



5 Ways To Transform Your Linear TV Buys

with People-Based Marketing

It wasn't long ago that television audiences were consolidated into a few broadcast stations and planning a successful ad campaign was relatively simple. The proliferation of media has changed everything.

Today's television audiences are scattered across a multitude of stations, screens and devices. This scattering has left brands stretching ad budgets thin as they struggle to adapt to the new environment.

Let's face it. Television has become very difficult to plan. Unlike digital media, which allows for precise targeting of custom audiences, the systems used for planning television campaigns have remained largely unchanged since the 1950s.

In order to succeed in today's fractured media ecosystem, advertisers need to evolve how they plan and buy TV.

To fulfill the demand for linear TV to be more measurable and targeted, media planners are turning to people-based marketing (PBM).

A PBM strategy applies new technologies that leverage big data. to reach well-defined audiences across every media channel, screen and device, *including* linear television.

This guide explores five ways brands can leverage people-based marketing to optimize linear TV buys for maximum efficiency and response.

5 WAYS TO TRANSFORM YOUR LINEAR TV BUYS WITH PEOPLE-BASED MARKETING

LEARN TELEVISION LINGO

Common terms used in TV media planning & buying

LINEAR TELEVISION: Real-time television programming that airs from a set schedule. Traditional broadcast is linear television.

NONLINEAR TELEVISION: Any television programming that allows for time-shifted viewing, this includes all on-demand programming and any content accessed through a device that is not a television.

DMA: Short for "Designated Market Area." A region where the populations receives the same broadcast television programming.

OVER-THE-TOP (OTT): Providers that deliver standalone content through a streaming service without the need for a pay-TV subscription.

FREQUENCY: How many times an ad unit is served to the same individual.

REACH: The number individuals who were served an ad at least once.

CPM: Cost Per 1,000 Impressions.

GROSS RATING POINT (GRP): A way to measure the impact of media, or how much of the target audience was reached for an ad campaign.

1 Optimize Audience Measurement

Transform Averaged Metrics into Exact Data Insights

The majority of linear television is transacted with the same legacy ratings systems that have dominated the market for well over half a century. The legacy ratings model uses small panels of viewers to statistically calculate what broad groups of people watch on TV. These audiences are identified by age range and gender demographics. When brands plan media using demographic audience data, viewership patterns are averaged and granular insights are lost.

THE PITFALLS OF AVERAGING VIEWERSHIP DATA

Age range and gender pitfall

Viewers are typically segmented by age and gender demographics, such as adults ages 18 to 49. Because age ranges are so broad, the individuals within these segments share very few similarities in regards to their lifestyles, interests, motivations and behaviors, including media consumption preferences.

Geographic pitfall

Although audience viewership varies significantly by geographical location—often from one neighborhood to the next—geo-specific viewership data is measured no deeper than the designated market area (DMA) level. There are only 210 DMAs nationally. Some cover tens of thousands of square miles and even cross state lines. Legacy measurement systems fail to account for the socioeconomic diversity that exists within these viewing areas.

Daypart pitfall

Advertisers make the mistake of focusing their media buys on inventory sold around a particular daypart. Purchasing by daypart means you are buying an averaged audience. This approach doesn't account for the different levels of engagement among the various shows within that daypart. Because the audience is averaged across all shows within a daypart, your media may run during a show with low engagement.

People-based marketing leverages TV viewership data from your actual customers. These insights empower media planners to place your TV buys where your most valuable audiences are paying attention. That means no more pitfalls, no more averages, no more guesswork - just the exact insights you need to power your people-based marketing campaigns.

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“ A people-based approach leverages first party viewership data from your real customers to plan media campaigns based on what the people who buy from you watch on TV. ”

2

Optimize Reach & Frequency

Focus Your Ad Spend on Reaching More People with Less Frequency

Many advertisers mistakenly focus on delivering GRPs (Gross Rating Points) and minimizing CPMs. Meanwhile they overlook how impressions are divided between reach and frequency.

