

#### WHITEPAPER

# CHANGE THE CHANNEL

How to Avoid the Top 5
Mistakes Advertisers
Make on TV



## TABLE OF CONTENTS





The TV advertiser's dilemma	3
The top 5 mistakes advertisers are making on TV	5
Mistake #1	6
Mistake #2	8
Mistake #3	10
Mistake #4	12
Mistake #5	12

About Marketing Architects

## THE TV ADVERTISER'S DILEMMA

We're just going to say it—marketing is hard.

Long-term business growth remains fundamentally tied to reach, brandbuilding, and expanding share of voice. These pave the way for future sales. They push consumers to seek out your brand, rather than you having to connect individually for every action.

But short-term marketing performance is also crucial. Most brands can't (and shouldn't) wait months or years to see the impact of their work. Plus, immediate sales results not only aid revenue growth but can bolster much-needed internal support for marketing initiatives.

Getting the most from your marketing in both the long- and short-term is especially challenging for TV advertisers. Traditionally, TV advertising has been expensive, difficult to measure, and accessible only to the largest brands with the biggest budgets. These TV advertisers measured brand impacts over years at a time but failed to demand short-term results from their campaigns. Alternatively, direct response advertisers made immediate response to the 1-800 number featured in the commercial their top objective, while often sacrificing lasting, positive brand associations in the process.

Most brands today are looking for something in-between. Fortunately, TV is not the same channel it was 30, or even three, years ago.

TV's transformation is most obvious when thinking about streaming and Connected TV. Streaming promises the benefits of both TV and digital—high visibility with the flexibility and accountability marketers crave. It's a sign of TV's move toward a digital-like future.

But linear TV has also evolved. ACR technology built into smart TVs can track whatever is playing on the screen, whether that's the latest prestige streaming show or a commercial airing on ESPN during a live basketball game. The data collected from these TVs helps measure viewership and ad performance while offering targeting insights.

Programmatic linear is another example of the shift toward greater flexibility and control for advertisers. This method for ad buying relies on digital tools to purchase specific inventory most likely to appeal to your audience.

Measurement, too, is seeing a revolution. Cross-platform measurement continues to evolve, providing clearer insights about who is watching, when they're watching, and where. And organizations like Nielsen have developed tools to resolve viewer identities across linear, addressable, streaming, and digital video.

But even with all these advancements, success on TV isn't easily achieved.

In the streaming space, still-developing technology and fluctuating industry standards present challenges like ad fraud, attribution errors, and high pricing. And with linear, it's easy to get caught in past methods for media buying and campaign planning despite its new developments.

Modern TV advertisers need their campaigns to drive brand and sales. That requires getting every piece of their campaign right. And as TV has evolved, so have the principles for success on the channel.



## THE TOP 5 MISTAKES ADVERTISERS ARE MAKING ON TV

Despite growing accessibility, TV advertising that genuinely makes a difference for your brand requires bold action and strong commitment. Choosing creative messaging, targeting a profitable audience, and accurately measuring the impact of your campaign means gaining alignment and expertise from every level of your company.

This may mean rethinking how you've done TV advertising in the past. Or even how you've approached marketing for your brand. But the results will be more than worth the change. Because TV done right is more than a marketing tactic. It unites teams of experts in marketing research, copywriting, creative production, technology, and data science. It promotes excitement and pride from your own team. And it introduces your brand to potential customers in the comfort of their homes, sharing messages that can inspire nostalgia, laughter, and even tears.

TV advertising done right is an incredibly powerful channel. It'd be a shame not to make the most of it.

Which is why we've reviewed five of the most common mistakes we see advertisers make on TV. So you can be sure to avoid them.



#### Mistake #1 SKIPPING STRATEGY DEVELOPMENT AND CUSTOMER RESEARCH.

Skipping the strategy stage of campaign development can easily doom a campaign before it even launches.

Strategy development doesn't mean crafting a message based on your agency's gut instinct. It involves digging deep into customer research and uncovering insights to shape messaging that will resonate with viewers. It means listening to consumers and applying what they tell you.

Have you confirmed where and how your customers watch TV? Many brands have a broader audience than they think—allowing them to benefit from both streaming and linear. But finding the right balance between the two can require research. Even if you claim a niche customer type, ask whether there are audiences beyond your existing target worth connecting with via linear's mass reach. What are the benefits of reaching friends, family or coworkers of your target audience?

