

Marketing Colloquia

Thursday, October 25, 2012

Where: 741 JMHH

When: 3:00 PM to 4:20 PM

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Comparing the Impact of Online Advertising and Traditional TV Commercials *joint paper with Wes Hartmann*

ABSTRACT: A key issue for media planners determining the share of their advertising budgets to spend on internet advertising is whether or not internet advertising can build brands as effectively as television advertising. While the internet platform allows for experimental measurement, assessments of brand building for television ads are based on non-experimental measures of how well exposed individuals can link the brand with the copy message. We extend the traditional brand-message recall methodology to better accommodate comparisons between internet formats and television. Specifically, we supplement the inflight brand-message surveys with a set of pre-campaign surveys to control for pre-existing brand knowledge. We apply the methodology to 21 campaigns (on- and offline) covering brands across multiple industries ranging from consumer packaged goods to telecommunications. We find cross-brand variation in pre-existing knowledge that is consistent with the predictions of dynamic advertising models. Furthermore, after matching the pre-campaign respondents to those eventually exposed to the campaign, we find that internet exposed individuals have significantly lower levels of pre-existing knowledge than do television viewers. Incorporating these pre-existing differences between media formats results in brand lift measures for internet ads that are statistically indistinguishable from comparable television lift measures.