

Best-Practice Media Scheduling: A Practical Application

Examining whether improvements in media scheduling efficiency can be gained by incorporating shelf-space planning tactics. A study based on the Australian commercial TV environment.

Kate Newstead

BMgmt (Marketing), BA (International Studies), BBus (Hons)

**Supervisors: Dr Erica Riebe, Dr Nick Danenberg
and Assoc Prof Rachel Kennedy**

A thesis submitted for the degree of Masters in Business (Research, Marketing)

Ehrenberg-Bass Institute for Marketing Science
University of South Australia



Ehrenberg-Bass
Institute for Marketing Science

kate.newstead@marketingscience.info
University of South Australia, North Terrace, Adelaide, SA, 5001

- February 2010 -

Abstract

This research investigates how best-practice media scheduling theory is currently understood and implemented by media practitioners at both the strategic and tactical levels of media planning. This study also demonstrates that practitioners can gain substantial improvements in terms of reach-efficiency when simple best-practice scheduling tactics are integrated into real-world media schedules.

Advertising media is a communication device that advertisers use to carry brand messages to their target audiences and investment in media represents a substantial financial outlay to advertisers. Arguably, one of the most important considerations in terms of media strategy and planning is the way in which the budget is distributed with regards to *where* and *when* an advertiser advertises.

Recent research from a range of research streams (including buyer behaviour, advertising response, decay effects and memory) has substantially advanced our knowledge of best-practice media scheduling. This study tests the knowledge and adoption of the *shelf-space* approach to media planning. Shelf-space is a concept coined by Erwin Ephron (1995b) which incorporates the multifaceted best-practice media scheduling principles of receptivity, propinquity, as-if-random purchase behaviour and the convex advertising response function. Importantly, this literature supports the assessment of campaigns based on their ability to continuously reach a broad audience, rather than alternative approaches (which are more commonly practiced in industry) such as achieving a desired level of exposure frequency, as heralded in alternative scheduling models such as effective frequency or 3-Hit planning. In this thesis I examine whether certain tactical media scheduling options systematically improve the results, in terms of reach, of media schedules.

This study adopts a practitioner-focused angle. Numerous publications have exemplified the gap between academia and practice in advertising and media research and in the broader marketing field (see for example, Holbrook, 1985, American Marketing Association, 1988, Cornelissen and Lock, 2002, November, 2004, Paech, 2005, Gabriel et al., 2006, de Gregorio and Cheng, 2009). In this literature, the general consensus is that reducing the academic-practitioner gap would improve the credibility and relevance of academic research and the effectiveness of practitioner activities. This research examines the theory-practice divide in the context of best-practice media scheduling. In this thesis, I seek to uncover how academically established best-practice media planning approaches *are* and *could be* translated into day-to-day media planning decisions, and the extent to which this adoption could improve media schedule outcomes.

Both qualitative and quantitative research is used to address the research aims. An investigation of how media practitioners currently understand and implement best-practice media scheduling theory is assessed through 22 expert interviews. The qualitative findings guide the quantitative stage where the impact of scheduling tactics is validated across a wide range of media planning contexts. Systematic quantitative analysis of 27 datasets, (each based on a real-world media schedule commissioned by a commercial advertiser) identifies whether certain scheduling tactics do in fact improve campaign efficiencies based on reach. The analysis in this research is limited to commercial television media

planning in Australia, however the implications extend far further given the similarities in television viewing patterns across developed countries (Sharp et al., 2009).

I find that although most practitioners state that empirically established best-practice media planning principles are important considerations in media strategy development, commissioned schedules do not reflect these principles. This finding adds validation to the general consensus on the theory-practice divide noted in the media and marketing literature. Rather than high-reach continuous media schedules, burst schedules (i.e. short campaigns with heavy weekly media weight) are typically preferred due to: (1) standard campaign assessment techniques, (2) creative considerations, (3) trade marketing or seasonality, and (4) a general psychological preference based on personal habit and the internal excitement that burst scheduling approaches generate.

During the expert interviews, practitioners identified 5 media scheduling tactics that align with the best-practice theory. A systematic validation of these tactics across 27 schedules revealed that including such tactics resulted in media schedule efficiency gains. In this thesis, efficiency is measured in terms of the average weekly reach achieved *across an entire year*, rather than simply assessing the reach achieved during weeks in which there was campaign activity. Such a longitudinal reach measurement aligns with the best-practice shelf-space scheduling literature underpinning this thesis.

Including the scheduling tactics resulted in reach-efficiency gains of the following calibre:

- Extending the length of a media campaign increased the schedule efficiency by 46%;
- Spreading media across all viewing day-parts but emphasising prime time spots increased the schedule efficiency by 18%;
- 'Road-blocking', by scheduling advertising simultaneously in directly competing television media increased the schedule efficiency by 12%;
- Spreading the budget across television networks inline with aggregate viewing behaviour increased the schedule efficiency by 3%; and
- Varying the media budget across all days of the week increased the schedule efficiency by 2%.

These findings illustrate that practitioners have the opportunity to largely improve their media allocation decisions and minimise communication wastage. Importantly, the findings suggest that media planners need not change their tactical media decisions dramatically; instead, somewhat small adjustments to media budget distribution are likely to result in great value to clients.

My findings have implications for the academic-practitioner divide in the marketing literature, the tactical interpretation of media scheduling principles, and various cultural and structural issues within the media industry.

Consistent with prior research, my research highlights that there is substantial discord between academic media scheduling theory and industry practice. Furthermore, my research reveals that there is also disconnect *within* the media industry between media strategy development and actual deployment.

My research improves practitioners' accessibility to a stream of academic research, and adds a new tactical-based perspective to existing media scheduling knowledge. The consistency of the quantitative results highlights that shelf-space scheduling approach transcends brand-planning contexts that are based on budget, categories, target audience definitions, advertising creative, etc.

Implications for the media industry centre on shifting media planning and measurement to a longer-term perspective (i.e. across a year), rather than based on a single campaign. Such a re-orientation is likely to lead to more efficient media scheduling and would also encourage more accurate longitudinal assessment of media schedules. From a managerial perspective, these findings encourage practitioners to restructure typical media planning and evaluation processes and metrics to ensure that their media budgets are spent in accordance with best-practice principles and therefore most efficiently.