

February 25, 2021

TV generates business demand in the short- and long-term

The latest edition of *The Payback Series* demonstrates TV's ability to generate demand for Australian businesses in a multitude of categories across a range of time frames.

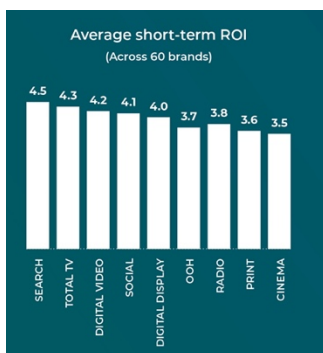
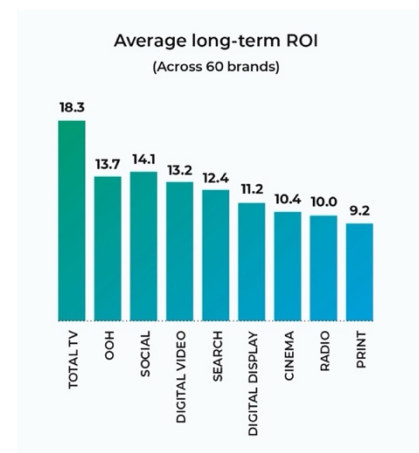
An Australian-first study analysing the campaign performance of 60 brands with a collective annual turnover of \$23 billion and an annual media spend of \$450 million has found TV generates demand for businesses in both the short and long-term.

The latest edition of *The Payback Series* was conducted in partnership with Professor Peter Danaher, Head of the Monash University Department of Marketing and Professor of Marketing and Econometrics, GroupM and marketing effectiveness consultancy Gain Theory.

Key findings of the research include:

TV generates the greatest ROI in the long term

Across the 60 brands in the study, for every dollar spent, the average return on investment (ROI) for total TV was \$18.30. This return was far greater than any other channel with the next highest return \$14.10 for social (Facebook), followed by out-of-home (\$13.70), digital video (\$13.20) and search (\$12.40).

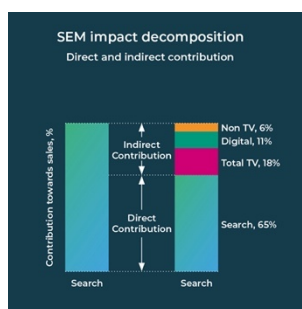


TV generates strong ROI in the short term

When measured in the short term (less than three months), total TV delivered ROI of \$4.30 for every dollar spent demonstrating its ability to drive growth over shorter time frames.

TV produces more media-driven incremental sales than any other channel

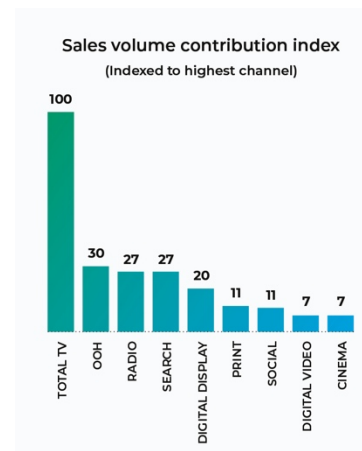
The research indexed all media channels and found TV to be three times better at driving incremental sales than any other channel.



TV is the top driver of search

TV is fundamental to the sales demand derived from search with total TV contributing 18% towards the sales

impact. In comparison, digital channels contributed 11% and other channels contribute just 6% towards search's sales impact in the short term.



TV makes other media platforms more effective

Total TV has the strongest synergistic effect in multichannel campaigns increasing the effectiveness of social (Facebook) by 6.02%, search by 7.13% and display by 5.28%.

	TOTAL TV	SEARCH	SOCIAL	NON-TV*	DISPLAY	VIDEO
TOTAL TV		7.13%	6.02%	5.31%	5.28%	4.67%
SEARCH	7.13%		1.46%	1.30%	1.29%	0.98%
SOCIAL	6.02%	1.46%		1.01%	1.15%	0.99%
NON-TV*	5.31%	1.30%	1.01%		0.82%	0.59%
DISPLAY	5.28%	1.29%	1.15%	0.82%		0.73%
VIDEO	4.67%	0.98%	0.99%	0.59%	0.73%	

Professor Danaher said: "TV's strength in driving business impact over the longer-term is well established, however, this research shows that with its broad reach, high levels of attention and time spent viewing, the platform also initiates a strong demand-response from the very first exposure. The findings confirm TV is a powerful medium for driving sales demand over any timeframe."

The large-scale study utilised econometric modelling across three years of campaigns to examine how media contributes to business demand generation across a number of sectors including automotive, retail, FMCG, financial services, travel, government and utilities. Nine different media channels were analysed: total TV, radio, out-of-home, search, print, social (Facebook), cinema, social video and digital display.

ThinkTV CEO Kim Portrate said: "2020 tested marketer's agility with sales windows opening and closing and market conditions changing with little notice.

“As 2021 begins, advertisers are in need of quick sales to make up for lost time or a fast start to their quarterly sales period. This research proves TV – potentially under-allocated in marketer’s short-term campaigns – is the perfect partner to help make the most of the new year.”

Initial findings of the study will be revealed at the Future of TV Sydney conference on February 25 with further insights to be shared in the coming months.

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Media Enquiries

Brooke Hemphill

bhemphill@premiumcontentalliance.com.au

0419 351 445

About ThinkTV

ThinkTV works with the marketing community to lead a collective effort that demonstrates how advertising in broadcast-quality content environments provides the greatest return on investment. Our curiosity for all things TV is boundless – whether it’s understanding how audiences engage with TV, investigating the impact TV has on business results or simply celebrating the creativity of TV advertising – we’re always ready to chat about TV in all its forms and devices.

Find out more:

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