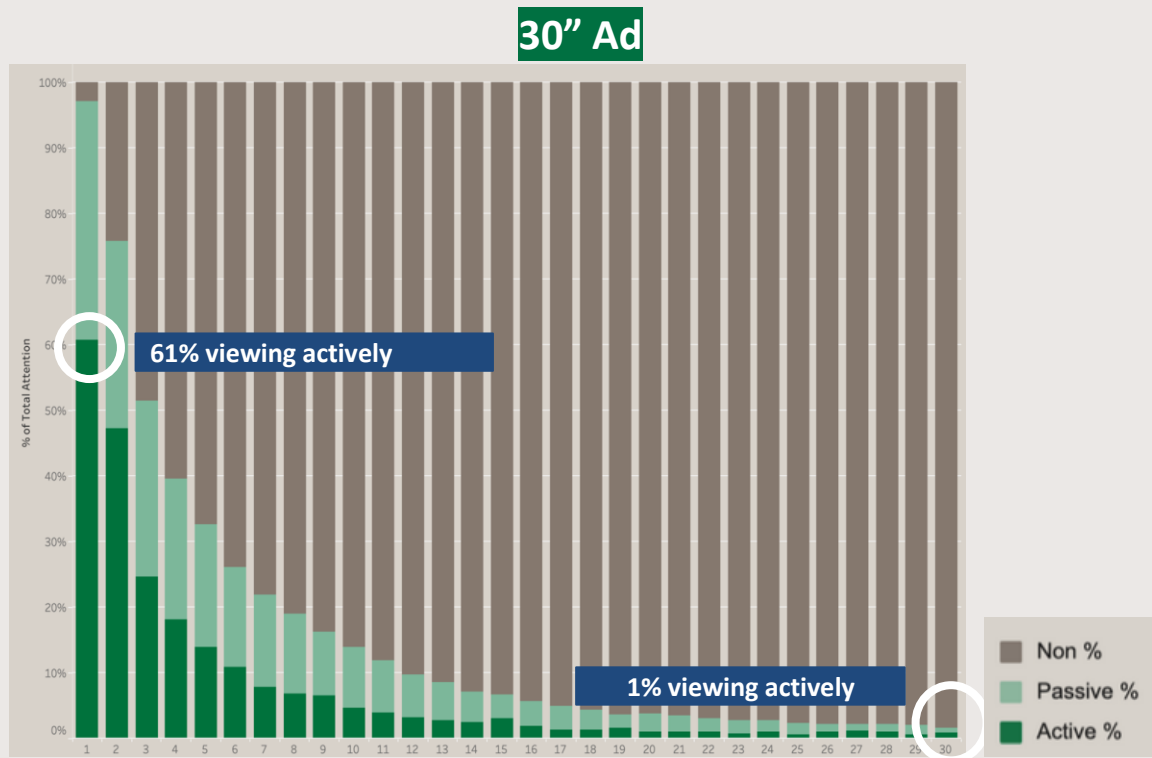
The digital video brand building challenge

When ads don't meet the Attention-Memory Threshold of 2.5 seconds, it's hard for MA to grow.