There are two big issues with using these metrics to determine the success of a campaign.

ISSUE #1: IMPRESSION DELIVERY

TV budgets are being wasted on impressions that are significantly weighted more towards frequency and less on reach.

The fragmentation of audiences has made it difficult for television advertisers to achieve the reach they had in the pre-digital age. To achieve the same number of impressions, ads are being served with greater frequency. This has a negative impact on sales, as consumers become less likely to buy from you after too much ad exposure.

Without the data of a PBM approach, advertisers don't know how many people saw an ad, or how many times an ad has been served to the same person. If the audience is overexposed to an ad, or exposed too few times, advertisers may miss out on incremental lift.

CAPTION: The image illustrates the problem with reach and frequency. The left side illustrates a TV campaign that reached a small audience with high frequency, while the campaign on the right is optimized with more reach and optimal frequency. The two campaigns might deliver the same amount of impressions, but with big discrepancies between reach and frequency.

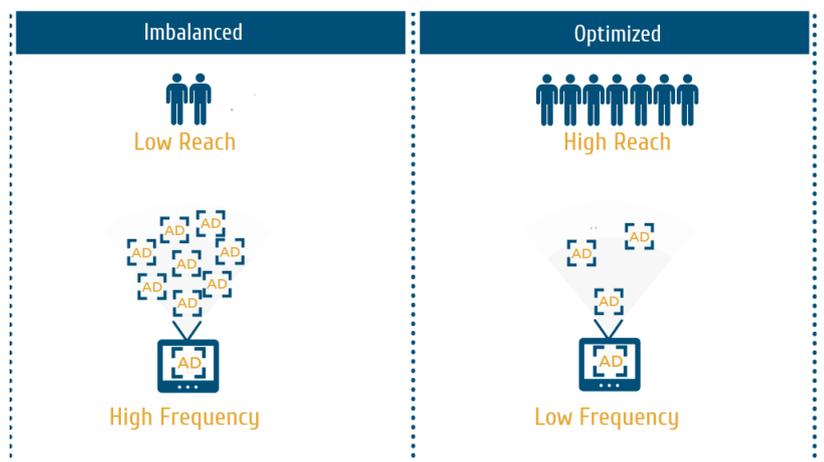
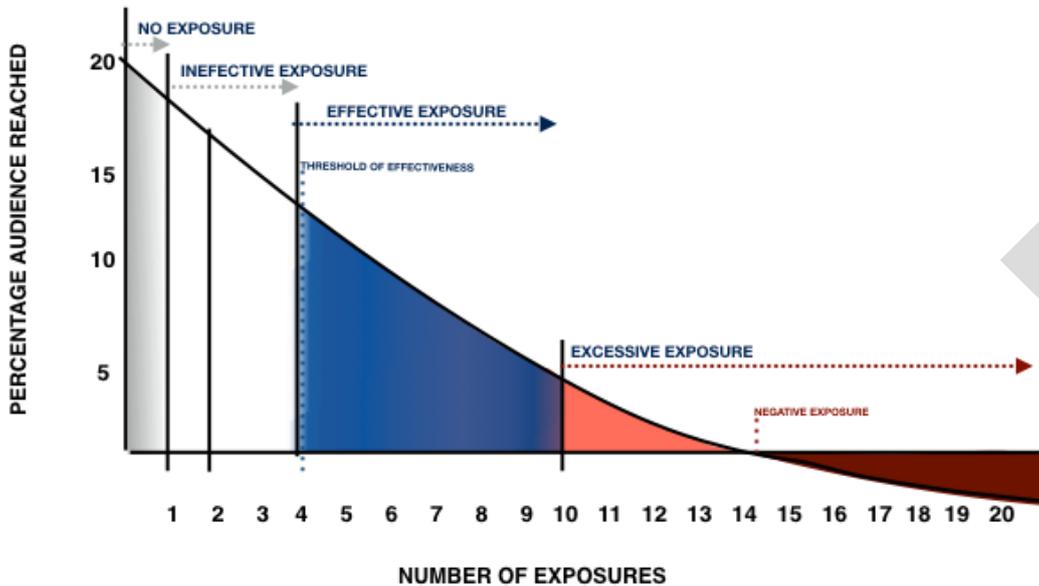


