



MARKETERS: Thinking Beyond Reach and Frequency

WRITTEN BY
Adam Green

PUBLISHED
May 2014

THE **RUNDOWN**

Google Canada works closely with creative agencies to evolve our collective understanding of modern metrics. While traditional media approximates a measurement of what people see, digital media has the ability to precisely measure what people think and do. Google Canada Agency Lead Adam Green discusses the positive impact this can have on strategy, creative and success. Read More in “The Irresistible Metrics of Think and Do.”

think with **Google**[™]

Media Measurement: Why proxies such as “Reach & Freq” are only half the story

Reach and frequency are the classic measurements of total audience in television and print. But compared to what digital media can now measure, they are blunt instruments. We spoke to Google Canada’s Adam Green, Agency Lead, Creative Agencies, about why the advertising industry needs digital metrics if it wants the whole story.

In the advertising world, digital media is still considered by many buyers as the tail on the dog. When media is purchased for major ad campaigns, digital is routinely allotted a minor percentage of the budget because it is seen as an “extension of reach and frequency.” More of the same.

Nothing could be farther from the truth.

While traditional media approximates a measurement of what people see, digital media has the ability to precisely measure what people think and do.

Put them together and you have a detailed view of buyer interest, impact and intent that has, until now, simply been out of reach.



*"It's like a laser beam versus a floodlight.
Tweezers versus a shovel."*

What are reach and freq?

Reach—The number of people (or households) exposed to a given medium at a given point in time.

Frequency—The number of times viewers are exposed to the same ad during a campaign.

Although they are the twin pillars of television and print measurement, reach and frequency are only demographic guesswork. Estimates. Proxies.

Adam Green: “To estimate reach and frequency numbers all you can do is freeze a moment in time and approximate how many eyeballs were on a TV show or magazine in that moment. That approximation can be somewhat accurate or not at all.”

Today, everything is in motion

The underpinnings of reach and frequency are even shakier these days because frozen-moment media consumption is largely a thing of the past. Most people no longer sit in a room with one screen or a magazine, making buying decisions based on that singular experience.

Instead, our attention is split across media and devices and times of day and night. We are on tablets while watching television. We use smartphones to do almost everything. And whenever we like, we browse and research and compare at various points along the path to purchase. The enormous strength of digital is its ability to track almost every one of those points.

Adam Green: “As we move along that digitally enabled path, we leave a cookie crumb trail of our intentions. Someone might read reviews on Car & Driver’s website about top-rated Japanese cars in the \$15,000-to-\$25,000 price range. Then they might check out manufacturer sites. Then dealer sites. Then consumer forums. Then the used-car market. Then they go back to the dealer site. Crumbs are dropped at every stop.

“For car manufacturers and dealers, that particular crumb trail is obviously left by a person who is close to buying a car—a Japanese car—within a certain price range. There’s tremendous value in that degree of intent.”

Ready. Fire. Aim.

Traditional measurement of reach and frequency is often supplemented with brand-uplift studies and various engagement metrics.

Adam Green: “The problem is those methods are backward-looking. Using reach and freq, traditional media buyers pick an audience that seems important—say moms, if you happen to sell mayonnaise—and then buy media to reach as many moms as possible. Accuracy, or lack of it, is supposedly determined by any brand uplift. But compared to digital that’s ready, fire, aim!”

It’s also wasteful.

Adam Green: “Even if you reach all the moms with 5x frequency and see a 5% uplift in brand affinity, moms only buy 47% of the mayo. The other 53% is bought by a hodgepodge of dads, university students, single guys, older folks, etc. Each group might account for only 5-15% of buyers. In the reach-and-freq world they aren’t worth targeting because it’s too difficult and expensive. But not for digital. Digital doesn’t even look at moms as a group. It looks at mayo buyers. All of them.

“If you sell mayonnaise, isn’t that your real target?”

The value of real-time context

Digital media is now. It’s happening in near-real time and is highly contextual. And its value as a measurement tool grows the larger the audience grows. In Canada, that audience has surpassed the former gold standard, television, and continues to spread its influence across every imaginable touch point of consumer interest.

Adam Green: “Canadians are now online for slightly more time now than they spend watching television. (1,735 minutes per week vs. 1,728 minutes, according to a 2013 report by PhD Canada for IAM Canada.) Whatever Canadians are looking to do—be entertained, create, be informed, shop, buy—there are so many digital options. Watch a video. Play a game. Scan reviews. Solicit feedback. The list goes on and on. And those informative, inviting, entertaining experiences are all measurable. Interest. Impact. Intent. It’s all there.”

So why is our industry stuck in 1990?

If digital media is so pervasive and measurable, why has the media-buying world been so reticent to adopt it?

Adam Green says there are at least three reasons.

The industry is still set up to deal almost exclusively with traditional media

“As an industry, we are so accustomed to talking to consumers in one part of their day, the entertainment part. Consequently, that remains the way we frame most marketing and advertising. The approach is still one of interrupting the entertainment with commercial messages, which people tolerate less and less willingly.”

Creative agencies are seriously hampered by lack of budget

“Agencies wanting to do great work in the digital realm can’t do it with the rump of the budget. So the world ends up with work that doesn’t take advantage of the medium—often secondhand work from TV—and talented creative people who could work digital magic remain disinterested because it isn’t an agency priority.”

There’s no standard of advertising performance measurement across devices

“It’s coming. But today there is no reliable cross-media measurement methodology. The advertising world remains stuck with inexact instruments like Gross Rating Points—the total rating points for a particular period of time or schedule of advertisements on television (GRP) and Cost Per Thousand Impressions, the number of different people seeing the message for what frequency (CPM). In lieu of new options that measure our new reality, we default to the old ones that don’t.”

The irresistible metrics of think and do

Metrics could well push digital media into the mainstream. Numbers that truly quantify interest, impact and intent across platforms, and closer to the point of purchase, will be irresistible to advertisers who want the full story.

“Lower funnel metrics need to be a part of the solution,” says Owen Charlebois, Google Canada’s Head of Market Insights. “That means no longer just paying attention to “See” metrics like reach, frequency and GRPs, but to “Think” metrics like brand lift and “Do” metrics like sales lift and ROI.”

Think metrics measure brand lift. They are the impacts of seeing the message. They include direct (not proxy) metrics such as unaided and aided ad recall, unaided and aided brand recall, message understanding, brand perceptions, purchase consideration and purchase intent.

Do metrics measure sales lift. They are a measure of what action a customer takes as a result of seeing an ad. Online, these show impacts like search behavior, website visits, online inquiries and online sales. Offline, they also include conversions like telephone calls, store visits or in-store sales.

Adam Green: “Those are the direct, fast and accurate metrics we at Google believe are increasingly important. The goal is to measure everything that matters on every device that matters: net reach, brand lift and sales lift, across the desktop, tablet, mobile and TV. Globally.”

"These are not media metrics. These are users-engaged metrics and downloading-your-software metrics and washing-machines-sold metrics. They are powerfully specific ways of understanding the impact of advertising, so you can buy it with far greater efficiency, knowing it's actually doing the job."

And where does that leave reach and freq?

Halfway there.



Adam Green
Creative Agency Lead, Google Canada