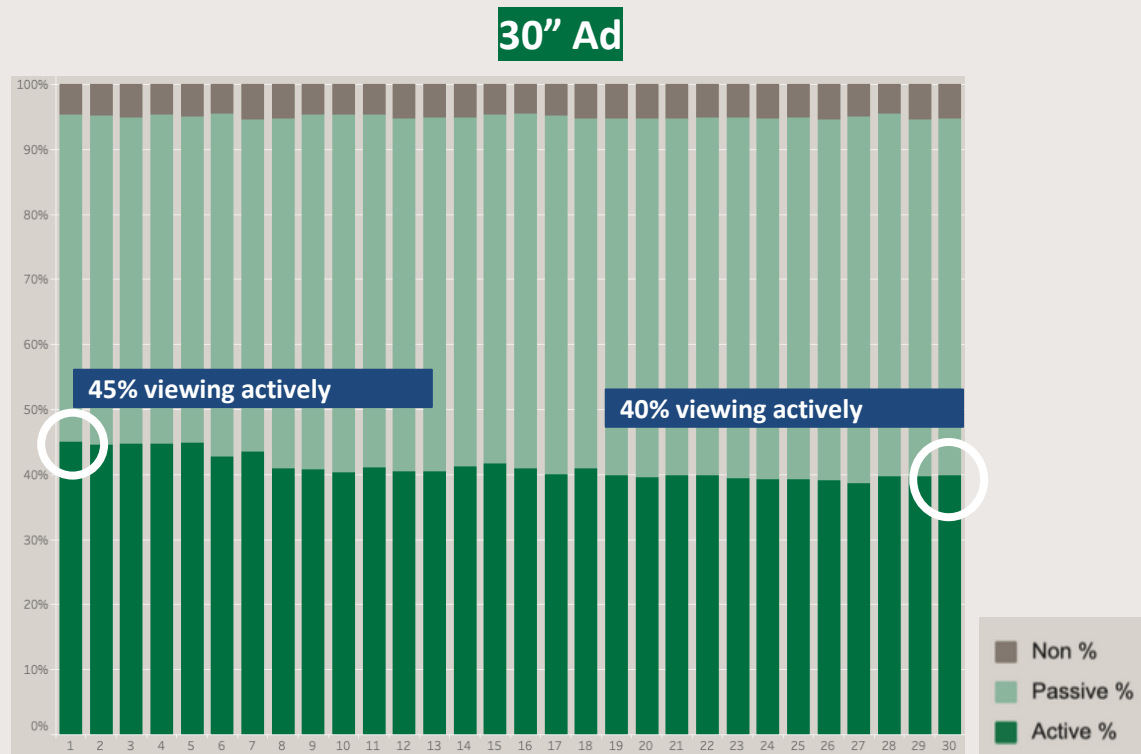
Fast decay looks like this.

Lots of active attention early, then a then a super fast and steep drop off.

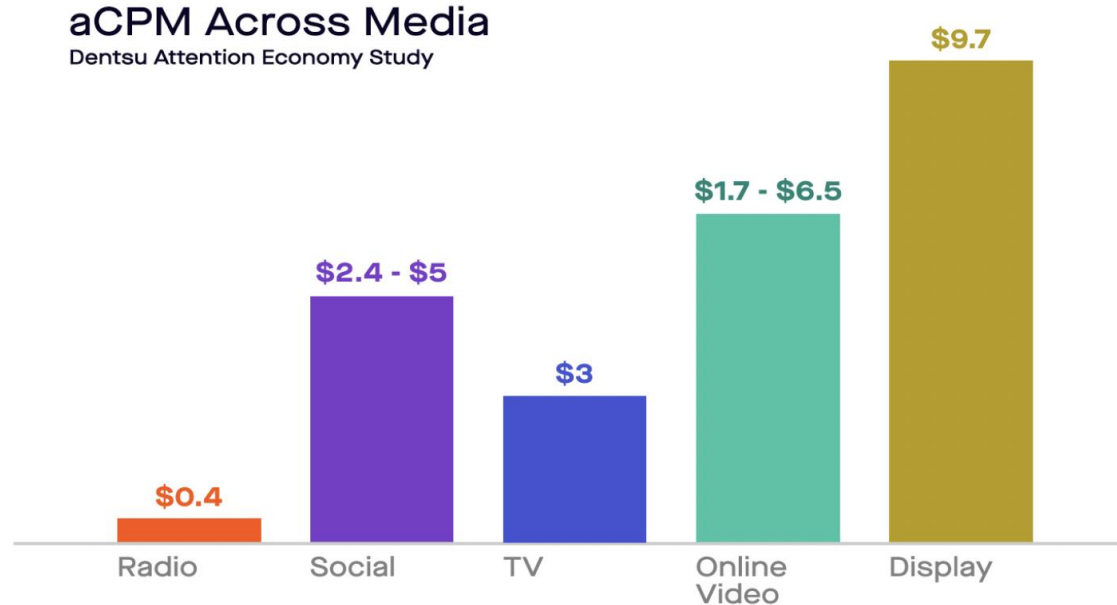


Slow decay looks like this.

Active attention is largely stable across the entire course of the view.