Figure 1 - Impression Distribution by Reach & Frequency

Reach and frequency imbalance typically occurs when one portion of the audience is over-exposed to an ad, while another is unexposed.

The goal is to balance reach and frequency so that the most people (largest audience) are exposed the least number of times.

This is called effective reach and frequency and it is the sweet spot advertisers should aim for. An Effective Reach Curve is a data chart that illustrates effective reach at varying levels of frequency.



CAPTION: Figure 2 illustrates effective reach and frequency in blue. Although a high percentage of the audience is reached when exposure is less than four (white area), frequency is too low. The opposite is true for the red area, where frequency above ten is too high while the reach is too low.

Figure 2 - Effective Reach Curve

When ad exposure surpasses effective frequency, a campaign will begin to experience diminishing returns. While the number of exposures needed to achieve effective reach and frequency will vary among brands, some level of repetition is necessary. Therefore, effective frequency will generally occur with no less than two exposures.

ISSUE #2 GROSS RATING POINTS (GRPs)

Advertisers often have no idea what comprises their GRPs.

A gross rating point (GRP) is a way to measure the impact of media, or how much of the target audience was reached for an ad campaign. GRPs are calculated by multiplying the number of times a commercial is aired by the percent of the target market reached.

While GRPs remain a universal currency for media buyers—and therefore still have their place in media buying—advertisers can’t rely on GRPs alone to measure media effectiveness.

The problem with relying on GRPs goes back to reach and frequency. A campaign with high reach and low frequency can yield the same number of GRPs as a campaign with low reach and high frequency.

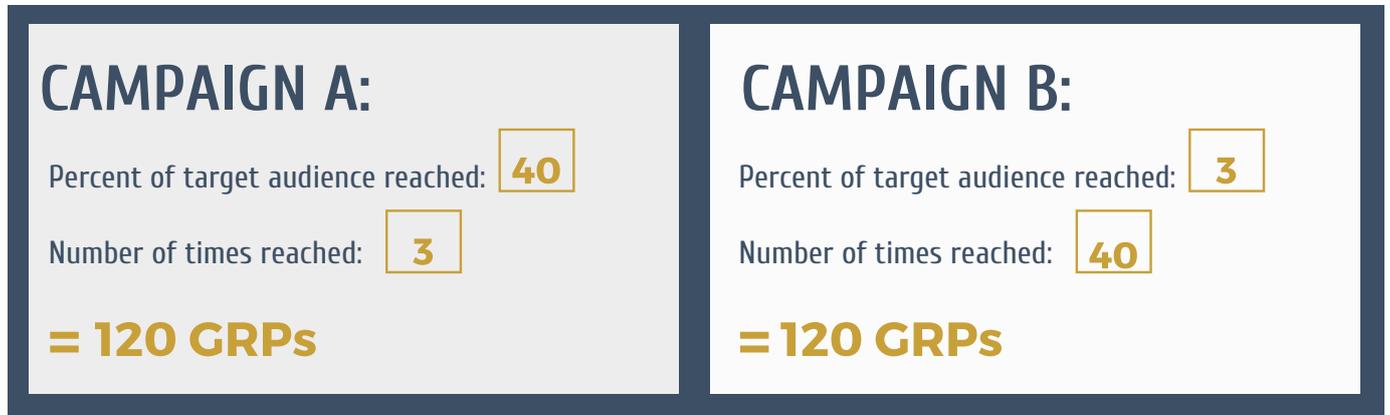


Figure 3 - Comparing the Value of GRPs

CAPTION: Figure 3 illustrates how GRPs can be misleading if used as the sole metric of success for a television campaign. Campaign A reaches 40% of the audience 3 times and acquires 120 GRPs.

