

Chapter VIII

Toiling in the Media Data Mines: How Do You Know If the Ad Budget is Actually Working?

Robert Young
PHD Canada (subsidiary of Omnicom Group Inc.),
Canada

Introduction

At PHD Canada, we deal in “*time and space*” — a phrase used when the term “*media management*” draws blank stares at cocktail parties. There are thousands of people like us, in hundreds of companies like ours, responsible for managing advertising media budgets. We all go to great lengths to create crisp target group definitions for consumer brands. We determine which media channels should be employed in support of our clients’ messages — time and space channels such as TV, radio, magazines, Internet, and newspapers. We recommend when our clients should run the media weight afforded by their budgets. And finally, we recommend how the weight should be distributed throughout the country, in which cities and which regions.

Media Is Where the Money Is

Major advertising budgets are distributed roughly 90/10 between the acquisition of media time and space (the 90) and creative development and production (the 10). And so, media expenditures are a big part of the total ad budget, and the total ad budget is, for most consumer marketers, a very significant cost item for the company as a whole. That is why the CFOs at the companies that own the brands we manage always ask the following question: “How do you know if the ad budget is actually working?” We think we have the answer. This chapter outlines how our company applies data mining techniques to mass media campaign history. We’ll show you what we have done and what we have found.

Which Half is Wasted?

“Half of my advertising is wasted; I just don’t know which half” is a quote from the 1920s or perhaps the 1930s (debate rages over source and date). The quote proves that concerns about return on advertising investment are as old as modern advertising itself.

The pressure on marketing departments to justify marketing and advertising investments has recently intensified. There is a new recognition that brands are valuable entities. Good brands hold equity. They have value beyond their ability to generate annual sales revenues and profits and so they can single-handedly build shareholder value. Marketing expenditures take on new importance because it is generally recognized that marketing effort is required to maintain brand value. Corporate officers understand the need for these expenditures but they desperately want assurance that the moneys are being spent effectively.

21 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/toiling-media-data-mines/24784

Related Content

Referential Horizontal Partitioning Selection Problem in Data Warehouses: Hardness Study and Selection Algorithms

Ladjel Bellatreche, Kamel Boukhalfa, Pascal Richard and Komla Yamavo Woameno (2009). *International Journal of Data Warehousing and Mining* (pp. 1-23).

www.irma-international.org/article/referential-horizontal-partitioning-selection-problem/37402

The Scent of a Newsgroup: Providing Personalized Access to Usenet Sites through Web Mining

Giuseppe Manco, Riccardo Ortale and Andrea Tagarelli (2009). *Handbook of Research on Text and Web Mining Technologies* (pp. 604-625).

www.irma-international.org/chapter/scent-newsgroup-providing-personalized-access/21747

Protection of Privacy on the Web

Thomas M. Chen and Zhi (Judy) Fu (2009). *Social Implications of Data Mining and Information Privacy: Interdisciplinary Frameworks and Solutions* (pp. 15-32).

www.irma-international.org/chapter/protection-privacy-web/29142

A Novel Filter-Wrapper Algorithm on Intuitionistic Fuzzy Set for Attribute Reduction From Decision Tables

Thang Truong Nguyen, Nguyen Long Giang, Dai Thanh Tran, Trung Tuan Nguyen, Huy Quang Nguyen, Anh Viet Pham and Thi Duc Vu (2021). *International Journal of Data Warehousing and Mining* (pp. 67-100).

www.irma-international.org/article/a-novel-filter-wrapper-algorithm-on-intuitionistic-fuzzy-set-for-attribute-reduction-from-decision-tables/290271

Active Learning and Mapping: A Survey and Conception of a New Stochastic Methodology for High Throughput Materials Discovery

Laurent A. Baumes (2013). *Data Mining: Concepts, Methodologies, Tools, and Applications* (pp. 66-91).

www.irma-international.org/chapter/active-learning-mapping/73434