New Dentsu research: attention weighted CPM

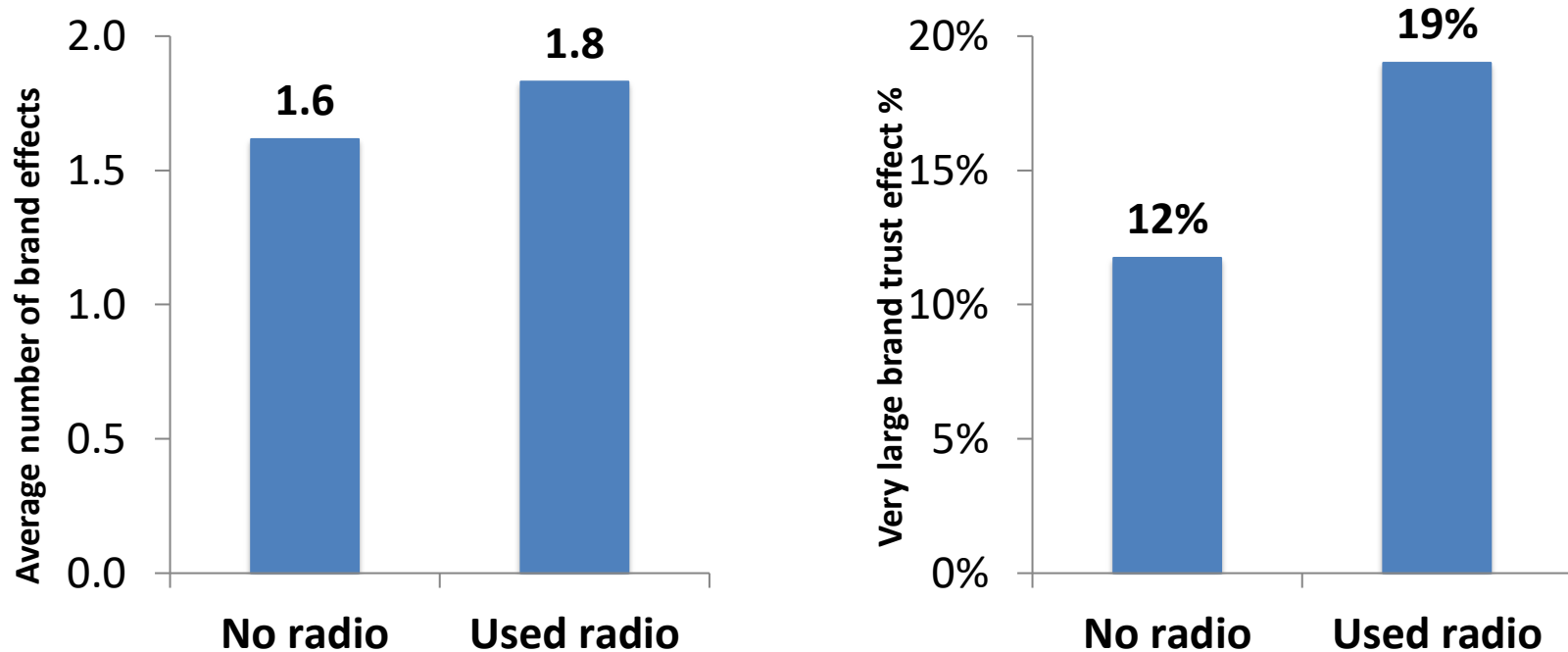


Source: Audacy Inc. from Dentsu/Lumen research

