

Guess:
Which Media Agency won
the Gold for Media Strategy
at the Emvies 2004?
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M-SPECTRA – MADISON’S MULTI-MEDIA REACH FREQUENCY ESTIMATOR

A drastic change has occurred in today’s Indian media market. A plethora of media options have mushroomed in the last few years, leading to media choices spanning 250+ TV Channels, 350+ certified print titles, 12000+ cinema halls, 25+ private FM radio stations. The list goes on.

Not only have the media options multiplied, but also our ability to understand audience behaviour has increased manifold through the various media databases available in the country e.g. TAM for TV, IRS/NRS for print, ILT for radio. It’s possible today to get robust estimates of audience reach for medium such as outdoor, cinema and internet by using tools such as TGI.

The Problem

Despite all the research developments, there is still no integrated system, which allows users to estimate the quantified effect (i.e. reach and frequency) of multi-media campaigns. The lack of an integrated system could lead to:

- Non- optimal use of multi-media combinations leading to over reliance on a single medium to achieve the entire media objective
- High cost media plans to achieve the media objective

In each of these cases, brands are bound to make decisions, which are not based on robust planning principles and therefore inter-media decisions can become arbitrary.

The Solution

To address the continuing multi-media delivery measurement problem, Madison Media has developed a tool called **M-SPECTRA**, a multi-media reach-frequency estimator.

M-SPECTRA is an indigenously built proprietary multi-media reach-frequency (RF) estimating tool. The tool uses established probability distribution algorithms to estimate multi-media RFs. The functions available in M-SPECTRA are:

1. Basic Analysis

Reach-Frequency estimation for multi-media campaigns

2. Advanced Analysis

Performance of a multi-media plan amongst consumers with varying intensity of media consumption

Reach-Frequency Estimation

This can be analysed at two levels viz:

a. Cumulative reach-frequency

b. Discrete reach-frequency

Cumulative = ad seen, read, heard etc **at least** once, twice etc

Discrete = ad seen, read, heard etc **exactly** once, twice etc

Consider the following outputs of an actual TV+ Print plan of a brand targeting Males, Sec A, 25 yrs+:

Reach at	TV Plan	Print Plan
1+	82	58
2+	77	46
3+	69	35
4+	64	28

The M-SPECTRA output for TV+Print is as follows:

Reach at	TV + Print Plan
1+	92
2+	88
3+	82
4+	77

As can be seen in the table above, the incremental reach of the print plan over the TV plan is 10 reach points at 1+, while it is 13 reach points at 3+. This clearly indicates that when a multi-media plan can be evaluated, it can highlight the extent by which the reach of a plan can increase at various frequency levels.

Advanced Analysis

All consumers of media are not equal. Their media consumption differs substantially. It is common practice to divide a brand's target group into Heavy, Medium and Light users of media. Typically the media delivery is disproportionately higher amongst the heavy media users than the desired reach-frequency and conversely lower amongst the light media users. Standard media databases such as NRS, TAM etc do not estimate a media plan's effect amongst the Heavy, Medium and Light consumers of media.

On the other hand, M-SPECTRA allows the user to analyse the media plan delivery by intensity of media consumption. This is done via the **media intensity** module where the reach of the media plan is broken down into five equal groups of 20% each. Typically the top 20% would comprise of people who are heavy consumers of media while the bottom 20% would be the light consumer of media.

For each quintile, M-SPECTRA calculates the Average Opportunity To See (AOTS) and Gross Rating Points

(GRPs). This helps the user to judge the efficacy of the plan in terms of how well the media delivery is balanced across the 5 quintiles.

The M-SPECTRA quintile output is shown below for the print plan:

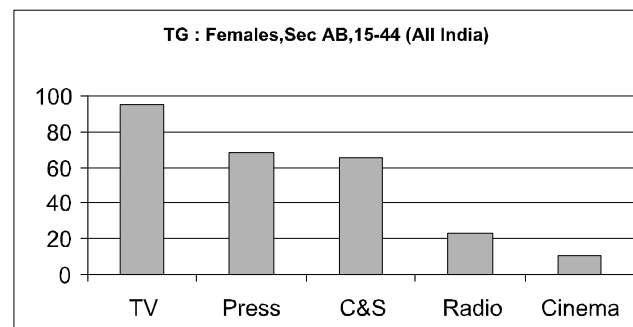
Details	Reach	AOTS	GRPs
Heaviest 20%	11.60	6.84	79.40
2nd 20%	11.60	4.00	46.40
3rd 20%	11.60	3.41	39.60
4th 20%	11.60	1.98	23.00
Lightest 20%	11.60	1.00	11.60
Total Plan	58.00	3.45	200.00

Validating M-SPECTRA

M-SPECTRA estimates are fairly accurate. They have been checked against the NRS data for various combinations of media and target groups. In all cases, the difference between M-SPECTRA output and the NRS results are well within 5 reach points.

A sample output of the comparison between NRS and M-SPECTRA is given below for a commonly used target group: Females, 15-44 years, SEC AB (All India)

SINGLE MEDIA MAX POSSIBLE REACH : NRS



COMBINED MEDIA OUTPUTS : NRS V/S M-SPECTRA

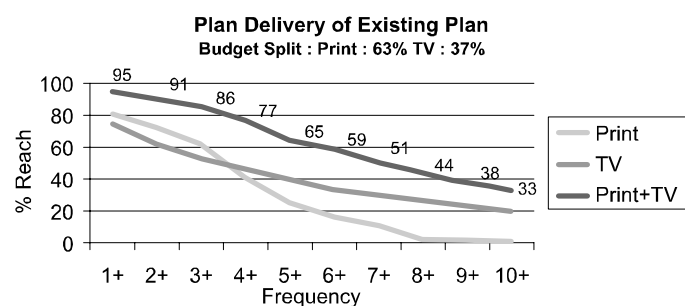
Combinations	Max Possible Reach (%)		
	NRS	M-SPECTRA	Difference
C&S+Print	85.6	87.9	2.3
C&S+Print+Radio	88.1	90.9	2.8
C&S+Print+Radio+Cinema	88.4	91.5	3.1

Extracting a greater bang for the media budget using M-SPECTRA

Example 1: How M-SPECTRA helped in optimising the media mix

The brand in this example is in a non-FMCG category and uses both Print and TV. The analysis shown below is for the Tamil Nadu market where the brand was spending 63% of its budget on print and balance 37% on TV. The brand operated at a 5+ frequency per month.