After all, word-of-mouth marketing is extremely powerful. <u>88% of people</u> trust a brand most when someone they know recommends it. Regardless, a clearly defined target will help you better evaluate

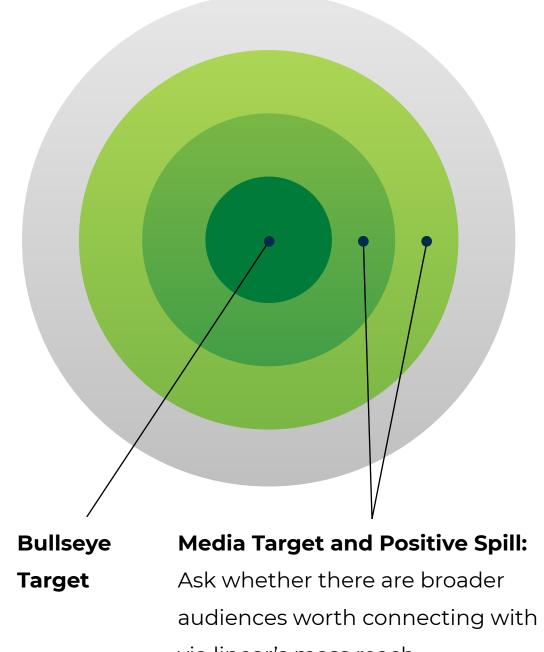
performance across audience segments after the campaign launches.

Data strategy also becomes incredibly important. How are you leveraging first-party data? Are you collecting information from existing customers across your marketing channels? If so, there are likely insights that can inform your TV campaign. And not just for identifying your linear campaign's ideal demographics. Your customer data is crucial for informing streaming targeting—from retargeting past customers to creating look-alike audiences.

Clear and relevant brand positioning is also essential. Conduct a brand study to understand how customers already view your brand and to establish a baseline for comparison after your campaign airs. This will provide insight into TV's effects on metrics like brand awareness and perception while informing how creative messaging can be optimized.

Whatever you do, don't skip the strategy stage. Because you aren't the primary builder of your brand. Your agency isn't either. That job belongs to your customers.

#### Many brands have a broader audience than they think



via linear's mass reach.

#### How to get it right

- Consider broadening your target
- Leverage first-party data to get key insights
- Understand customers by conducting a **brand study**



#### TV SUCCESS STORY

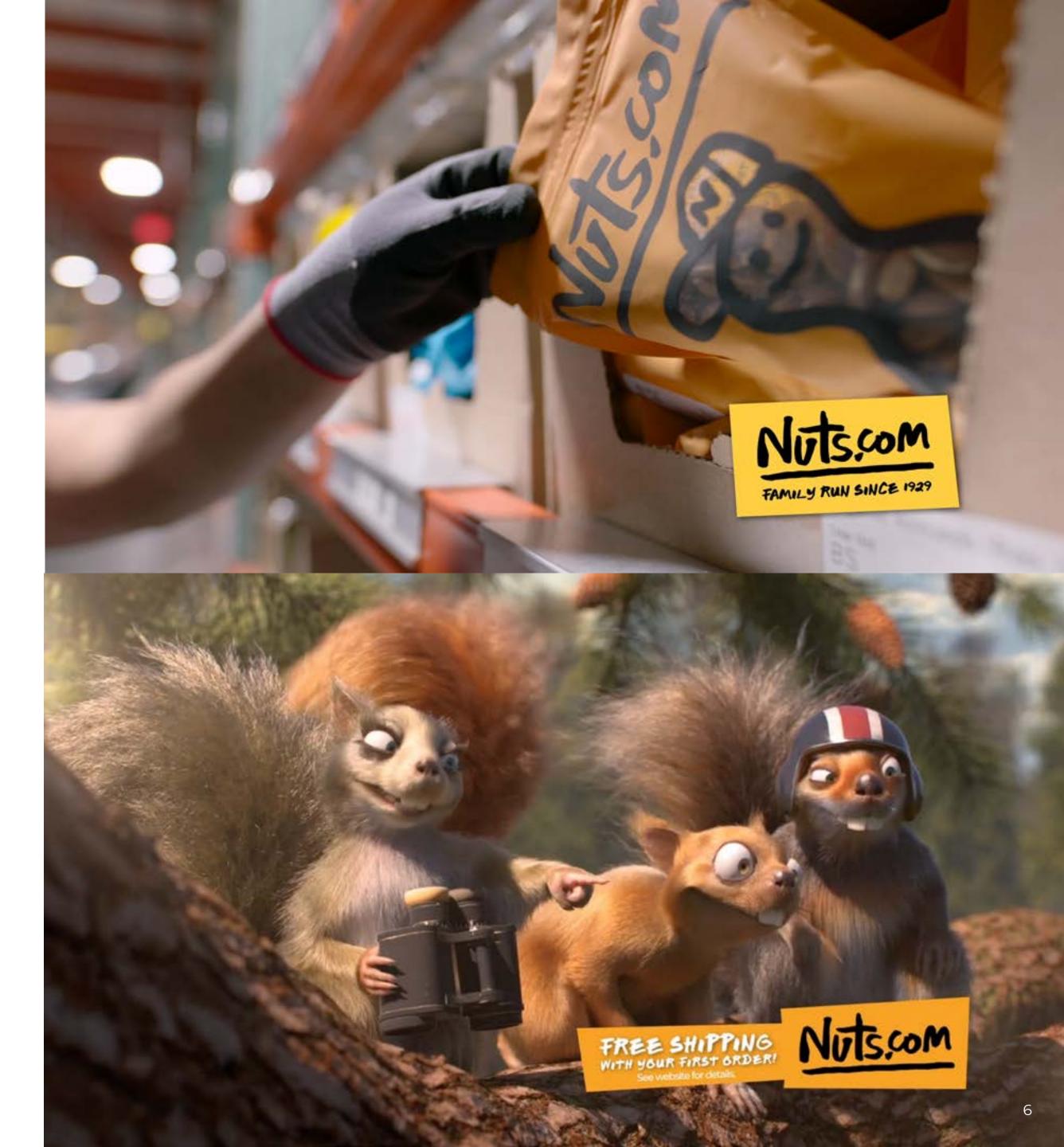
### How Nuts.com connected with new audiences on TV.