Radio's effectiveness scorecard

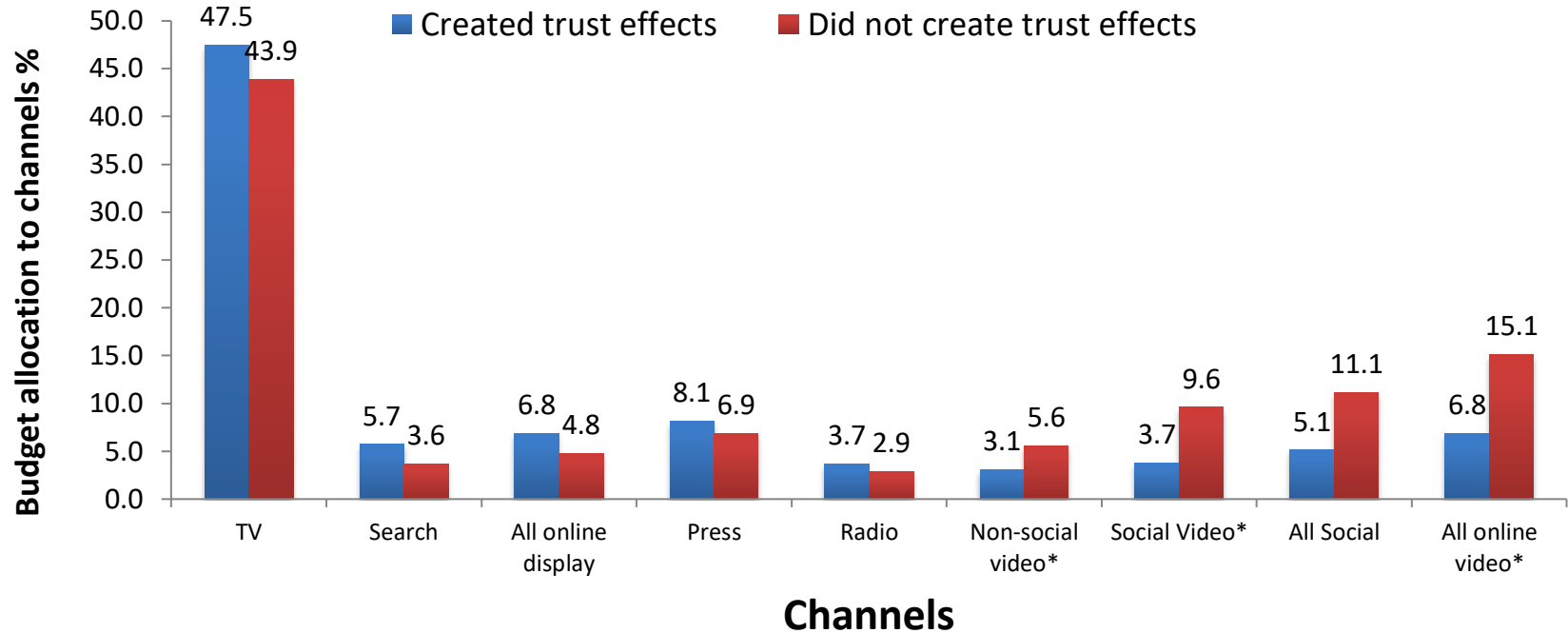
“Radio significantly increases SOV efficiency, making budgets work harder.”