Campaign B also has a total of 120 GRPs, but this time 3% of the audience was reached 40 times. The two campaigns provide the same number of GRPs, but yield very different outcomes.

3 Optimize for Engagement

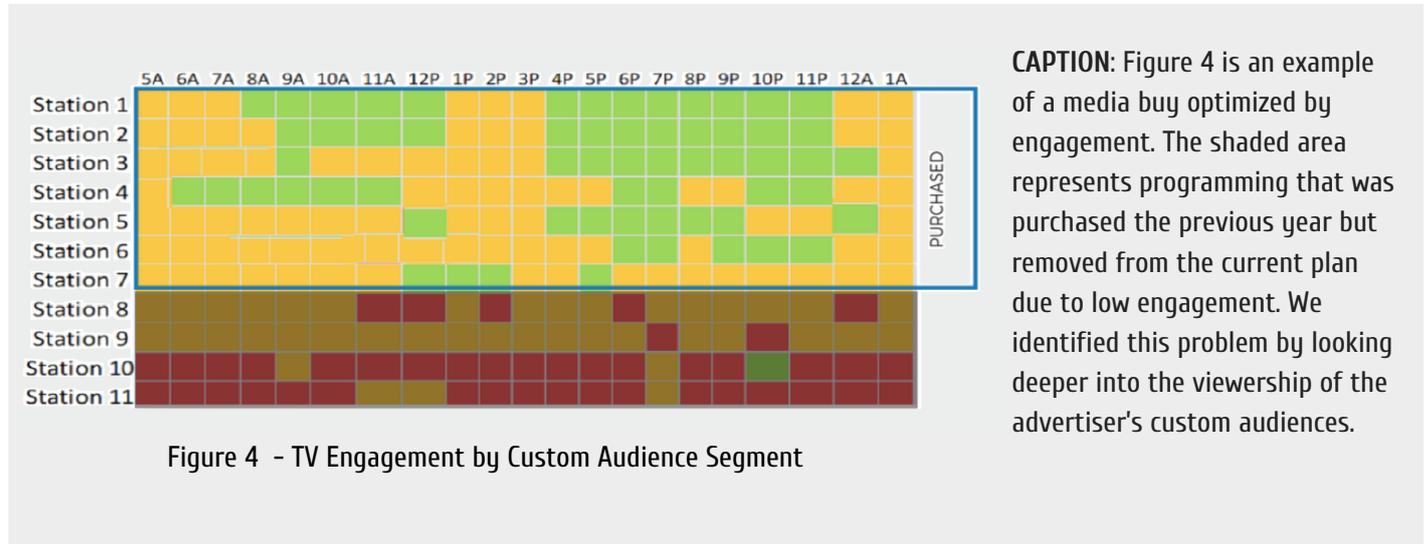
Buy Media Where Your Audience is Paying Attention

People-based audience insights provide a clear picture of the television shows, programs and hours where your most valuable audiences are the largest and most engaged.

When we look at viewership of custom audiences, we have found that engagement does not always reflect the broader market ratings. Programming with great market ratings will often show low engagement by the target audience or vice versa.

Buying media based solely on market ratings could mean thousands of dollars wasted across television. Knowing where your most valuable audiences have the highest engagement allows advertisers to plan television with maximum efficiency.

The following example shows how viewership insights can help advertisers significantly reduce wasted ad spend by eliminating programming with high market ratings but low engagement by your custom audience segments.



CAPTION: Figure 4 is an example of a media buy optimized by engagement. The shaded area represents programming that was purchased the previous year but removed from the current plan due to low engagement. We identified this problem by looking deeper into the viewership of the advertiser's custom audiences.

