



The Benefits of Synergy

Conducted by the PreTesting Company

December 2004

Study Highlights

In this second major study from the Radio Ad Lab, we compared the effects of two television ad exposures to the effects of one television ad combined with two Radio exposures. We also did the same thing with newspapers — comparing two newspaper exposures to one newspaper ad plus two Radio exposures.

Brief Overview of Methodology

The PreTesting Company provides ad testing services that use central-facility distraction methods for the testing of advertising impact. For television, for example, respondents are invited to attend the screening of television programming, with three programming choices provided (major current primetime shows). During that screening, test and other ads are embedded in the programming, and a variety of ad effectiveness questions are asked before and after the screening. In PreTesting's application of this method, each respondent is tested one-on-one in a private room, with a trained interviewer administering the procedures.

PreTesting developed an analogous method for the testing of Radio ads. Respondents were asked to view a video taken during a "test drive" in a car, and were requested to look for certain specified road signs. The session was described as a study of road sign noticeability. But respondents were also given a choice of three simulated "Radio stations" to listen to during the test drive, and of course, test and other ads are embedded in the audio. Effectiveness measures were taken before and after the drive.

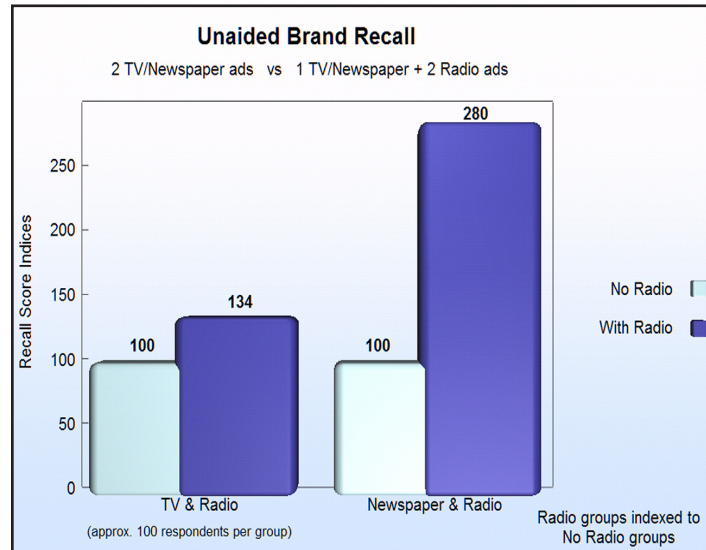
Finally, PreTesting uses a related process for the measurement of print media. In the case of newspaper ad testing, PreTesting uses current copies of an appropriate newspaper, and asks respondents to read through the entire paper in order to comment on its content. In fact, though, test ads are inserted into the newspaper copies, and effectiveness is measured before and after the newspaper reading.

PreTesting also uses proprietary measures of eye movement for print ads to determine the amount of time that sections were actually examined, but those print-only measures were not used for this study. It's important to note that for our test, respondents were asked to examine each page of each section of the newspaper.

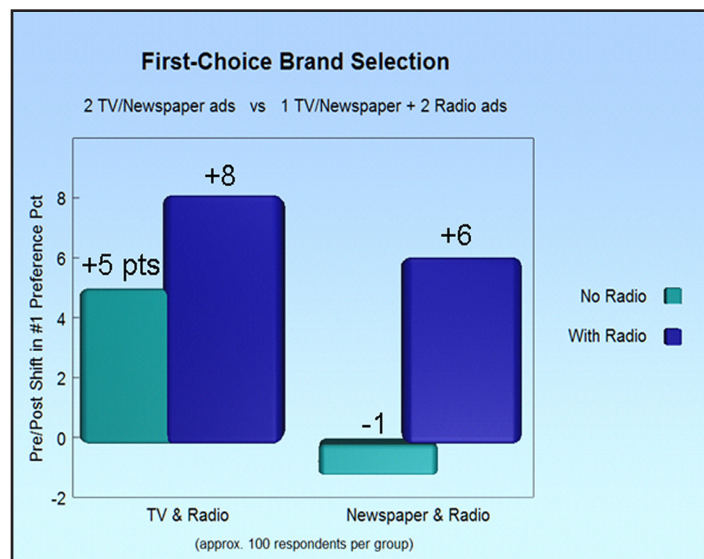
The study proposed to the Radio Ad Lab by PreTesting was designed to examine the effects of exposures in multiple media. Specifically, respondents in the main (Phase II) section of our study were asked to participate in tests for two media, either TV and Radio, or newspaper and Radio. That allowed us to vary the amount and mixture of these forced exposures in either or both media.