Family-owned business Nuts.com was founded as the Newark Nut Company all the way back in 1929. Today, Nuts.com is a thriving ecommerce retailer that still prioritizes its founding values of quality and service, plus boasts a wide selection of products you won't find at your local grocery.

After launching their first national TV campaign in 2020, Nuts.com watched their national aided brand awareness grow more than 150%. The brand also recognized TV's potential to reach even more new customers. With this goal in mind, Nuts.com pivoted messaging to appeal to a broader audience. They quickly produced and launched a new commercial that highlighted real customer testimonials and the variety of products available on their site.

By the end of the year, new customers increased so much they set a **company growth record**. Expanding the brand's customer base had proved even more rewarding than anticipated.





#### Mistake #2 creating a commercial to win awards, not results.

What's your favorite commercial?

You can probably think of at least a few memorable ads. Maybe that's a Super Bowl commercial that leaned into humor and celebrity. Or perhaps your mind goes to campaigns featuring characters like Progressive's Flo or the Geico Gecko.

TV is well-known for its storytelling capabilities. Big brands have capitalized on this power for years, developing beautiful, highly produced creative designed to instill memory structures in consumers' minds. Award shows celebrate these types of ads each year.

But not every brand has millions to spend on creative production. And frankly, a large price tag (or even a shelf of awards) doesn't ensure creative will be effective.

For brands that demand tangible, immediate results from their marketing, a brand-building campaign that costs millions just to produce makes little sense. Many brands need to drive return on their ad investment now—whether to prove marketing's value to the C-Suite or even to stay afloat as a business. For these brands, for a commercial to be remarkable, it must work remarkably.

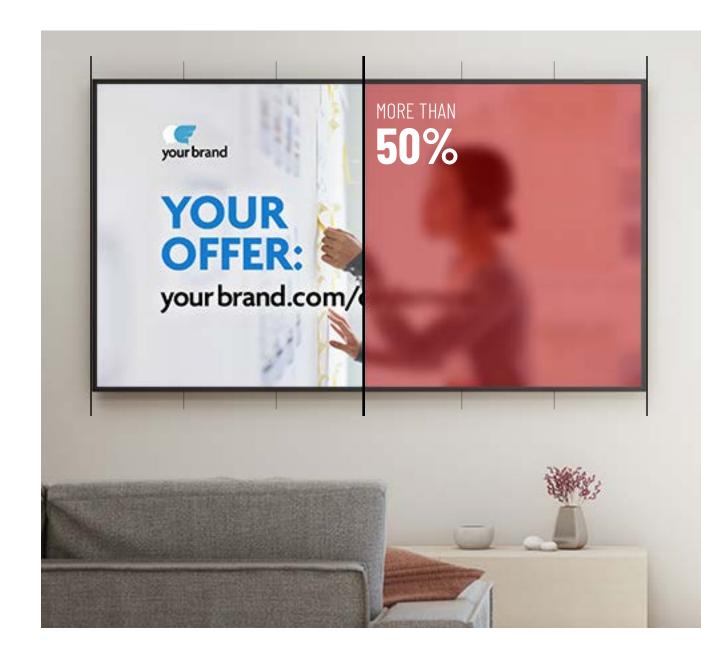
Here are a few ways to check if you're optimizing your campaign for response:

- · Does your creative have a strong call-to-action? If you present a beautiful commercial to a potential customer but don't ask them to do anything about it, you're missing opportunities to drive response.
- · Does your creative make the most of audio by using a clear, informative voiceover? More than half of commercials are heard but not seen, and if you're relying on visuals alone to communicate your message, you'll fail to connect with many potential customers.
- · Are you pretesting your creative? Brands often produce multiple creatives to test in-market. But the more fully produced spots you make, the more you spend on upfront creative costs. And putting a less effective creative in-market means poorer connections with consumers. Instead of in-market testing, pretest to determine which creative route will drive the best performance.

Still, remember that designing your campaign to drive short-term results shouldn't mean sacrificing long-term benefits like brand awareness. Your creative can be both effective and beautiful. And yes, remarkable work can be done on a budget.

