

14.5: Exercises

Tie it All Together

Now that you have read this chapter, you should be able to determine how to choose the *right* media for client messages:

- You can *identify* and *explain* the term return on investment (ROI).
- You can *describe* and *illustrate* the value of using metrics to gauge the direct impact of a marketing communication.
- You can *explain* brand equity and why it is an important brand concept.
- You can *demonstrate* how msnbc.com measured the ROI of the campaign using five parameters.
- You can *define* and *discuss* the usefulness of the metric CPM (cost per thousand).
- You can *characterize* the usefulness of network TV metrics for providing evidence of message usefulness.
- You can *recall* the various radio day-parts.
- You can *distinguish* the three primary Starch scores.
- You can *list* and *discuss* the basic principles that increase a print ad's likely impact on the reader.
- You can *list* and *discuss* ROI for alternative media.
- You can *define* and *discuss* media impressions.

USE WHAT YOU'VE LEARNED

1. The famous ad line “What’s in your wallet?” might just become “Who’s in your car?” Progressive Corp. insurance now offers a device for its insured drivers that will assist in lowering the drivers’ insurance rates. The device is about the size of a box of Tic-Tacs and monitors one’s driving time, number of miles driven, and acceleration and braking patterns. The company then adjusts driver rates to reflect the presence or absence of risky driving habits. The hope is that insured drivers will adjust their risky driving habits or at least be more aware of what they are doing that is unsafe. The product and others like it are at least partially targeted toward teens and beginning drivers who are in the habit formation stage of driving. Obviously, there are those who see this form of monitoring as excessive, an invasion of privacy, and biased against those who don’t match Progressive’s “ideal driver” profile.

As an advertising director, what metrics would you suggest that your client Progressive use to determine the effectiveness of its future ads featuring the device? You will need to consider a target market for Progressive’s ads. Discuss your ideas in class. For more information on Progressive and its policies go to <http://www.progressive.com>.

2. One of the central concepts associated with product placement in different media forms is the idea that the product appears in a natural setting and is perceived as being something other than an ad. This rationale would then assume that the viewer, reader, or Web surfer receives a different type of message than one received in a traditional advertisement. Additionally, since most product placements are not blocked by the consumer’s screening process, the advertiser has a higher chance of reaching the chosen market.

Do you use TiVo or some other product to block or zap ads in your favorite TV shows? Do you try to fast-forward past any ads that appear on your DVD disks? If so, you have just made the case for product placement within those shows or DVDs.

Your assignment is to watch several TV shows or DVDs over three to five days. Keep a diary of product placements in those shows or DVDs. Based on what you have recorded, comment on metrics that could be used to test the effectiveness of those placements. Explain your comments and choices.

DIGITAL NATIVES

The Point-of-Purchase Advertising Institute (POPAI) has a wealth of information about point-of-purchase (POP) advertising. One does not usually associate POP with the “wired world.” POPAI hopes that its Web viewers will learn more about POP and how it can be used in advertising. Who knows, in tomorrow’s world POP may appear in the e-commerce stores or in your personal Web spaces. Sound too strange? Data indicate that many alternative media forms are being adapted by industry and consumers to the “wired world.” Since POP is highly effective in the retail environment, you might be able to consider how useful it might be to capture the attention of the digital consumer.

Go to the POPAI Web site at <http://www.POPAI.org> and read the summary of one of the books available for viewing. You’ll find your book options at the bottom of the opening page of the organization’s Web site. Summarize what you have learned from the chosen e-book. Lastly, comment on what you perceive the future of POP to be.

AD-VICE

1. Pick two magazine ads that demonstrate competitive products. Design a list of at least four metrics that could demonstrate which of the two ads is more effective in reaching the target market. Explain your reasons for your metric choices.
2. According to material presented in the chapter, traditional (broadcast) media struggle to demonstrate a direct impact on the bottom line. Explain what is meant by this phrase. Explain the relationship between cost per thousand (CPM) and return on investment (ROI).
3. Go to Google or another search engine and find information that lists the top five television ads from last year's Super Bowl based on either viewers or critics' choices. Next, find information on the advertising rates for that Super Bowl. Evaluate whether the exposure justifies the cost. Explain your evaluation procedure.
4. Go to the Out-of-Home Video Advertising Bureau (OVAB) Web site at <http://www.ovab.org>. Once there, explore the Web site to determine the function and services of the organization. Choose the Network Planning Guide option on the opening Web page and download the planning guide. Comment on what you find and how useful it appears to be for the advertising planner. What other information do you think the advertising planner might need to make a wise buy in this media category?

ETHICAL DILEMMA

Do you download software, movies, or songs without considering the legality of what you are doing? Even though this practice has consequences for some, many don't see unauthorized downloading as necessarily bad or harmful to anyone. Using Google or another search engine, research copyright, file sharing, and music downloads to learn more about the current state of the downloading practice and any penalties associated with it. A good starting place would be the United States Copyright Office's Web site at <http://www.copyright.gov>.

Visit RealNetworks at <http://www.realnetworks.com>. RealNetworks has developed a software product (see the RealPlayer product category) that allows computers to rip information from a disk in just a few moments. This information can later be transferred to other disks. At present this process is legal. Examine RealNetworks' description of their products and services.

What future ethical dilemma do you think such products as RealPlayer might cause? As a consumer, do you think a positive or negative buzz should be started about such products? As an advertising executive, what would be your stance on accepting companies that made software of this nature as clients? Take a stance and discuss your position in class. Discuss your position with peers or have a minidebate about the issues and positions.

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