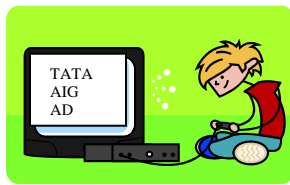


MEDIA STRATEGY

THE END OF REACH/FREQUENCY BASED PLANNING

Background

Tata AIG is one of the leading players in the life insurance industry. They advertise actively using both TV and Press. Unlike other companies, they however do not use the advertising for only a brand awareness creation exercise, but aggressively practise direct marketing using the two media. In all their creatives, there is a response mechanism, through which the consumer can directly contact them for information and the sale is also done thro' this response mechanism.



Viewer watching
TATA AIG Ad
containing a resp #



Viewer calls / SMS's
the call center



Call center answers
the viewer's queries
& sells the product

Marketing Objective

To deliver the **maximum response** from every communication at the **lowest possible cost**.

Target Audience

Males 25-44 Sec A, interested in buying insurance for self and / or family

The Situation Analysis

1. Target audience is a light TV viewer and hence more expensive to reach
 - a. Viewing skewed to prime time due to working TG
 - b. Prime time most expensive
2. **Past Media plans were based on traditional Reach/ Frequency planning.**
 - a. **Response per spot (RPS) was not very high and Cost per response (CPR) was very high, leading to the conclusion that television was not a desirable medium for response generation**
3. Multiple media and within each media, multiple channels / publications had to be used simultaneously since usage of one at a time would not have yielded enough results to achieve the sales targets. (Usage of one at a time would have indicated the best performing vehicle for future use).
4. The additional challenge was also to streamline the responses to ensure an almost equal distribution of responses at the call center throughout, so that all responses were attended to by the call center. This was necessary since it was noticed that any peak in response at the call center resulted in too many abandoned calls and hence loss in sales opportunities.

5. Hence, the challenge was to :
- devise a system to attribute the response generated accurately to the medium / vehicle generating that response
 - use that system, to fine tune the media plan to maximize response and minimize cost.

The Solution & Execution

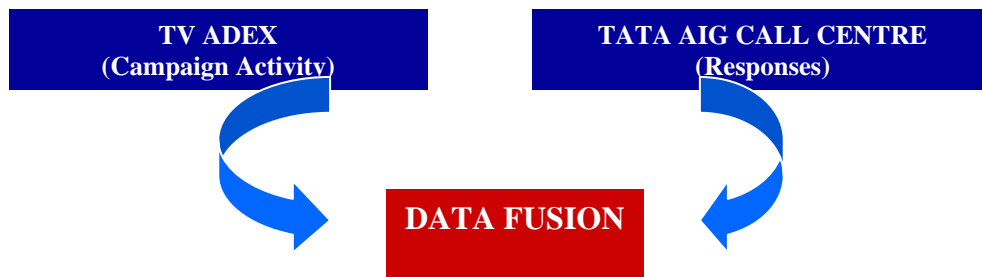
The media strategy was worked out in three stages :

Stage 1 : Experimentation stage

One or two channels were chosen from all the major genres and spots were taken across different timebands in each of the channels. This stage was limited to a very few days due to the cost constraints.

Stage 2 : Response attribution stage

Response data collected at the Tata AIG Call Centre was analysed alongwith the spot telecast data from TAM Adex. A technique known as “Data Fusion” was used to fuse the two databases on common variables, in order to attribute the response generated by each spot.



The key challenge at this stage was to match the huge number of responses generated with the individual spots which generated those responses (from the multiple spots which were on air simultaneously). This matching of responses to spots was done using a complex algorithm.

The complex algorithm consisted of two steps : (1) Mapping the spot telecast time to the responses generated time at different lag intervals, using the TVR of the spots to allocate the responses proportionately to the spots within the lag time. The optimal time lag (which is the lag time by which the bulk of the responses are generated) was thus identified. (2) All further analysis was done on the basis of the optimal time lag.

A special software, “MATCHPOINT” was then created in order to handle the large amounts of data and to do the data fusion process on an ongoing basis, so as to minimize the turnaround time for the data analysis.