#### More than half of commercials are heard but not seen

Listeners could miss important information if it isn't included in voiceover.



#### How to get it right





**Pretest** creative before advertising in-market



**Balance** sales activation and brand-building



#### TV SUCCESS STORY

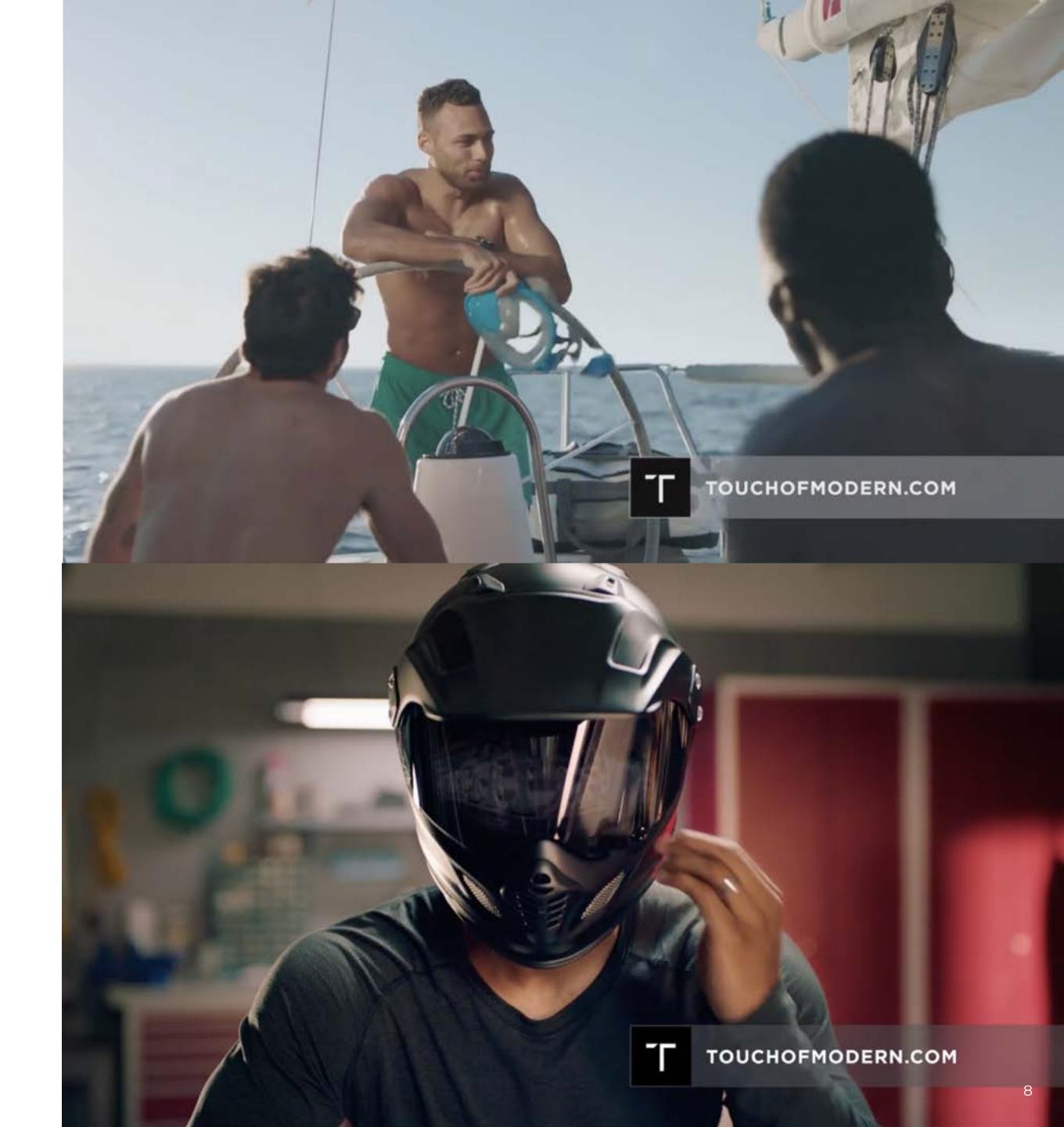
## How Touch of Modern created a beautiful commercial that inspired action.

San Francisco-based ecommerce app Touch of Modern caters to male trendsetters with curated collections of unique products. You can find one-of-a-kind watches, a portable tree house, or a coffee alarm clock all on their site.

The savvy DTC brand had previously tested TV, but not seen the results they knew were possible with such a large channel. They began work on **new creative to try a different approach on TV**. This creative focused on positioning the startup as a lifestyle brand. They highlighted the beauty, quality and exclusivity of their products. The ads were memorable and aspirational.

But Touch of Modern didn't lose sight of their performance goals. Ads always included a CTA—whether that was to visit TouchofModern.com or scan a QR code that would open their app. And it worked. Growth went from stalled to soaring. Sales lifted, the average order value increased, and cost per customer decreased.





