

Management Slant

ABSTRACT

Provides a bullet-point summary of key learnings and conclusions from the main articles in JAR issue 45,2 (2005).

255 TEN YEARS OF LEARNING ON HOW ONLINE ADVERTISING BUILDS BRANDS

NIGEL HOLLIS

- Click-through is most likely among those actively engaged with making a purchase decision and, as a result, click-through levels will vary depending on the number of people shopping for a purchase as much as the communication effectiveness of the advertising.
- Establishing motivating impressions of a brand outside the purchase window will help ensure that people have a predisposition to buy the brand and make them more likely to consider it when they do come to purchase. Online advertising is demonstrated to have a brand building effect by increasing the attitudinal relationship with the brand.
- Click-through is primarily driven by the perceived relevance of the advertised brand. Relevance could be conveyed by the advertisement at the time of exposure or could have been established prior to that exposure as a result of other experiences, including marketing communication.
- Advertisers should adjust their messaging strategy to match their advertising objectives: brand building or click-through.

269 MEASURING AFFECTIVE ADVERTISING: IMPLICATIONS OF LOW ATTENTION PROCESSING ON RECALL

ROBERT HEATH and AGNES NAIRN

- Advertising that works more on our emotions and feelings can be processed effectively at relatively low levels of attention.
- This inhibits recall of the advertising, and as a result it tends not to perform well on recall-based metrics.
- A controlled research study of two advertising campaigns was set up to compare the most popular recall-based metric—claimed advertising awareness—against an approach that deduces effectiveness from recognition of the advertising.
- The findings of both studies confirmed the hypothesis that claimed advertising awareness can seriously underestimate the effectiveness of affective advertising.

229 HOW BEHAVIORAL PRIMACY INTERACTS WITH SHORT-TERM MARKETING TACTICS TO INFLUENCE SUBSEQUENT LONG-TERM BRAND CHOICE

ARCH G. WOODSIDE and MARK D. UNCLES

- Initially consumers try several different brands; once this initial exploratory phase is over consumers tend to restrict their brand purchasing to just one or two brands.
- Buying in the first week of the study has a positive impact on the future purchasing behavior.
- The findings for Lays Potato Chips confirm a strong interaction effect between primacy and the five price levels for Lays.
- Behavioral primacy achieves a positive impact on long-term purchase share for brands that does not result from special short-term marketing manipulations working in isolation.
- It is very important for a customer to try the marketer's brand as early as possible—i.e., as soon as a consumer moves to a new location, or at the time she experiences a new subcategory.

241 A LOOK AT THE LONG-RUN EFFECTIVENESS OF MULTIMEDIA ADVERTISING AND ITS IMPLICATIONS FOR BUDGET ALLOCATION DECISIONS

DEMETRIOS VAKRATSAS and ZHENFENG MA

Key findings:

- The effectiveness of advertising should be evaluated on a medium-by-medium basis to boost productivity. Multimedia advertising can generate multiple sources of brand growth.
- Image-oriented media such as network TV and accessible media such as magazines can produce long-term effects. More tactically oriented media such as spot TV are confined to short-term effects.
- Allocation of advertising budget to different media should be based on their ability to produce long-term effects. Re-allocating advertising money to a medium capable of producing long-term effects increases budget efficiency.

198 MARKETERS CHALLENGED TO RESPOND TO CHANGING NATURE OF BRAND BUILDING

SCOTT DAVIS

Key findings:

- Marketing can help establish and maintain a business's superiority by applying its insights into the customer relationship with the brand across all the organization's customer touchpoints.
- Given the scarcity of financial resources and the need to demonstrate marketing return on investment, marketers should focus on tactics to help them grow the share of wallet of current customers rather than chase after new ones.
- With so many customer touchpoints, marketers need to think outside their traditional vehicles, looking at those that better enrich the customer's experience with the brand.

201 RADICAL BRAND EVOLUTION: A CASE-BASED FRAMEWORK

BILL MERRILEES

Key findings:

- A new (process), three-stage theory of brand evolution
- Importance of qualitative, creative consumer research to guide the re-visioning of the brand
- Importance of getting stakeholder ownership of the new (modified) brand
- Importance of integrated marketing communication that integrates corporate image and specific product offers

211 THE DOUBLE JEOPARDY PHENOMENON AND THE MEDIATING EFFECT OF BRAND PENETRATION BETWEEN ADVERTISING AND BRAND LOYALTY

ZHILIN YANG, ZILI BI and NAN ZHOU

Key findings:

- The Double Jeopardy pattern, which says that brands with larger market penetration tend to enjoy higher repeated purchases and smaller brands attract fewer buyers who also buy less, is extendable to the China market.
- Brand penetration plays a mediating role in the relationship between advertising and brand loyalty.
- Gaining market penetration could lead to greater customer loyalty for smaller brands than for bigger ones.

222 THE ROLE OF BRAND PARITY IN DEVELOPING LOYAL CUSTOMERS

RAJESH IVER and JAMES A. MUNCY

Key findings:

- Brand parity moderates the effect of satisfaction on brand loyalty.
- Brand parity moderates the effect of quality perceptions on brand loyalty.

162 ADVERTISING'S ROLE IN CAPITALIST MARKETS: WHAT DO WE KNOW AND WHERE DO WE GO FROM HERE?

GERARD J. TELLIS

- Many lay people and some experts hold beliefs about advertising that research suggests are false.
- Advertising often appears ineffective, but it is essential for free markets.
- While paradigmatic research on advertising is abundant, interdisciplinary and integrative research is scarce.
- Pressing areas of research are the effect of executional cues on sales, advertising's role in brand equity, the interplay of advertising on prices, and the interaction of advertising and sales promotion.

171 IN SEARCH OF TRUE BRAND EQUITY METRICS: ALL MARKET SHARE AIN'T CREATED EQUAL

THOMAS J. REYNOLDS and CAROL B. PHILLIPS

The development of a general "share tiering" framework to gain a more robust understanding of "true brand equity" yields direct measures reflecting:

- Segments in the marketplace derived from the interactions of the price/quality perceptions of loyal customers with respect to their contribution to market share
- Relative "brand equity share" in the marketplace
- Price/quality "equity" equilibrium

187 BRAND KEY PERFORMANCE INDICATORS AS A FORCE FOR BRAND EQUITY MANAGEMENT

JOEL RUBINSON and MARKUS PFEIFFER

- A CMO must provide a compelling framework for managing brand equity and then orchestrate an organizational buy-in from senior management both at the corporate and divisional levels.
- The key dimensions of brand equity—financial performance, loyalty, and favorable attitudes—can all be linked together.
- It is not enough to choose the right KPIs to track brand performance, you must also be able to set targets for each KPI to achieve brand success. The key to setting intelligent targets is to model the linkages.
- A company with a master brand/sub-brand architecture must also monitor and grow the benefit that the master brand is providing.
- Focusing on the attribute ratings of customers is likely to give a very different, but more realistic, picture of the true strength of your brand relative to competition.

© Copyright Advertising Research Foundation 2005

Advertising Research Foundation

432 Park Avenue South, 6th Floor, New York, NY 10016

Tel: +1 (212) 751-5656, Fax: +1 (212) 319-5265

All rights reserved including database rights. This electronic file is for the personal use of authorised users based at the subscribing company's office location. It may not be reproduced, posted on intranets, extranets or the internet, e-mailed, archived or shared electronically either within the purchaser's organisation or externally without express written permission from Warc.



www.warc.com