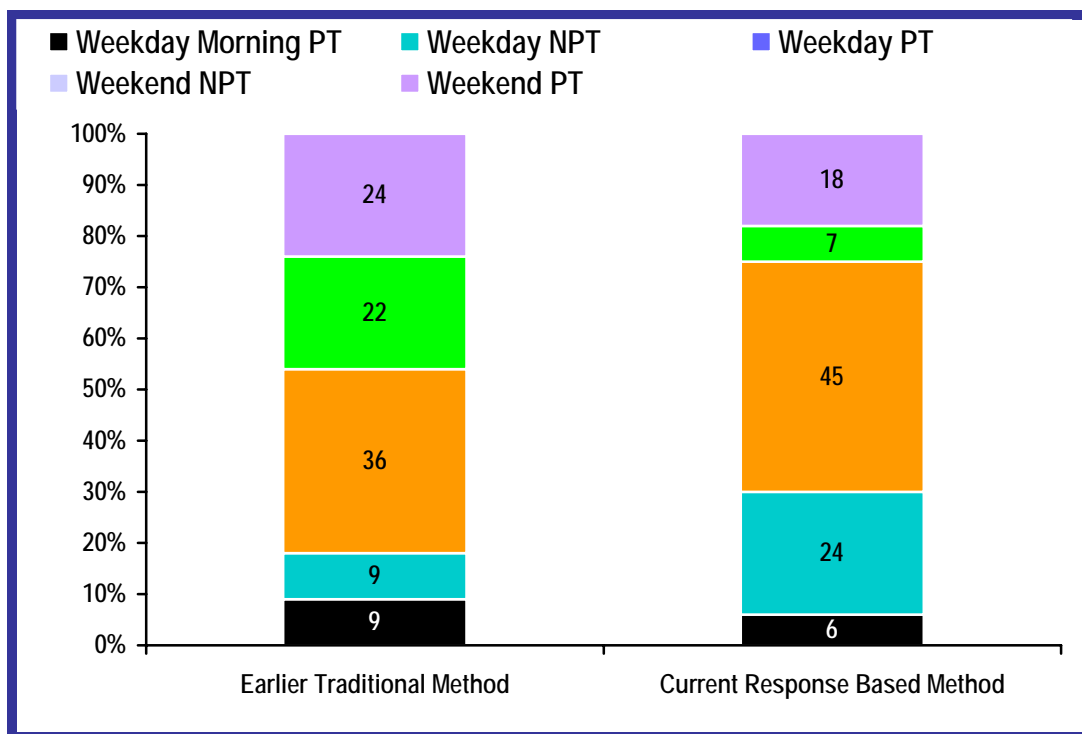
The following questions were thus easily answered :

1. Which are the best channels on both RPS and CPR ?
2. Which are the best timebands ?
3. Which timeband within each channel is the most effective ?
4. Which channel gives us maximum responses in the metros ?
5. Which channel gives us the best conversions ?....etc.

Stage 3 : Optimizing the media plan

The media plan was then optimized using the two variables of RPS and CPR. The objective was to **maximize RPS while minimizing CPR**.

A comparison of the plans generated earlier thro' traditional method and now with the current response modeling method, in terms of the timebandwise spot distribution is given below :



Result – How did it help the brand ?

1. A very clear, optimized media plan was arrived at which helped in **maximizing responses at minimal cost**.
2. There were quite a few myths which were busted along the way :
 - a. Myth 1 : High TVR programmes have to be a part of the media plan.
NOT REALLY. They are really not very good on CPR.
 - b. Myth 2 : A media plan without high TVR programmes on mass channels does not really deliver.

NOT COMPLETELY TRUE. We have to pick and choose programmes within mass channels which are high on RPS and low on CPR.

c. Myth 3 : Weekday NPT for a male audience is a stupid thing to do. **NOT COMPLETELY TRUE.** Daytime spots on a weekday actually deliver responses.

d. Myth 4 : For a male audience, you need to significantly skew the spots on a weekend.

NOT TRUE FOR ALL CHANNELS. Some channels deliver better on weekdays. Hence, again need to carefully choose timebands specific for each channel.

e. Myth 5 : There is a hierarchy among niche channels – some are better than others.

NOT COMPLETELY TRUE. Most niche channels deliver as long as the timeband choice is done carefully.

3. Identification of more channels and different timebands for the new media plan, which would not have existed in the traditional media plan (which would have focused on Prime Time for a male audience), allowed the plan to be broad based and staggered. This took care of the call center staffing and response issues which were equally critical for the client.
4. A comparison with an earlier executed traditionally planned media plan is given below :

	Indexed figures		% Difference
	Earlier	Now	
Cost	100	95	
# Spots	100	222	
Responses	100	358	
CPR			-73%
RPS			62%

5. The media plan based on response modeling resulted in a reduction in CPR of 73% and an increase in RPS of 62% compared to the response delivered from a traditionally planned media plan (based on Reach/Frequency planning).