#### Mistake #3 NOT USING TECHNOLOGY TO FIND THE MOST EFFICIENT MEDIA BUYS.

There are more ways to watch TV than ever. Audience fragmentation is at an all-time high. In a single household, five people might simultaneously watch different content on different devices.

As a result, the media marketplace is intensely complicated. Let's say you're a home goods brand. You want to advertise on HGTV. You can participate in traditional media-buying opportunities like the upfronts, purchasing media directly from HGTV. It'll likely mean overpaying. The upfronts prove worthwhile for large brands requiring certainty and advance notice. For brands with a bit more flexibility, the upfronts simply haven't kept up with what the industry has to offer.

There are dozens of alternative ways to get in front of that HGTV audience—allowing you to get the outcome you want at a lower price. Which results in greater campaign effectiveness.

But here's where advertisers face a new problem.

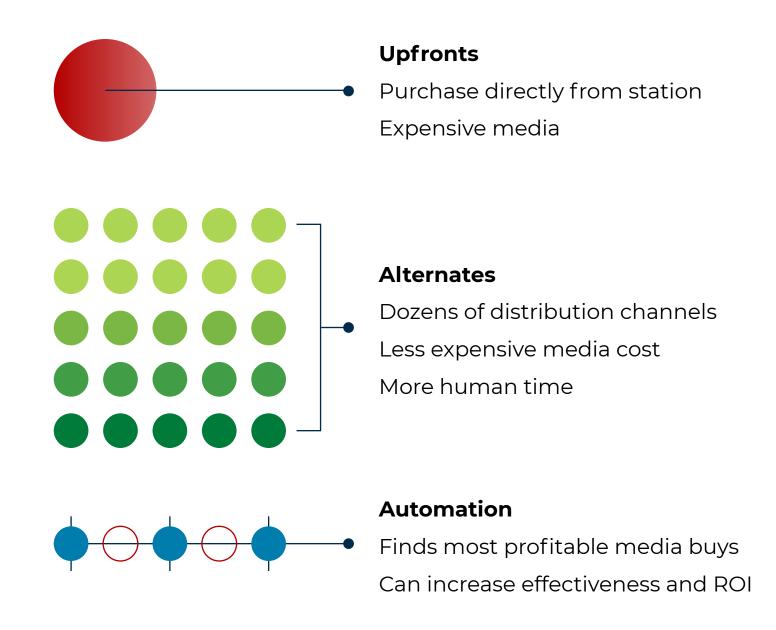
Finding these alternative opportunities, weighing all your options, and deciding in time to capitalize on the best choice is practically impossible for any one person. Or even an entire team of media buyers.

Streaming only further complicates the marketplace. Because not everything comes down to price. Think about the audiences you're reaching. While streaming inventory is often more expensive than linear, the additional cost may be worth gaining incremental reach with cord-cutter audiences or to use streaming's targeting capabilities for a retargeting campaign.

The many variables in media buying mean it's not humanly possible to fully evaluate everything in a constantly changing media marketplace. Which is why a non-human approach will provide the best results. Look for an approach to media buying that leverages automation and artificial intelligence to ensure you identify and buy the media opportunities that will make the most of your TV investment. And meet both brand and sales goals.

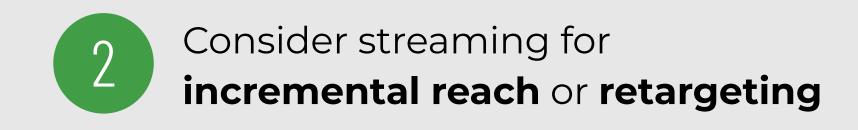
#### The media marketplace is complex

Upfronts are more expensive than alternates, but finding the right media buy is time-consuming. Automation can increase effectiveness and ROI.