Radio boosts MA and brand trust

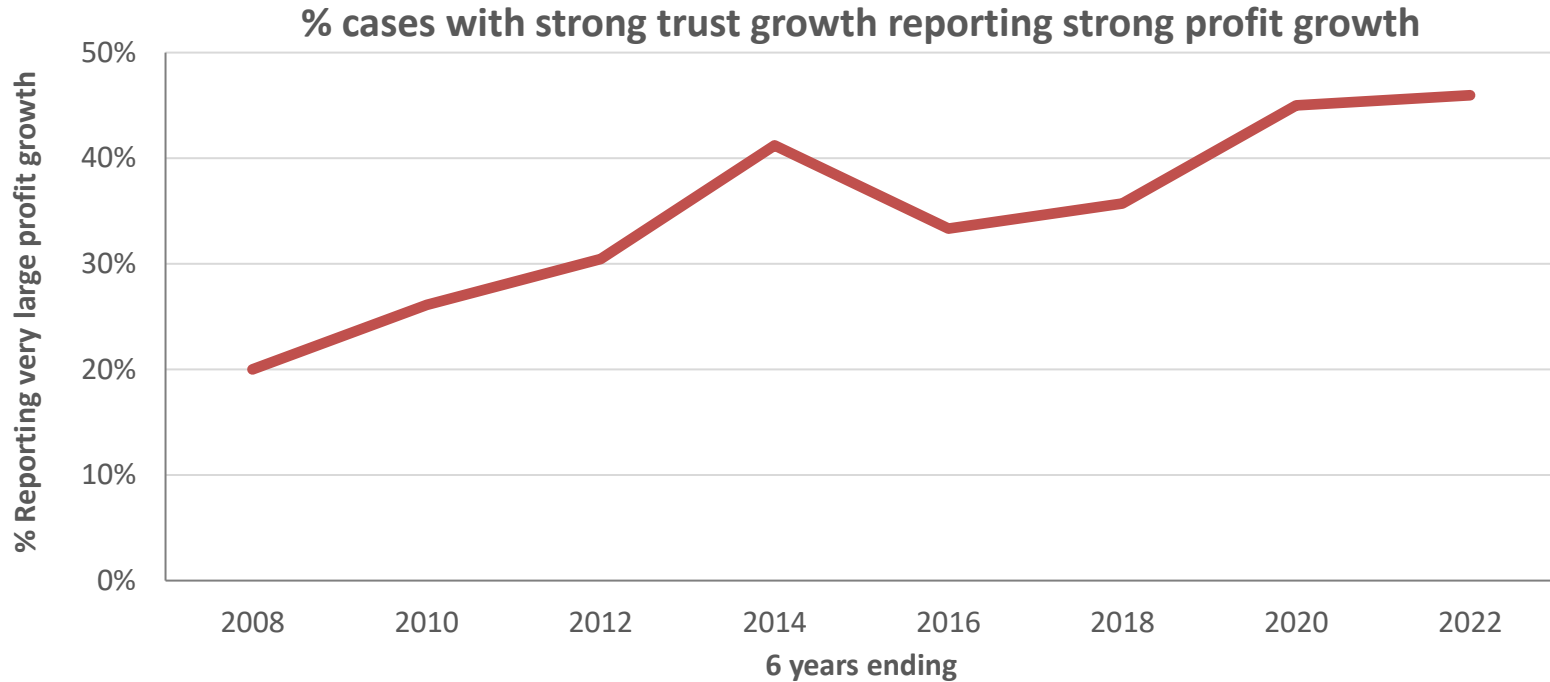


Source: IPA Databank, 2000-2022 for-profit cases

Radio is one of the trusted media



