

Riger

ADVERTISING



How to measure results?

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Ask us. We're listening.

Advertisers are always asking themselves (and, sooner or later, asking me), "how do I know when it's working?"

There are various methods, none always perfect, but you may find a quick review of the following seven methods will be helpful next time you ponder that question.

1. The Sales Method

Our favorite New Yorker cartoon of all time shows an overbearing executive standing behind the seated, shirt-sleeved and intimidated staffer, both dwarfed by huge stacks of merchandise awaiting signs of demand from the outside world. The big guy barks in the underling's ear, "Something's got to go, Fenton. You, me, or this inventory — and it's NOT going to be me!"

It's tempting to say, "I'll know whether my advertising is working by whether or not it sells the darn stuff in my ads!" But if you accept that measure, you have to give "Fenton" the control, not just over the ads, but over the other influences on the success of your product or service: price,



availability, design, and a competitive advantage of some sort. We have seldom met a "Fenton" who gets all of that authority from the boss (or who even dares ask).

2. The Show-of-Interest Method

Rather than through sales, advertising's effectiveness is more legitimately yardsticked against the show of interest that it stimulates for the product or service. In retail, that is measured by shoes across the transom. In business-to-business, it is measured by inquiries (phone, e-mail, Web site visits, business show encounters). But not every business model, nor every business category, can apply this metric to its advertising in a meaningful manner.

3. The Awareness/Preference Method

Boiled down to basics, the job of advertising is to create awareness. Working with the merits of a product or service, and throwing a light on same for the consumer in an environment competing for his/her attention, advertising can also be rightfully expected to create preference. Awareness and preference are not measured at the cash

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register, but rather by opinion research. That research takes time and it takes investment. Too few advertisers have the time-window or the budget wherewithal to study awareness of and preference for their product or service. Too often they are rushing to market with their messages, you might say, in “ready-fire-aim” mode, rather than “ready-aim-fire.”

4. The Readership/Viewership Method

A lot of money and energy are spent to gauge, “Is anybody watching/listening to/reading our stuff?” (Some of these studies, especially those tied to broadcast advertising—like Nielsen, Arbitron—are not without controversy.) In our view, the best of the readership/viewership studies determines not just whether the audience is exposed to the message, but “are they responding to our message?” (Compare to the “Show-of-Interest” Method in Part One.) Fortunately, the interactivity of the Web and other “new media” provides lots of metrics to the advertiser who is measuring response.

5. The Pre-Test Method

Some advertisers buy “insurance” for their campaign investment by “pre-testing” their creative approaches against focus group research. In theory, this provides valuable feedback on what is working, what isn’t, before the message “goes live.” It’s a great “ready-aim-fire” model. Yet, unfortunately, because of the cost and lead-time involved, it is a method which is out-of-reach for many small- and medium-size advertisers.

6. The “Trial-and-Error” Method

“Trial-and-Error” has some negative connotations, but in the real world, it’s the method that many advertisers adopt, whether they do so knowingly or not. In fact, on the Web, the advertiser is always in “survey” mode anyway. Trial-and-error is readily accepted by the Web industry because the lag time between the first message and the revised message can be hours, not weeks, nor months.

7. The Anecdotal Method

As much as business people love to measure things, sometimes you find you are in a place where you are left to measure with your gut and your heart and not so much with your head. Sometimes you hear someone whose opinion you value say to you, “I saw your ad in yesterday’s paper.” Or, “That store of yours, weren’t you on TV last night?” Perhaps, “that Web site you guys put up is really neat; it helped me a lot. Keep the good stuff coming.” This sort of anecdotal feedback can help you know that you are indeed getting through to an audience that’s important. Not to mention that it can be a real morale booster for you and your organization. “Yes, we are making a dent, after all, with this advertising,” you might hear yourself say.

Well, Fenton is safe for today (the big guy has left early for the golf course). But, armed with our “Seven Methods of Measuring Results,” Fenton is “ready-to-rumble” with him when his shadow next darkens the doorway.

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