

New Research Shows TV is as Powerful as It's Ever Been

By Doug Garnett (*Published, Response Magazine, September 2009*)

The death of television advertising was first rumored decades ago with fears that remote controls and the VCR would put advertisers out of business (they didn't). When DVRs appeared over 10 years ago, we were once again told that TV advertising would die (it didn't). Now the "TV killer" idea is trotted out for every new media option -- from "buzz" marketing and YouTube to social networking and mobile advertising.

To sort today's media fact from fiction, the Journal of Advertising Research (JAR) dedicated its June 2009 edition to new and old media options. It includes articles dedicated to specific media types as well as compendium articles looking at how to balance an integrated media mix. What they found is surprising.

Lesson 1: Television Advertising's Impact is Increasing

This is a jaw-dropping conclusion. And the studies are very clear: TV advertising is increasing in impact.

For example, one article reports findings that one index of TV effectiveness has increased 30% from 2005 to 2008 (The Dratfield Analysis). This same article reports a 50% increase in the television "Persuasion Points" between 1997 and 2006 according to the ARS database. (Rubinson, "Empirical Evidence of TV Advertising Effectiveness")

Another team of authors concludes, "TV will remain the pre-eminent fast and vast advertising medium." (Sharp/Beal/Collins, "Television: Back to the Future")

Lesson 2: TV Viewership has Not Declined

We were told to expect TV's decline because viewership would decline. In fact, it's not declining. The latest studies find that TV consumption is as high as ever. During primetime on any given evening you will still find two thirds of American households watching TV.

Lesson 3: Attention While Viewing TV has Not Decreased

We've also been told that TV advertising will lose impact because viewers are "multi-tasking" -- watching TV while browsing the internet or playing their Nintendo DS.

In fact, there is no drop in effectiveness of TV advertising. My own sense is that we've always multi-tasked while watching. Thirty years ago, my college roommate and I played darts during commercial breaks while watching M*A*S*H every night. Is anything really different today? We have new options for distraction, but they're just replacing the old distractions -- not the TV viewing.

Lesson 4: TV Effectiveness Hasn't Decreased Due to DVR's

DVRs were supposed to put the nail in the coffin of TV advertising. The JAR studies look at this question and find no drop in effectiveness due to DVRs.

Why? One study notes that without DVR's, we saw three types of behavior during commercial breaks: one-third of viewers remain active viewers, one-third partially view commercials, and one third completely avoid commercials.

It appears this behavior remains the same with DVRs and that their impact is to allow people who would have ignored the advertising anyway to fast forward past it.

Lesson 5: Television Makes Other Media Work Better

The JAR studies also show that when a TV campaign is on-air, other media have higher impact as well. The direct response television (DRTV) business should take note. While television might be our core communication, it has even more impact when used with other media. Building a solid foundation of communication with TV makes for better success, for example, in word of mouth advertising campaigns (this is just one cross-media finding in the JAR articles).

Why do We Hear so Much About New Media?

New media dominates discussion right now because it benefits three power centers. First, it's good for advertising agencies. In broad terms, it shifts client spending from media expense to agency manpower --- the best source of agency profit.

New media hype is also good for new media companies. These companies stand to make billions from successful IPO's or acquisitions. Finally, new media is good for journalists. It gives the 24 hour cable news cycle and traditional advertising reporters a topic that drives viewership and readership --- their key to profits.

Unfortunately none of these groups are the advertisers themselves. Truth is, new media has had more impact on agency profits than in generating profits for clients.

Back to the Future with DRTV

Far from the death of television, these studies show that television's evolution gives it amazing vitality and life. DRTV is one of those sources of TV's vitality --- an evolution that brings new power to advertisers with campaigns that can be mounted for pennies on the TV dollar.

Only one question remains for advertisers: When will you make DRTV the core of your advertising?

About Doug Garnett

Doug Garnett is a pioneer in the branded use of DRTV as well as founder & CEO of Atomic Direct --- an advertising agency specializing in brands, consumer strategy, infomercials, and driving sales with television. He has developed DRTV campaigns for established brands like AT&T, AAA, DuPont and Rubbermaid as well as new or emerging brands like the Drill Doctor, White's Electronics, and Kreg Tool. Doug is also an adjunct professor of advertising in the business school at Portland State University. For more information, visit www.atomicdirect.com.

Other Findings

The Biggest Impact of Online Advertising is at the Store

One of these studies found that the biggest profit potential for online advertising is sales at off-line sources like retail. It works like this: Online, you have a limited universe you are able to reach. But off-line you have dramatically more opportunity for people to purchase based on your online advertising. So, in fact, the potential for profit from online advertising comes at the retail store. Interesting.

Traditional TV Brand Rules Still Need to be Followed

Many times I've heard creative teams justify bad creative choices by saying that the consumer is so savvy today that we don't need to follow old brand principals. In just one example, these studies confirmed again that on average fully 60% of the viewers can not recall the brand names of the advertising they watched. The fix is simple. The research further found that visual repetition of the brand name was required to increase recall of the brand.

Product Innovation Substantially Increase Advertising Impact

For those of us in DRTV we shouldn't be surprised by this one. The traditional advertising business would do well to pay more attention to this. The mistake many traditional brand advertising campaigns make is trying to leverage *creative innovation* when much bigger impact would come from clearly communicating *product innovation*.