#### How to get it right





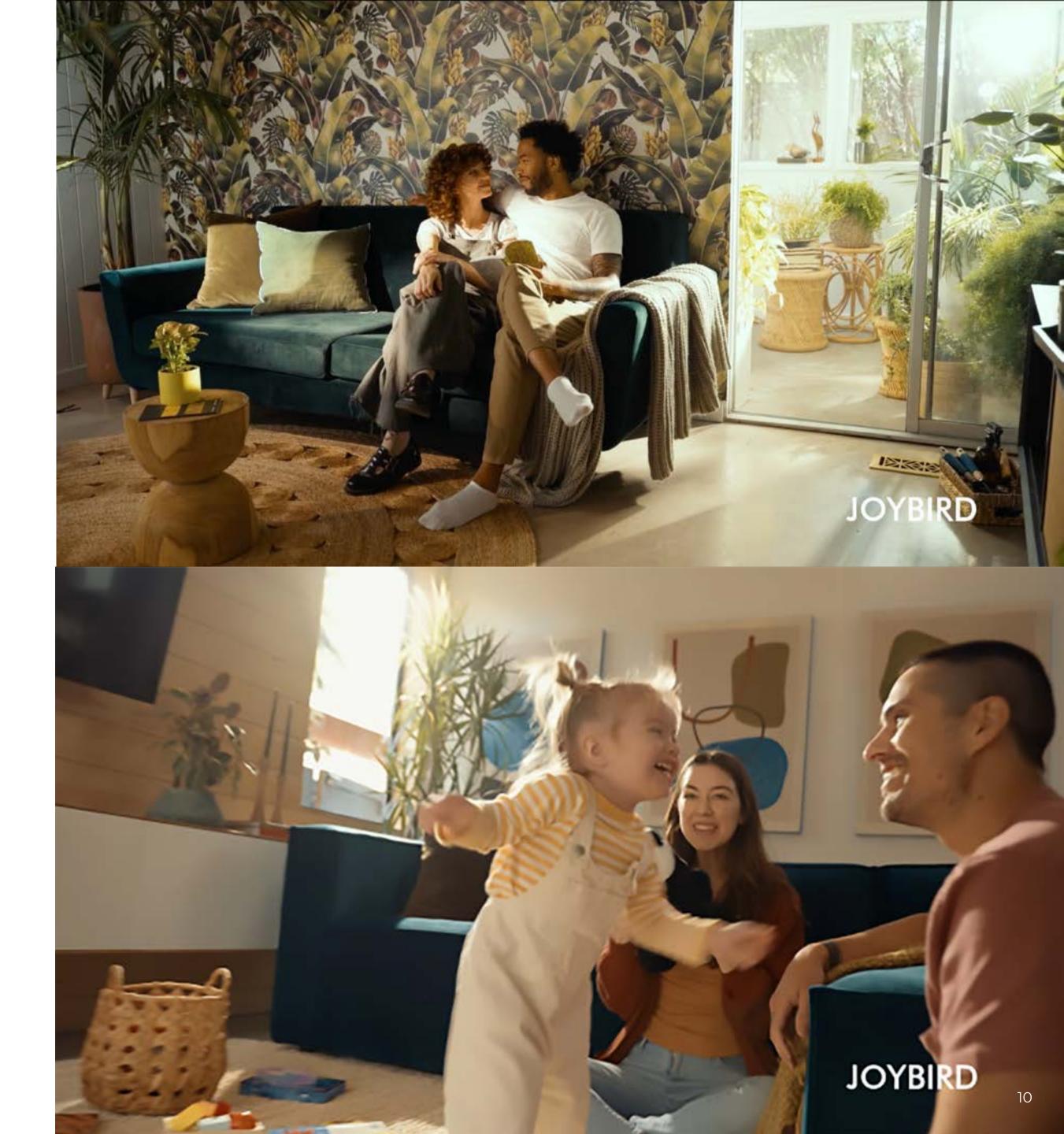


Ecommerce furniture retailer and manufacturer Joybird was founded on the idea that people's homes should match their unique styles. The brand's one-of-a-kind, customizable products provide personalized environments for those seeking boldly original designs.

Bold styles deserve bold marketing. Joybird saw TV as an opportunity to reach new audiences and continue driving business growth. They planned and launched a campaign with a **diverse media plan** that included both linear and streaming. The goal was to introduce the brand's bold fabrics and customizable products to a **broader audience**.

TV's impact was visible within weeks of the launch, supporting key sales during Black Friday and Cyber Monday, and the campaign drove a positive return on ad spend.





#### Mistake #4 ASSUMING A CAMPAIGN STOPS WHEN THE TV TURNS OFF.

Let's say you just developed an incredible performance TV campaign. You researched to find messaging that appeals to your audience, invested in creative that's both beautiful and pushes viewers to act, and delivered that creative to the right people at the right time. You've driven a record number of leads.

But are those leads converting? How many become customers?

Too often, advertisers forget to prioritize conversion when developing a TV campaign. But to achieve performance goals, conversion is essential. You could have a fantastic commercial seen by millions and still not have the sales results you need.

The creative section discussed the importance of a call-to-action to drive immediate results with your commercial. But how do you choose the right CTA? How do you know you're asking consumers to respond the way they want to? How are you reducing friction along the path to purchase?

Your work to achieve a successful campaign doesn't end when the TV turns off. The rise of ecommerce means consumers now have more

options than ever—and more control over their interactions with businesses. Which means any reason to look elsewhere will result in exactly that.

