

Cinema and TV advertising proven to deliver three-fold increase in propensity to buy compared to TV alone

An extensive research program has proved that cinema advertising has a significant impact on consumer's propensity to buy, driving potential return on investment for advertisers.

The research, conducted by AMR Interactive, involved eleven advertising campaigns from leading brands across a broad range of product categories.

Looking at consumers impacted by each medium, the research found that cinema added potency to the effectiveness of TV advertising, critically increasing the likelihood to buy the advertised brand.

Compared to people impacted by TV only, those impacted by cinema and TV advertising demonstrated:



- Higher brand liking
- Higher brand image
- Higher advocacy for the brand
- Perceived the brand as representing better value
- More favourable response to the brand's advertising
- **A three-fold uplift in propensity to buy the brand**

This new research adds further understanding as to how cinema's well recognised attributes in terms of the captive audience, the unique environment, movie-going experience and unrivalled advertising impact translate to quantifiable measures of advertising effectiveness.

We are confident that 'best practice' research was undertaken to ensure a rigorous study of the effectiveness of cinema, relative to TV, was carried out.

The key findings demonstrate that cinema advertising exposure, across the eleven campaigns, had a significant impact on propensity to purchase the brands tested and delivered a greater potential ROI for expenditure than using TV alone."

Brian Fine, Chairman, AMR Interactive

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How the research was done:

The research was conducted on each campaign individually, using an identical methodology. The campaigns used for the research were selected on the basis that the same creative execution was running concurrently on both cinema and television to ensure an objective study of the role of both media. To ensure the advertising had relevance, all respondents were screened to ensure they were within the primary demographic target audience for each campaign and that they were also buyers or potential buyers of the product category.

An independent statistical expert, Dr Bill Callaghan, was engaged to be part of the research team with a special focus on design and analysis.

The campaigns researched were from leading national advertisers and covered a broad range of product categories, including automotive, telecommunication, finance, fast food, alcoholic beverage and FMCG brands.

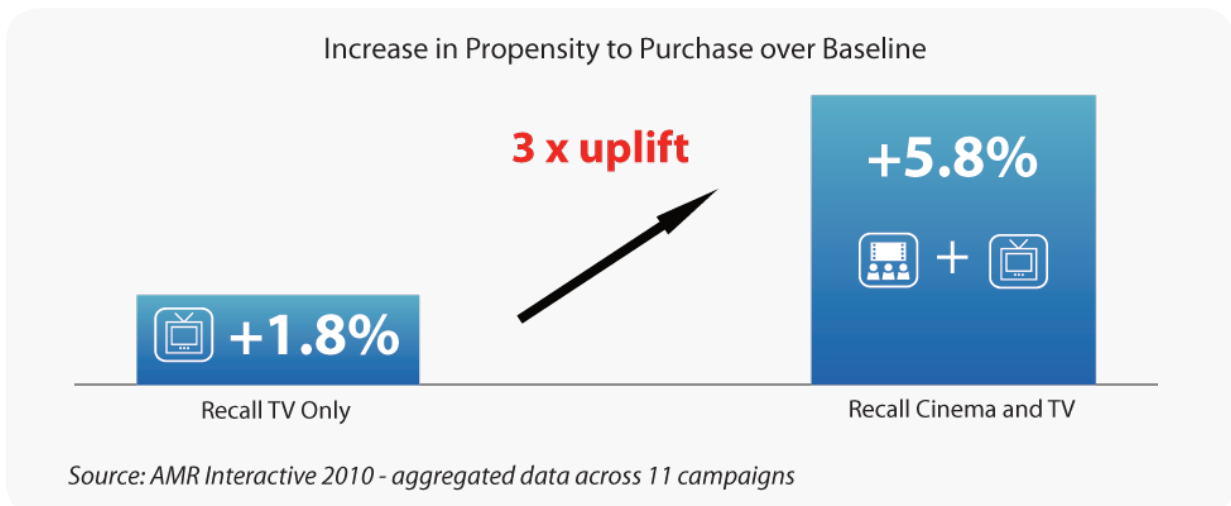
Fieldwork took place from September 2008 to January 2010, with a total of 4075 online interviews conducted across the eleven campaigns. A boost sample of respondents with an opportunity to see the ad in cinema were included in the research design to help minimize any potential misattribution of advertising by media channel.

Measures of brand perception, future purchase intention and advertising communication were then compared amongst people impacted by the advertising on cinema and on television. Debranded advertising stills were used to assess recognition of the campaign and measures of advertising communication.

