

APPROVED PRESS RELEASE

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ADVERTISING RETURN ON INVESTMENT WILL BE THE FOCUS OF MARKETING IN 2005

“A prevailing school of thought predicts that our improved economy will yield an increased advertising spend in 2005. On this I concur, but suggest that the quality and focus thereof will increase proportionately. The wheels of accountability are in motion and marketers are too savvy to allow the excitement of a ‘boom time’ to eclipse the real issue, which is that you *can* and should measure the return on your advertising investment. This trend will continue in 2005,” says Clive Webster, senior partner of Objectivity, South Africa’s only specialist perception measurement firm.

As he points out, there are only three purposes to advertising: to create or increase awareness; to create or shift perceptions; to generate desired responses. All three are measurable.

Webster’s prediction is more than a gut feeling, albeit from a man who has been at the coalface of the development of marketing in Southern Africa from the ‘60s to the present day. Rather, his prediction is founded on the trend Objectivity has seen emerge from its annual measurement of advertisers’ perceptions regarding the performance of their ad agencies. This plays out as a significant rise in the ranking of ‘effectiveness’ as a criterion in advertisers’ decisions regarding the selection and use of advertising agencies.

He adds: “In 2004 clients ranked ‘effectiveness’ as the 5th most important decision criterion, up from 11th place in 2003 and 17th place in 1999. Couple this with the fact that in 2004, as in 2003, the criterion ‘professionalism/reliability’ outranks ‘creativity’ in importance and the reality is plain to see – clients want professionalism and reliability from their agency as well as creativity, but only insofar as creativity in advertising is effective.”

So how do marketers determine whether their budget is pure ‘advertising spend’ or in fact an ‘advertising investment’? Webster says it starts with perception measurement, which enables one to quantify the awareness levels and perceptions held by a market regarding a brand prior to a campaign.

Objectivity’s unique methodology is able to rank the market’s needs/wants as unsatisfied priorities and, uniquely, also quantify the standards of performance that will satisfy the market.

The intelligence gathered here provides the strategy, the messages the agency must take to market to achieve its client’s desired responses. Thereafter, perception monitoring will determine how well these messages are being delivered to and received by the market/s. If the desired responses are achieved, the advertising is effective and the client achieves a good return on their advertising investment. If not, the study will quantify the perception gaps that still need to be closed.

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Webster concludes: “I see a 2005 in which advertising ‘investment’ and not ‘spend’, will increase substantially. A year where campaigns will be guided by a sound understanding of the perceptions of their markets and where creativity will continue to be celebrated, except not for its own sake alone, but rather for the role it plays in successfully packaging the right messages for delivery to their audiences.

“2005 won’t be a ‘great’ year for the advertising and marketing industry, it will be a year of greatness for both. I look very forward to that.”

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