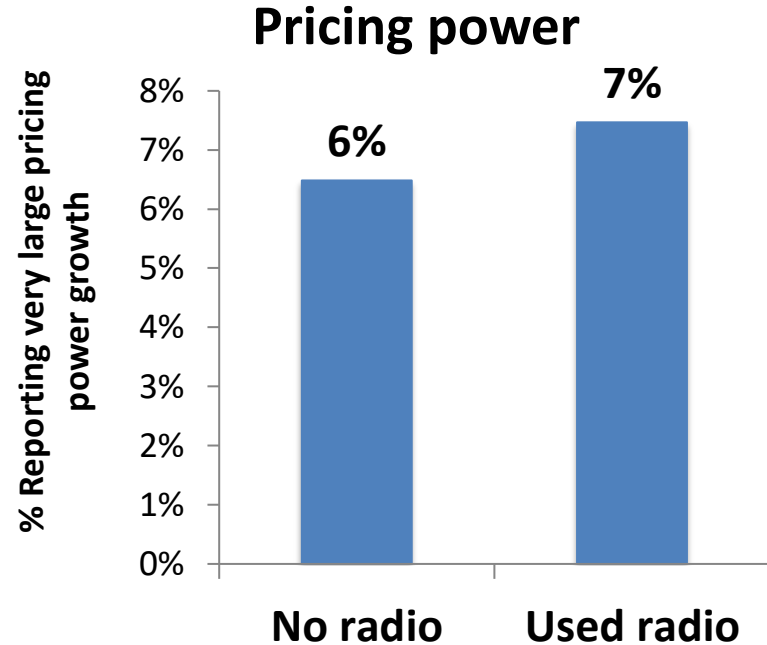
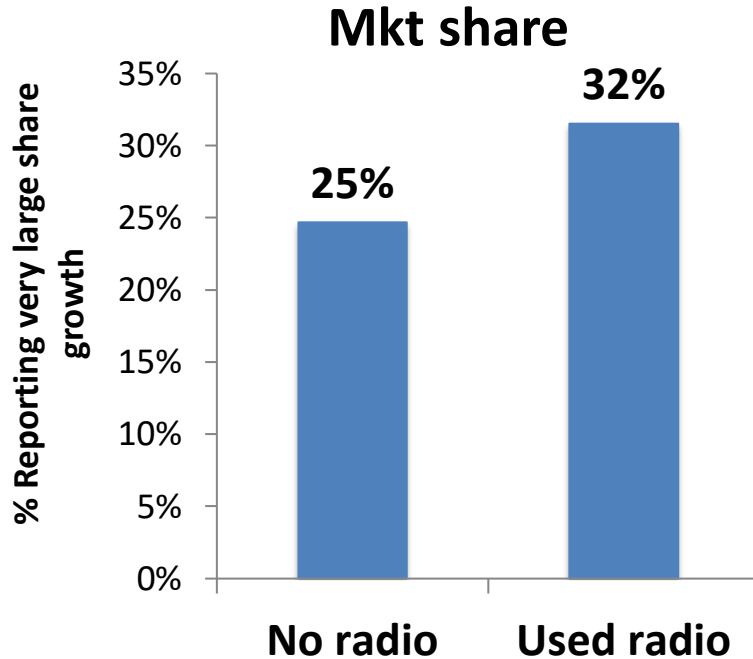
The link between trust and profit has grown especially strongly



