

Engage emotionally with big event ads

Big events advertising is expensive and ads need to ensure that they engage with the emotion around the event to get an ROI. Some brands succeed and others fail, reports **Robert Passikoff** of Brand Keys

As the Andy Williams song goes, Christmas is the most wonderful time of the year, but brands hope that Christmas will come more than once a year, wrapped in big events such as the Super Bowl, the Academy Awards, the Olympics, FIFA World Cup, and holidays such as Easter and Thanksgiving. But are big events the most wonderful way for brands to spend their money, and, more importantly, make money? A study conducted by Brand Keys, the New York-based emotional engagement and brand loyalty research consultancy, would suggest not always.

For the largest of brands, brands wish for... well, not awareness... but something more. Those brands are already known. Smaller brands, the ones that break open their piggy banks to splurge, hope for increased awareness, but awareness is pretty much a commodity that could be more easily attained in the digital world, at a much lower cost than, say, a 30-second spot on the Super Bowl. And today, a big audience is a given for these kinds of events. So we absolutely concede that big events have the ability to generate big audiences along with the opportunity for a brand to be seen and, if done correctly, be engaged with.

Both large and small brands probably appreciate any creative kudos and/or publicity they receive, but it's reasonable to presume that the key objective of the exercise is to sell products and services and make money. Any *raison d'être* for investing in these large-scale, sometimes global, events has to take into account actual selling and the initiation of positive consumer behaviour. Or at least it should do.

Brands ought to include emotional brand engagement measures in determining event participation. We define 'brand engagement' as the consequence of any marketing effort that results in the brand being seen by consumers as better meeting the expectations they hold for their perception of the 'Ideal' in the category in which the brand competes. If the ad gets consumers feeling your brand

better meets their expectations, the better they'll think the brand is, and the better they'll behave towards it, and the more money the brand makes. If a brand doesn't achieve that, what's being put out there on the world stage may be 'creative', but the brand just spent a lot of money entertaining an audience who isn't buying your product.

Today, what matters isn't which ad made that enormous audience you rented laugh hardest or brought a tear to their eyes, but which ad moved consumers closer to those brands being seen to better meet their ever-increasing expectations. Somehow a laugh, a sigh, a tweet, a 'like', or sharing of the ad between 'friends' aren't really acceptable returns on the time, effort, and money these kinds of big events require. And while we understand that one event does not

SUPER BOWL: Most-watched TV event in human history. Estimated 2015 costs are \$4.5m for a 30-second spot

Budweiser: 'Puppy Love'

Emotional engagement	81%/72% (-9%)
Social network sharing	19,215,102
YouTube views	54,645,087
Likes	227,112

The bottom line:

Very entertaining but not at all brand engaging. Remember, they're really not the same thing. In fact, brand disengaging and the market numbers bear that out. Budweiser sales have declined and 2014 was no exception. Americans drink 40% less of the beer – 13 cans fewer on a per person basis – than a decade ago. So noble Clydesdales and warm puppies may entertain, but they don't sell beer.

SodaStream: 'Scarlett Johansson'

The bottom line:

Sex may sell in some commercials, and SodaStream's entry was entertaining but not engaging. Revenue for the company was down 13%; US sales were down 41%. The company was forced to close one of its companies and it is currently repositioning the home soda maker as a 'sparkling water maker'.

Emotional engagement	79%/65% (-10%)
Social network sharing	4,221,248
YouTube views	14,584,505
Likes	250,414

THE ACADEMY AWARDS:

Reported costs for 2015, \$1.9 million for 30 seconds

Pepsi: 'Mini Hollywood'

Emotional engagement	83%/90% (+7%)
Social network sharing	2,156,118
YouTube views	9,296,135
Likes	16,101

The bottom line:

Engaging and entertaining. In a carbonated soft drinks category that has continued to drop over the past three years, Pepsi mini-can sales were up 24%, and US category sales were up 4%.

JCPenney: 'When It Fits, You Feel It'

The bottom line:

The commercial was engaging for the brand, but not, according to social media counts, as entertaining as it might have been. JCP shares were up by as much as 10%. Same-store sales rose 6% and revenue beat expectations at \$2.8 billion.

Emotional engagement	72%/77% (+5%)
Social network sharing	1,089
YouTube views	12,858
Likes	13

THE XXII WINTER OLYMPICS:

Estimated to be in excess of \$100 million to be an exclusive advertiser

McDonald's: 'Olympic Gold Medal'

Emotional engagement	78%/70% (-8%)
Social network sharing	770
YouTube views	16,262
Likes	57

The bottom line:

For McDonald's, 'the Official Restaurant' of the Sochi 2014 Winter Olympics did not engage or entertain with a commercial that made a direct comparison between winning an Olympic Gold medal and eating a Chicken McNugget. Same-store sales were down nearly 4%. As this was a global event, we point out that some analysts think 2014 could be the first year of negative global same-store sales for McDonald's since 2002.

P&G: 'Pick Them Back Up'

Emotional engagement	82%/94% (+12%)
Social network sharing	13,247,230
YouTube views	33,118,083
Likes	58,937

The bottom line:

The perfect event investment. Massive emotional engagement combined with extraordinarily high entertainment values resulted in a 5% increase in core profit, a boost attributable to 6% growth in sales from the very home goods featured in the 'Pick Them Back Up' commercial.

necessarily a profitable bottom line make, what brands ultimately require are high levels of emotional brand engagement to justify the 'big event' investment.

