From the Wizard Academy Monday Morning Memo, August 9, 2004

When Will My Ads Start Working?

The length of the "ramping up period" an ad campaign will require before you begin to see results is determined by the following factors, listed in descending order of their importance:

1. Product Purchase Cycle
2. Share of Voice
3. Impact Quotient of message
4. Media delivery vehicle

Product Purchase Cycle: How often is the customer in the market for this product? Because we eat more often than we redecorate, ads for restaurants will yield results much faster than ads for carpet or furnishings. Nearly every person reached by advertising will eat at least one meal in a restaurant this week, but only 1 in 452 will be involved in any particular 7 to 10-year product purchase cycle. The longer your product purchase cycle, the longer you'll have to invest in advertising before you feel like it's working. The ramping up period usually takes 20 percent of the product purchase cycle to no more than 40 percent. In other words, the advertiser selling a product a customer purchases once every 5 years will likely be one to two years into his advertising plan before he feels like it's really beginning to pay off.

Share of Voice: What percentage of all the advertising done in your product or service category is yours? To be perfectly accurate, a Share of Voice calculation must include such things as the intrusive visibility offered by an excellent location, previous years of consistent advertising, word-of-mouth recommendation by customers, etc, but generally speaking, *your Share of Voice is loosely determined by the size of your ad budget compared to the collective ad budgets of your competitors*.

Impact Quotient: How convincing is your message? Keep in mind that your customer won't be hearing your message alone. They'll be comparing your message to the messages of your competitors. How strong is your competition? Urgent messages making "a limited time offer" will definitely elevate the Impact Quotient, but only for those customers who are currently, consciously in the market for the product. But the same "limited time offer" is likely to lower the long-term Impact Quotient for customers who are not yet ready to buy. The only thing the not-yet-ready customer is likely to remember from such ads is never to buy from your company "unless they're having a sale." Long-term, the most valuable ad is the one that delivers a message powerful enough to be remembered *even by people who are not currently in the market for your product*. (I'll tell you exactly how to do this next week in a memo called *The Great Ad Myth*.)

Media delivery vehicle: One commonly held myth is that we remember "more of what we see than what we hear." In truth, the opposite is true. A picture of your product (an iconic recall cue) delivered through a visual media will be noticed by readers and viewers who are currently, consciously, in the market for the product. Consequently, the response to silent, visual ads is usually immediate. But then it's over. Auditory ads, however, are retained in memory even when customers are unaware they've heard them. This is why you can sing along with nearly 2,000 songs *you never intended to learn*.

One could easily generalize that products with shorter purchase cycles should use visual media and products with longer purchase cycles should use auditory media, but like most generalizations, this one would be flawed because there are two other factors – Share of Voice and Impact Quotient – that make a lot more difference than your choice of delivery vehicle. *Far more important than your choice of media is your choice of message*.

As you can see, there is no perfect answer. The option that delivers the best result today will yield the worst result long-term. And the most tedious thing in the short run is the most powerful thing in the long run.

But isn't that how most things work?

Roy H. Williams