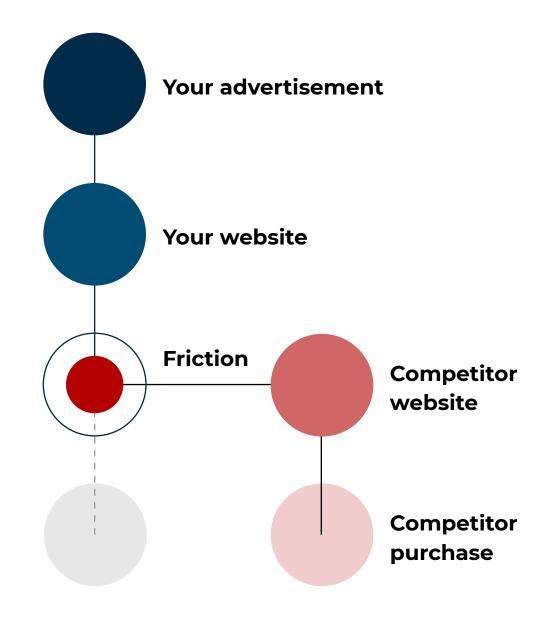
Let's return to your incredible campaign. Suppose it drives users to visit your website. But your commercial highlighted a specific set of kitchenware. The user gets to your website and doesn't see that product anywhere on the page. They're confused by the inconsistency and decide to search for similar items on Amazon instead.

Or perhaps your campaign asks viewers to call a 1-800 number to schedule an appointment. But perhaps those viewers would prefer to schedule the appointment using a calendar tool on your website. They're interested, but they don't make the call.

Remove barriers preventing leads from becoming customers by A/B testing different CTAs, conducting research to understand the user experience, and leaning into new technology to improve that experience when necessary.

Wasted leads are expensive. In fact, not optimizing conversion can mean the difference between a successful campaign and a failure.

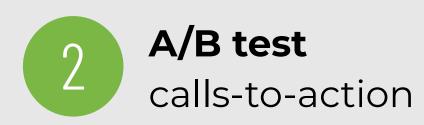
#### Are your leads converting?



Reduce purchase friction to prevent leads from going to a competitor brand.

#### How to get it right







Conduct user **experience** research



#### Mistake #5 TRUSTING DATA IMPLICITLY.

Data might not lie. But it does get twisted.

If there's one long-accepted challenge about TV that remains true today, it's that TV is hard to measure. As TV has grown more like digital, we've gained larger amounts of campaign data. But more data doesn't mean TV's attribution woes are solved. Because with a channel as complicated as TV, data is easily misinterpreted.

Think back to the conversion example. Suppose you're measuring campaign success based on sales impact alone. Results show sales have barely budged in response to your TV campaign. But what you failed to notice is that web traffic increased significantly. TV drove viewers to your website, but a confusing user experience online meant they left without buying. If you only looked at one piece of data, it'd be easy to assume TV doesn't work for your brand when it's your site that needs to change to gain new customers.

There's no single perfect solution to understanding TV's impact. For every brand and campaign, the metrics that matter will depend on your specific campaign objectives. But regardless of your goals, always use multiple models when analyzing results.

Start by looking at the micro effects of your campaign. This might be an increase in web traffic, calls or texts in the minutes following each airing.

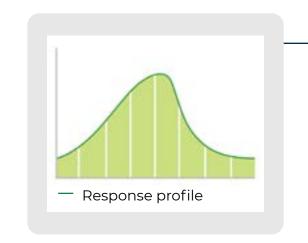
Compare spend for each airing to its corresponding response. Then optimize your media buy accordingly.

But the micro effects alone don't tell you everything TV is doing, especially since not everyone responds to a campaign immediately. Over the next few months, look for changes in your web traffic composition, new customer growth, improved conversion rates, or higher order value. TV's influence often shows up by improving the performance of other channels.

The most exciting results of TV are perhaps the most difficult to track. Because TV grows brand familiarity and memorability over time, you'll find TV can positively impact areas like stock price, pricing power, brand partnership opportunities, and of course, profits. However, accurate measurement of these all take time.

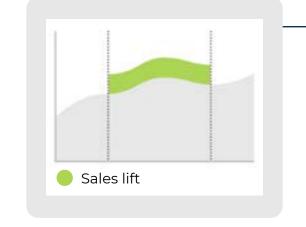
Don't simplify TV attribution down to a single data point. It'll easily tell you the wrong story. Zoom out to better understand the full picture—and to make smarter business and marketing decisions.

#### Understanding the whole picture of TV attribution



#### Micro measurement Short-term

Consider measuring web traffic, calls or texts in the minutes following each airing.



#### Macro measurement Medium-term

Consider measuring changes in web traffic composition, new customer growth, improved conversion rates, or higher order value.

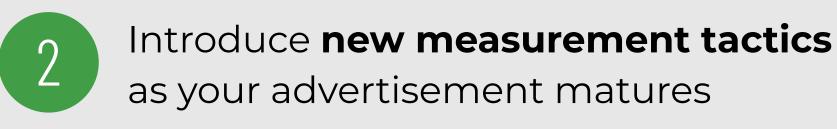


#### Business measurement Long-term

Search for positive impact in stock price, pricing power, brand partnership opportunities, and profits.