Key Insights:

Propensity to buy

People recognising seeing advertising **on cinema and TV** demonstrated a three-fold increase in propensity to buy the brand, compared to the uplift measured amongst those recognising advertising on TV only.



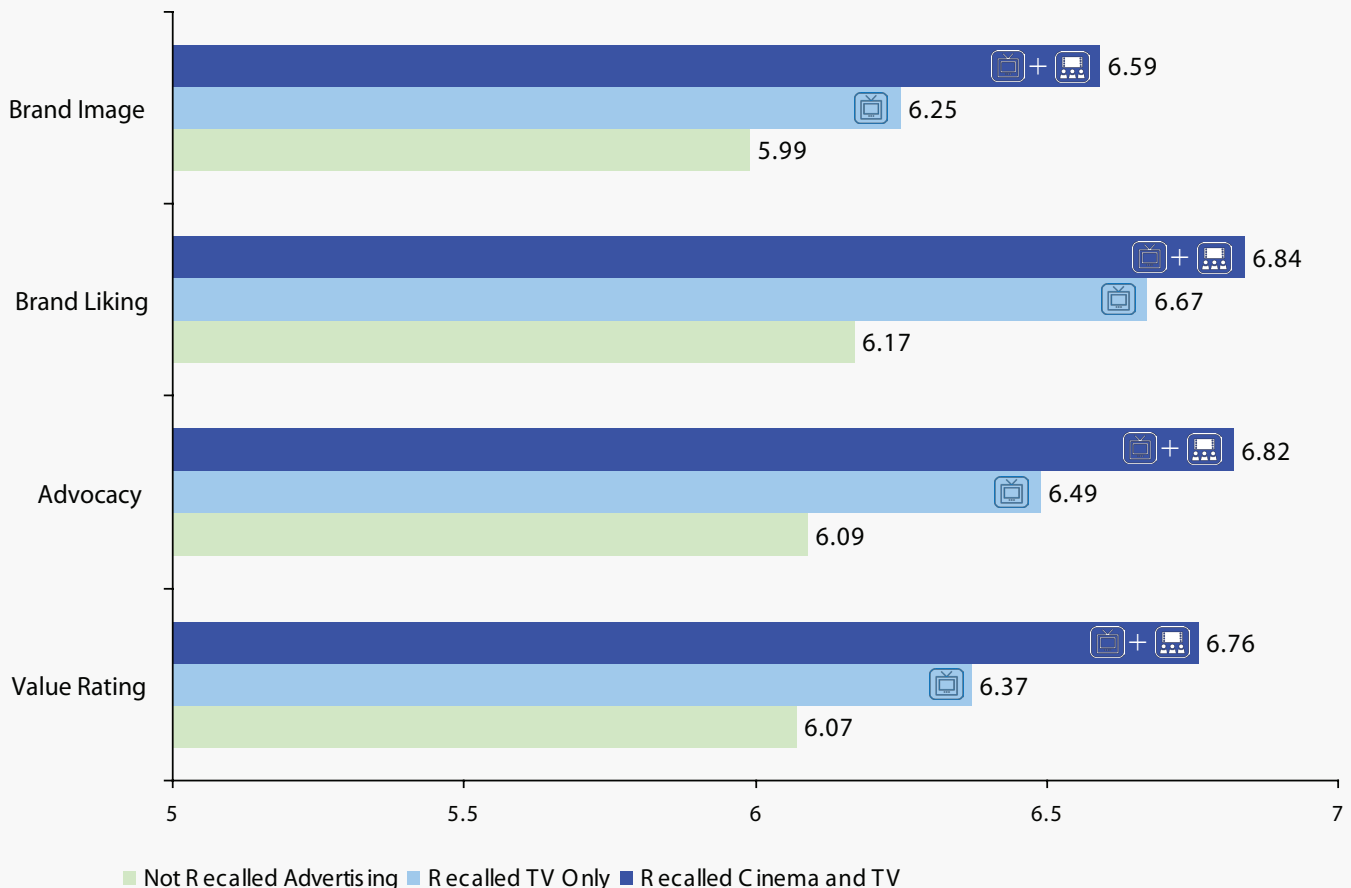
Propensity to buy (cont.)

Taking into consideration the average investment in cinema and television across the eleven campaigns, per media dollar spent, the combination of cinema and television was found to be 36% more effective in driving increased propensity to purchase than TV alone. Proving that cinema, when used in conjunction with TV, delivers a higher uplift in propensity to buy for advertisers than the same budget used exclusively on TV.