The Study Results

A media mix that includes Radio can be more powerful than TV-only or newspaper-only campaigns, according to this second major study from the Radio Ad Lab. In this controlled, lab-style test of advertising synergy, the results were striking. (See the charts below.)



- Swapping out one of two television ads for two Radio ads increased unaided brand recall by 34 percent.
- Replacing one of two newspaper exposures with two Radio ads almost tripled unaided brand recall.



- When two Radio ads replaced one of two TV exposures, more people chose the advertised brand as their first-choice product. The newspaper swap-out was even more striking. Consumers who heard two Radio ads (and only one TV ad) could restate a campaign's main message just as well as those exposed to two TV ads. Trading a newspaper ad for two Radio exposures gave much better message playback than seeing two newspaper ads.

Implications for Advertisers

For advertisers, we believe this study is valuable from several perspectives:

- We already know how valuable Radio can be as a way to reach people that are missed or underserved by other media. This study now suggests that Radio may be undervalued as a way to affect consumers that are reached by television and print.
- While Radio can often be a potent alternative to other media, the current study provides more reasons to consider using Radio as part of the media mix (as long as Radio's presence in the mix is heavy enough).
- And as suggested by past studies on imagery, this study provides further evidence of Radio's ability to communicate an advertiser's message and have it received, remembered, and played back by consumers.

For broadcasters, we believe the implications also are clear:

- On an ROI basis, Radio is more than a supplement. A combined television/Radio or newspaper/Radio buy is demonstrably more powerful than one using television or newspaper alone.
- Moving money into Radio is good for the advertiser. This study shows just how potent Radio exposures can be when swapped for some of the exposures otherwise used for an alternative.

There's a large body of research showing that Radio can reach people who are missed or underserved by other media. That's especially true for Radio users compared to newspaper readers, but recent multi-media and single-source studies have also shown the importance of using Radio to reach light television users. We believe this new research suggests something different—that **Radio is also an important way to communicate with consumers already reached with other media.** Even when a consumer has been touched with a television or newspaper ad, Radio communications are powerful.

We also think this study points to **the value of using Radio in the media mix**, at least when Radio is present in meaningful weights. We're all in favor of testing Radio in isolation, of course; in fact, that's the nature of the Radio Ad Lab's next large-scale study to be released in 2005. But the current study suggests that Radio works well in a media mix when significant Radio exposures can actually occur, and we hope these findings encourage more advertisers to open their budgets to various combinations that include Radio.

The Radio Ad Lab also believes this study is another in a succession of studies that demonstrate how well **Radio advertising can communicate an advertiser's message.** We had a wide array of ad campaigns in this study, ranging from sexy-looking cars to tasty-sounding sandwiches, and across the board, Radio was able to communicate the main messages just as well as the "more visual" media of television and newspapers. As we verified in our first study, Personal Relevance, Personal Connections, Radio connects with consumers in different and unique ways that can actually enhance the communication!

For More Information

This report concerns the second in a series of new primary research studies sponsored by the Radio Ad Lab, Inc., an independent nonprofit industry organization in the United States. The Radio Ad Lab is dedicated to creating and disseminating objective research that helps the advertising industry better understand how Radio advertising works, and it functions in active consultation with research experts from both buyers and sellers of Radio advertising.

The full version of the Radio Ad Lab's new research report, "The Benefits of Synergy: Moving Money Into Radio," can be downloaded for free from www.RadioAdLab.org/reports.htm.

All Radio Ad Lab research including White Papers, studies, and summaries, is available in its entirety and for free download at www.RadioAdLab.org. We encourage you to sign up for our announcement mailing list at the website to make sure that you're notified of new Radio Ad Lab research.

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About The Radio Ad Lab

The Radio Ad Lab is an independent organization established in 2001, funded by Radio industry companies to further the understanding of how Radio advertising works, to measure Radio's effectiveness, and to increase advertiser and agency confidence in Radio.

All Radio Ad Lab research, including White Papers, studies, and summaries, is available in its entirety and for free download at www.RadioAdLab.org. We encourage you to sign up for our email list at the website to make sure that you're notified of new Radio Ad Lab research.