#### How to get it right







#### TV SUCCESS STORY

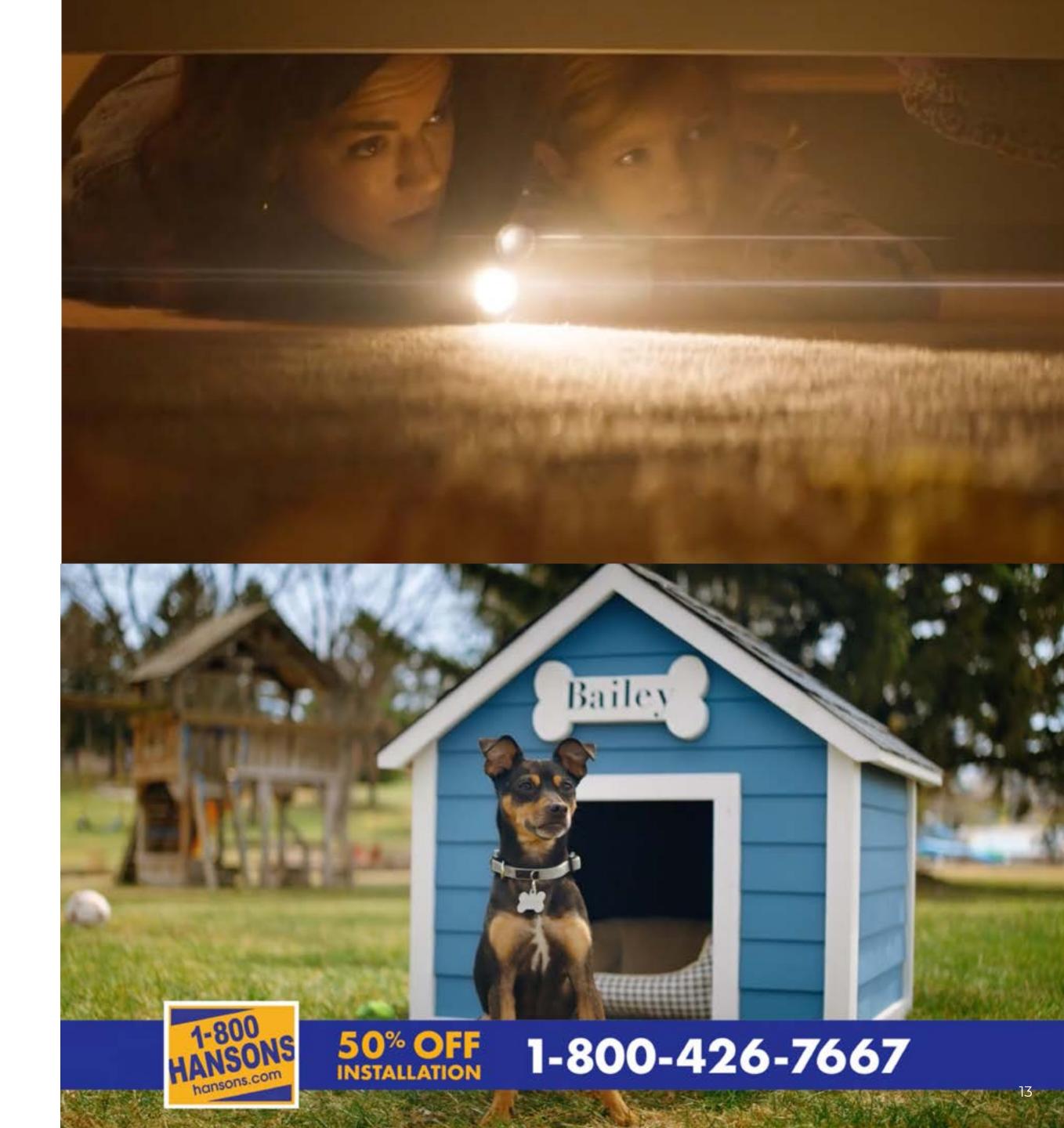
## How 1-800-HANSONS formed the full picture on TV performance.

Detroit-based home improvement remodeler 1-800-HANSONS was an experienced TV advertiser. But as they expanded into new markets, they knew they needed TV to drive new customers and promote brand awareness.

The brand launched TV in their new markets directing people to call a 1-800 number. But they knew not everyone would respond by calling. Many people would see the ad and go to their website instead. To track these customers, they **added a survey to their online form** asking how leads had found the brand.

Survey data showed TV's effect was five times greater than could be measured by phone calls alone—reducing the cost of each TV-driven lead to a fifth its originally calculated cost. 1-800-HANSONS was thrilled by the low cost-per-lead, which was only discovered because of using multiple data points to determine TV's impact. As a bonus, brand awareness grew more than 20%.





## ABOUT MARKETING ARCHITECTS

TV advertising is a powerful channel. Done right, it can become an essential growth driver for your business. At Marketing Architects, we use an approach called All-Inclusive TV to help advertisers make the most of their TV investment. Connect with us at <a href="marketingarchitects.com">marketingarchitects.com</a> to learn more.





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