The combined media delivery of a typical monthly TV+Print activity is as follows:



Optimising through M-SPECTRA

To optimise the media plan, the brand's operating level of 5+ was considered. As can be seen from the above graph the plan reaches 65% of the target group at 5+. Using M-SPECTRA, various combinations of media were explored to achieve the target media objective of 65% at 5+. The results of this exercise are shown below:

Option	Cost Index	Media Objective
Current Plan		
37% TV+ 63% Print	100	65% @ 5+
New Plan Options		
Print Only	109	65% @ 5+
TV Only	118	65% @ 5+
52% TV+ 48% Print	82	65% @ 5+
		Optimal Mix

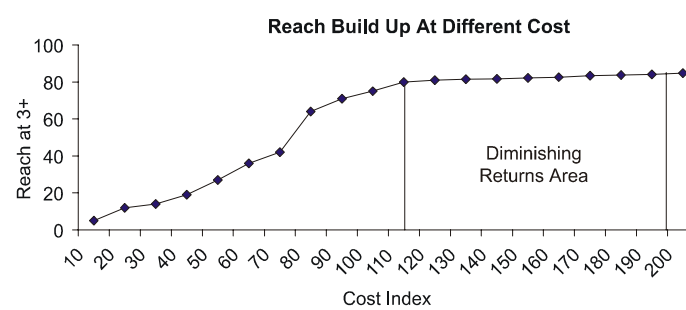
Using M-SPECTRA it was possible to identify the optimal media mix, which delivered the desired reach-frequency and that too at 18% lesser cost!

Example 2: How M-SPECTRA helped in adding new media mix to achieve the desired media objective

The brand is an FMCG category targeting the youth and faces very heavy competitive pressure. Historically this brand, has always been being using TV for all its

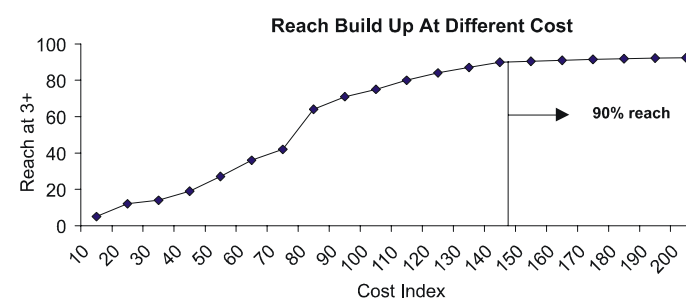
communication. The brand wanted to launch a new variant. Given the brand's marketing objective, the media objective got translated to 90% reach at 3+. Our analysis indicated that to achieve the media objective through "TV alone" would be extremely difficult due to the diminishing returns achieved by using a single medium, as can be seen from Chart 1 below.

Chart 1: Initial Plan with TV alone inputs



M-SPECTRA was used to analyse the optimal combination of media mix, which would achieve the desired media objective. The ideal combination for achieving the media objectives was attained by adding print to the TV plan and that too at a lower cost.

Chart 2: Optimised Plan with TV+Print inputs



As can be seen from Chart 2, the media objective of 90% @ 3+ was achieved at a cost of index of 148 while the same objective through "TV alone" would have been achieved at a cost index of 270.

Based on the M-SPECTRA recommendations, the brand used print along with TV for the first time. Not only were the media objectives of the brand met but the brand also achieved all the benchmark awareness scores at a much lower cost.

What-If Scenarios using M-SPECTRA

M-SPECTRA can be used to check out various “what-if” scenarios such as:

- What if we drop the leading TV channel (or) leading newspaper to achieve the objective?
- What would happen if we add mainline magazines to a niche TV plan? Will it give a more balanced frequency distribution?
- What if we do not include any niche TV or Print? How will the highest 20% vis-a-vis lowest 20% of target group get affected?

Limitations of M-SPECTRA

- M-SPECTRA does not use “single source” data for the reach-frequency estimations and is therefore bound by the standard error inherent to any probability method
- The tool treats all media GRPs as equal and does not take into account the qualitative factors of each medium

Conclusion

M-SPECTRA provides an approach to the multi-media quantification problem. The results by using M-SPECTRA are relevant, actionable and real. Users can fine tune the plans by super imposing qualitative factors.



Madison Media Wins Gold at EMVIES 2004 !!!

In the recently held EMVIES Awards for media excellence, Madison Media has won the following awards:

1. Gold for Best Media Strategy: Coca Cola
2. Silver for Best Media Innovation-TV: Cadbury Dairy Milk
3. Silver for Best Media Innovation-Radio: Kotak Mahindra
4. People’s Choice Award for the Best Presentation: Coca Cola



Gold for Best Media Strategy for Coca Cola



Silver for Best Media Innovation TV for Cadbury Dairy Milk



Silver for Best Media Innovation Radio for Kotak Mahindra



People’s Choice Award for Best Presentation for Coca Cola

Comments, queries welcome at : mmrc@madisonindia.com