4 Optimize with Technology

Activate Data Insights with an Audience Management Platform

First and third party data can help advertisers build more effective TV campaigns at scale, but data does not produce value independently.

Before its value can be fully realized, it needs to be cleaned, appended, appropriately anonymized in a manner that is compliant with privacy guidelines, combined with other data and analyzed.

Wingman Media's proprietary Audience Management Platform [haloAMP™](#) combines your first party data with actionable insights to target purchase-ready television audiences with digital precision.

Do you have the right technology for your PBM Strategy?

Find out now with our free Evaluation Checklist: *How to select the right data management tools for a people-based marketing approach.*

DOWNLOAD

These data insights allow advertisers to focus their media buys on programming where your most valuable audiences are the largest and most engaged. haloAMP™ then measures the impact of TV across all media channels to ensure your television campaigns are always optimized for maximum response and efficiency.

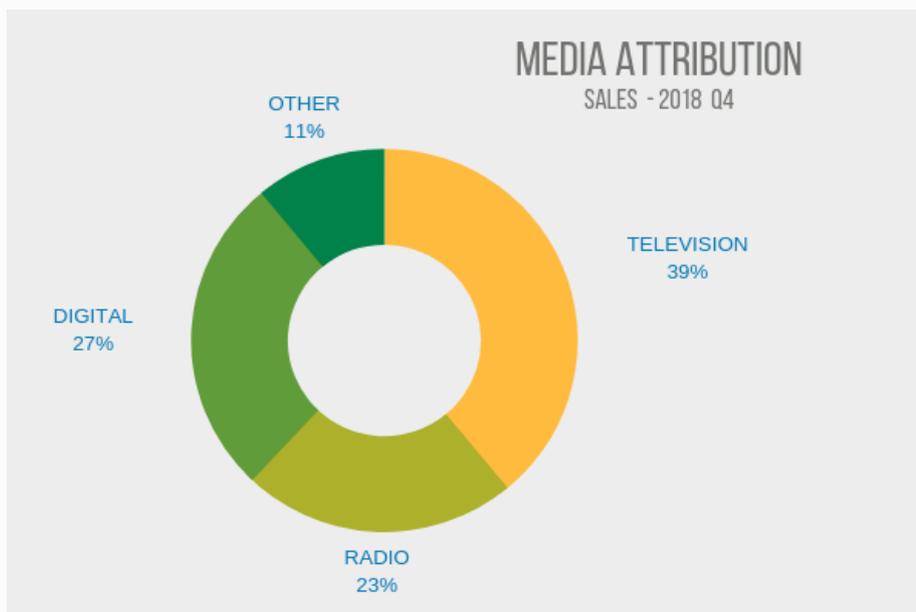
An Audience Management Platform can help you activate your data and gather insights to plan PBM campaigns across linear television.



5 Optimize with Advanced Analytics

Use Multi-channel Attribution to Determine the True Impact of TV

The proliferation of devices has turned TV into a multichannel response mechanism. Audiences may see a television commercial and then respond on your website, interact on social media, dial into a call center, or visit a retail store. Understanding the true impact of ROAS (return on ad spend) from your television media requires omni-channel attribution.



CAPTION: The circle graph illustrates the distribution of sales by channel. TV has the

Like most media plans that incorporate television advertising, this company found that TV drives the largest portion of store sales.

Figure 5 - Quarterly sales by media channel

Advanced analytics take a holistic approach to campaign measurement by tracking incremental lift across all online and offline channels, such as:

- Traditional response data: phone calls, appointments, and in-store sales
- Online and offline KPI and goal tracking
- Multitouch path to conversion modeling
- Offline to online attribution: people see a TV ad but convert online

Simply put, advanced analytics drive smart campaign decision-making. They enable advertisers to dynamically optimize their PBM campaigns across the entire media ecosystem.

**Ready to Transform Linear TV with
People-Based Marketing?**

Contact Wingman Media Today.

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