Brand Image and Perception

Those aware of cinema and television advertising also rated the brand more highly in terms of liking, image, advocacy and value for money than those aware of television advertising only.

Brand Attributes (Mean Score 10 Point Scale)



Source: AMR Interactive 2010 - aggregated across 11 campaigns

Alongside improved brand perception measures, there was also a more favourable response to the brand advertising amongst those aware of cinema and TV compared to those aware of TV only.

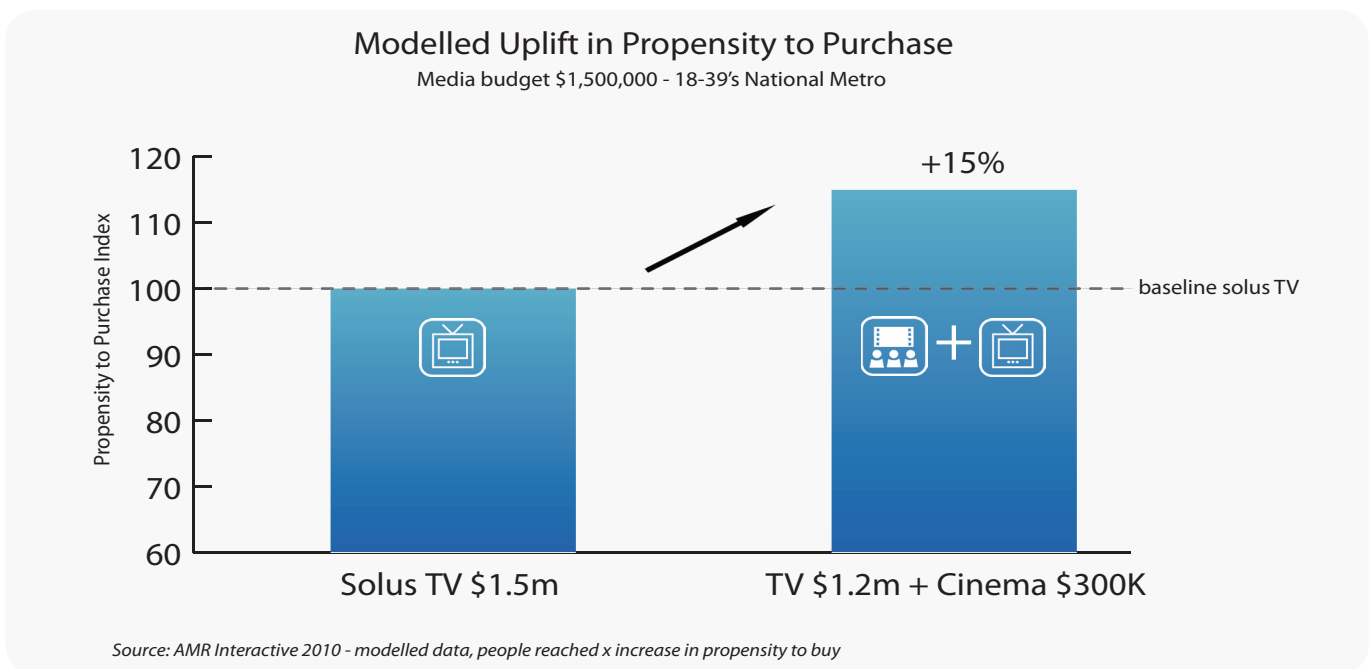
The Cinema Experience

Focus groups conducted during the research revealed that the atmosphere and environment of the cinema occasion coupled with the heightened engagement of the cinema experience were important factors in cinema delivering a more effective and potent response to campaigns.

- People enjoy ads seen at the cinema more so than on television
- Moviegoing is seen as a special occasion, valued time that is shared with family and friends
- Cinema advertising is associated with the positive experience of going to the movies
- Moviegoers are primed to pay attention to the pre-show advertising
- Ads seen on cinema benefit from the all encompassing sensory experience, delivering greater impact and engagement

Projecting campaign outcomes

In conjunction with AMR Interactive, a modelling solution has been developed using the results of the research that enables the uplift in propensity to buy to be projected for combinations of cinema and TV advertising weights. The modelling demonstrates the value of including cinema with a TV schedule, the example below shows that by allocating 20% of the TV media budget to cinema, propensity to buy increases 15% above the result for the same budget spent exclusively on television.



For more information on propensity to purchase modelling and how it can be applied to your media planning objectives please contact your Val Morgan representative.