Base: IPA Databank 2004-2022 for profit cases reporting very large trust improvements

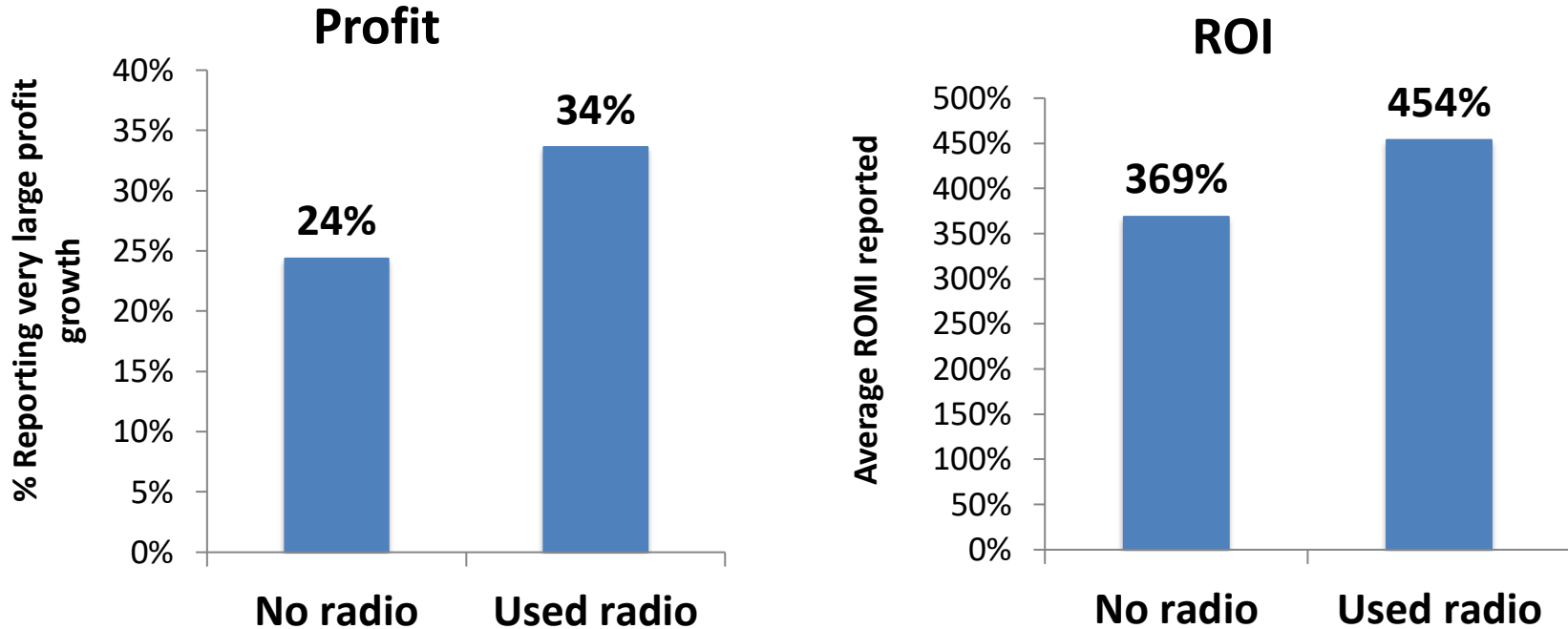
NB: insufficient data prior to 2008

Radio boosts market share and pricing power



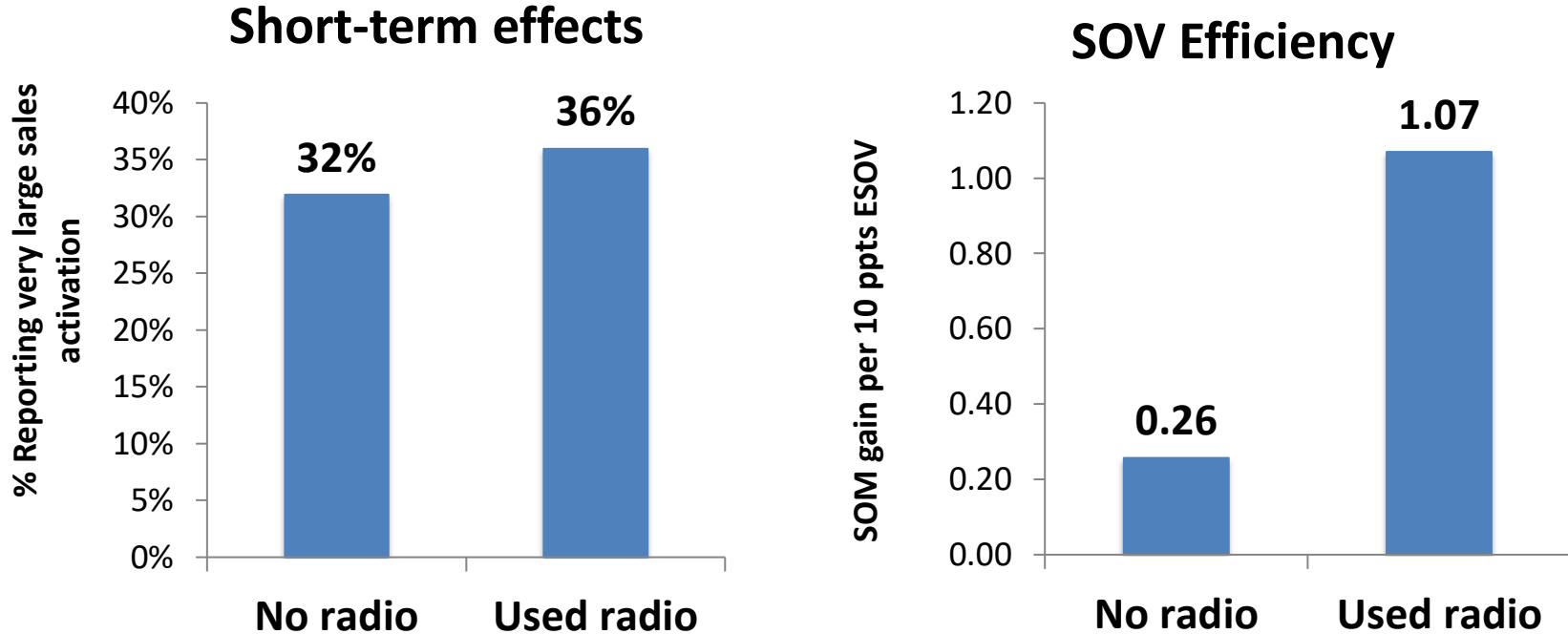
Source: IPA Databank, 2000-2022 for-profit cases