The Brand Keys study measured four 2014 'big events' and two holidays, namely Super Bowl, Academy Awards, XXII Winter Olympics, FIFA World Cup, Easter, and Thanksgiving. And it looked at 10 brands: Aflac, Beats by Dre, Budweiser, JCPenney, M&M's, McDonald's (three commercials to determine if the event had any effect on brand engagement), Pepsi, Procter & Gamble, SodaStream and Target.

Initial benchmark brand engagement metrics, that is to say, measures of the degree to which the brands (absent of any media, marketing, or event sponsorship) were seen by target consumers to meet their expectations for the category Ideal, were taken from the 2014 Brand Keys Customer Loyalty Engagement Index database. This annual survey, conducted every January, interviews 45,000+ consumers who self-classify for category participation and brand usage.

For this analysis, consumers were shown a specific commercial and engagement assessments were conducted for 'the brand in the ad you just watched'. Then we compared that assessment to the brand's engagement benchmark. Advertising

engagement metrics (a combination of psychological enquiry and higher-order statistical analyses) fuse emotional and rational category and consumer values to identify path-to-purchase engagement drivers, expectations, and value components of the Ideal brand in category. The ad measures identify how well the advertising increased (or decreased) consumers' levels of emotional engagement with the brand.

These assessments have a test/retest of 0.93 reliability from National Probability Samples in the US and UK and have been applied in 35 countries in B2B and B2C categories. Ad emotional engagement effects of +5% provide assessments generalisable at the 95% confidence interval and have been independently validated to correlate very highly (0.66+) with positive, in-market behaviour and sales. Many marketers, on the other hand, have come to rely upon counting social media sharing, likes, and YouTube views as their Rol metrics.

But a three-year review of those metrics conducted by Brand Keys for nearly 250 major brands, has found that such tallies correlate more with how entertaining the ad was rather than how it increased emotional engagement with the brand. An ad that entertains – but does not increase brand engagement levels – usually does not result in positive effects in

the marketplace. An ad that engenders high increases in engagement always does. An ad that does both is the most effective of all. Let's see if these investments paid off.

The emotional engagement levels that are shown in the tables in this article have been calculated versus the brand's category Ideal (100%) and are presented pre and post event. YouTube 'views' represent an aggregate of the posted commercial as of December 2014. Costs do not include production, nor do they take into account whether a brand was an exclusive advertiser or major sponsor.

FIFA WORLD CUP 2014 SOCCER:

Major partners reportedly pay \$25–50 million per year.
Second-tier sponsors pay in the \$10–25 million range

McDonald's: 'GOL!'

Emotional engagement	78%/78% (no change)
Social network sharing	1,985,521
YouTube views	7,540,149
Likes	21,728

The bottom line:

High entertainment value, but neutral brand engagement provided no brand synergy and resulted in a similar profit pattern found with their Winter Olympics effort. McDonald's saw a profit and sales decline in the United States. Customer traffic fell around the world. Global sales fell 3.3%.

Beats by Dre: 'The Game Before The Game'

The bottom line:

Increased brand engagement always equals positive consumer behaviour. Combine with a truly entertaining ad campaign and you can count the profits. Beats revenue shot up to \$1 billion, and in August Apple acquired Beats for \$3 billion.

Emotional engagement	93%/98% (+5%)
Social network sharing	12,588,948
YouTube views	26,160,264
Likes	91,727

EASTER:

One of the busiest times of the year for retail.
That noted, costs are dependent upon market saturation

M&M's: 'Easter Bunny Costume'

Emotional engagement	82%/89% (+7%)
Social network sharing	16,437
YouTube views	105,388
Likes	72

The bottom line:

The combination of high emotional engagement and acceptable entertainment levels paid off for Mars. M&M's was the number one candy in the US with increased sales of \$173 million, a 35% increase year on year.

Target: 'Tree House Target Easter Dinner'

Emotional engagement	85%/79% (-6%)
Social network sharing	0
YouTube views	137
Likes	1

The bottom line:

Negative emotional engagement and an inability to entertain indicated a dim outlook for Target. Target saw a steep drop in profits. Sales increased by only 2%, were offset by price promotions, and the brand saw a decline in US same-store sales of 0.3%.

MACY'S THANKSGIVING DAY PARADE:

Sponsorship costs vary, but not inexpensive

McDonald's: 'Ronald McDonald Ice Skating Balloon'

Emotional engagement	78%/73% (-5%)
Social network sharing	47
YouTube views	3,838
Likes	34

The bottom line:

Engagement and entertainment were in short supply despite the fact that the Macy's Thanksgiving Day Parade is an American tradition watched by 3 million New Yorkers and 50 million others on TV. McDonald's US comparable sales dropped 4.6%, a decline more than four times steeper than analysts expected.

Aflac Insurance: 'Aflac Duck Balloonicle'

Emotional engagement	83%/90% (+7)
Social network sharing	3,037
YouTube views	11,679
Likes	10

The bottom line:

Ducks (with significantly higher engagement and nearly four times the entertainment quotient) trumped clowns. Aflac reported third-quarter profits of \$706 million and revenue of \$5.74 billion in that period.

It's been said, 'An optimist is a person who starts a new diet on Thanksgiving', and brands are always optimistic about their futures no matter what time of year they buy into big events. But there's a bottom line for brands looking to successfully invest in big events: unless your advertising is able to create emotional brand engagement, you may be spending a lot of money just to entertain a lot of people. Which is nice, but ultimately not the objective of the exercise.

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This article was first published in Admap magazine March 2015 ©Warc
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