

Point-of-View

Ad Delivery: Timing is Still Everything

By Jim Harris, Thursday, May 13, 2010

In 1995, John Philip Jones, a professor at the Newhouse School of Public Communication at Syracuse University, shook up media planning with a seminal book titled *When Ads Work*. In his treatise, Jones postulated that a single advertising exposure could prompt the purchase of a product or service. The key to his thesis was timing: the single advertisement that could move the consumer needle was *the most recent* in a series of advertising exposures just before a purchase is made.

Due to the explosive growth of the Internet, much in the advertising world has changed in the 15 years since the publication of *When Ads Work*. One thing that hasn't changed is the endless debate over audience metrics. What is an ad impression on TV? What is an impression on the Internet? How do you reconcile audience delivery over multiple platforms? Shall we redefine "effective reach" yet again?

It's no wonder that a new book, *Data-Driven Marketing -- the 15 Metrics Everyone in Marketing Should Know*, written by Mark Jeffery of the Kellogg School of Management at Northwestern University, posits that 63% of senior marketing managers primarily make funding decisions for individual marketing campaigns based on their "gut feel and intuition." So much for fancy metrics.

Our industry needs to take a step back, breathe deeply and go back to basics. This means doing the hard work necessary to take a zero-based look at every marketing investment, starting with television. The result would be a massive re-thinking of misspent advertising budgets. Our approach to media spending should not work from the top down but backward to the customer from the point of the transaction. Why? Because advertising and marketing expenditures that move closer to the point of consideration and purchase are more efficient on an ROI basis.

The simple conclusion: Timing is still everything. The more nuanced conclusion: When it comes to advertising investments, there's magic in optimizing both time and place. This conclusion is more relevant than ever in our multi-tasking, short-attention-span, advertising-saturated society. Commerce starts with "when" -- meaning when people see your message relative to a buying opportunity.

So when and where are consumers making purchasing decisions? In the same places they always have. In the home, it's when the milk carton or toothpaste tube runs dry. In the car, it's when a radio spot touts the latest value at McDonald's or Walgreens. In-store, it used to be the shelf-talking coupon or end-cap display that aimed to influence brand purchase; now it's just as much the in-store advertisements.

In the workplace, concerns about milk and toothpaste give way to contemplation of considered purchases. Cars, computers and software, financial services, travel and other big-ticket items are researched and purchased from offices and cubicles every working day.

According to comScore, during the last four months of 2009, 85% of the dollars spent on office supplies and business machines came from at-work computers. Over that same period, 55% of electronics/computing purchasing came from at-work computers, along with 55% of travel-related expenditures. According to comScore's Search-to-Purchase Study, Internet users spend more time searching business/finance, consumer electronics, education and health sites at work than they do at home, and they spend significantly more time researching consumer goods in general at work.

In his book, Jones made this observation about the importance of product promotion: "Do not advertise without some promotional support. Do not promote without some advertising support." What about doing both in the same place at the same time?

A prime example is what BlackBerry has done to increase smartphone purchases and use among small businesses and small-business owners. BlackBerry employed workplace advertising combined with hands-on product demonstrations in office building lobbies. The company collected information from consumers and contacted them within 120 days of their participation in the product demonstrations.

Research firm Brand Keys found that average BlackBerry purchase intent rose more than 50% (compared to a control group that had not attended the demonstrations) and that brand engagement -- the Brand Keys gauge of brand strength within a given category -- rose more than 60%. Most compelling was the fact that among the people who attended the demonstrations and saw ads in the lobbies of their office buildings, actual product sell-through was 16% within 120 days of the events. The combination of office building-based ads and product demonstrations outperformed general brand advertising alone by a ratio of 8-to-1.

As advertising platforms continue to proliferate, we are witnessing a veritable explosion of audience data, along with new mathematical formulae, in an ever

more sophisticated search for the "black box" that will better inform media planning and audience delivery.

In some ways, it seems eerily similar to the quest of the financial industry to relegate second-by-second investment decision-making to computers using complex algorithms that are supposed to reduce risk. (And we know how well that has turned out.) In the expanding effort to link and correlate all consumer touch points so they can be harnessed to work in tandem to deliver effective advertising messages, it's easy to lose sight of what works, where it works and why.

Obviously, it's a good thing that Jones didn't have to factor the Internet into his 1995 thesis, or he might still be pondering the various imponderables. I guess his timing could not have been better.

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