Radio boosts profit and ROI



Source: IPA Databank, 2000-2022 for-profit cases

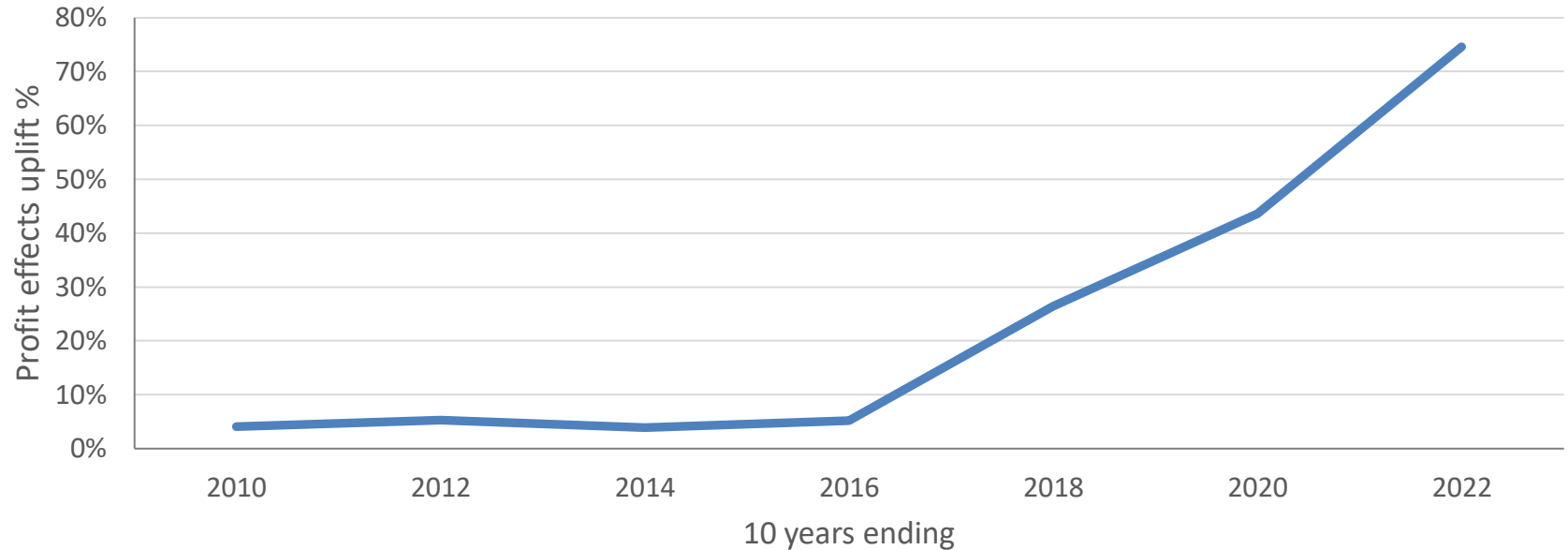
Radio boosts short-term effects and SOV efficiency



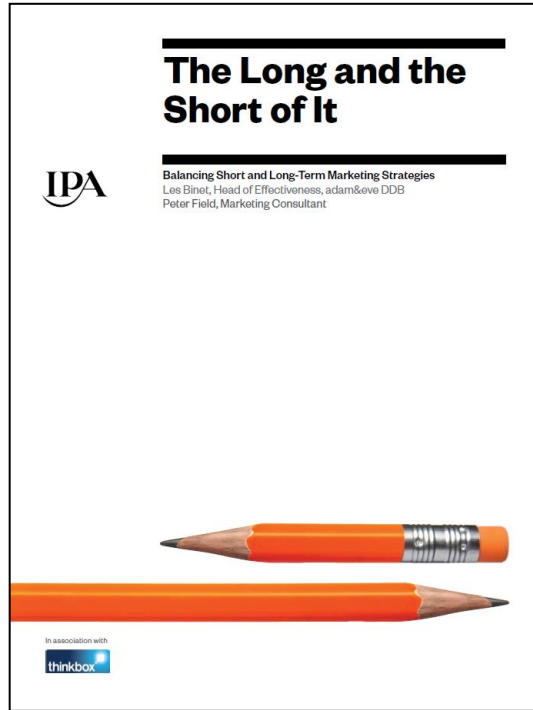
Source: IPA Databank, 2000-2022 for-profit cases

Radio's growing impact on profit

Uplift to very large profit effects: radio users vs. non-users



Six rules of long-term effectiveness



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Thank You

Questions