

EFFECTS OF ADVERTISING ON MENTAL AVAILABILITY

Fundamental study on the communicative performance of advertising

NO. 55

RESEARCH
FLASH

THE POWER OF ADVERTISING IS MORE THAN SHORT-TERM SALES

Advertising media are increasingly evaluated based on short-term sales effects and performance metrics. However, TV advertising works on both sides of the sales funnel:

1.

TV advertising sells immediately. Because of the medium's high reach, it is highly likely to reach the people for whom a particular product or service is relevant at the time of the ad contact and thus generates direct sales effects.

2.

TV advertising achieves a fundamental communicative performance. It anchors brands in people's minds, which plays a key role in brand success. This is because most buying decisions are made quickly and without deeper reflection. The more attributes associated with the brand, the more likely it is to be noticed or to come to the consumer's mind in purchasing situations, increasing the chance that the brand will be purchased.

Successful brand management therefore requires a comprehensive understanding of what advertising accomplishes in terms of communication. If advertising is to be effective in the long term, it must connect the brand with associations and thus make it mentally available.

Conventional impact indicators such as advertising recall can only insufficiently depict the communicative performance of advertising. This study is based on a concept formulated by researchers at the Ehrenberg-Bass Institute that quantifies the mental availability of brands through concrete metrics.

KEY FINDINGS



1 The mental availability of brands has a significant influence on the purchase decision.

2 Advertising connects brands with associations and thus increases their mental availability.

3 Previous consumption experience with the brand is also crucial for associations and mental availability.

4 Advertising influences brand associations, especially among non-buyers and light-buyers.

5 Successful brands have a particularly broad range of associations.

ASSOCIATIONS HAVE A STRONG INFLUENCE ON BUYING BEHAVIOUR

HYPOTHESES AND CONCEPT OF THE STUDY

HYPOTHESIS 1

Purchases are often made automatically and without deeper reflection. In such situations, the mental availability of brands is crucial because associations which can be quickly recalled from memory influence the purchase decision.

HYPOTHESIS 2

Advertising connects brands with attributes and specific occasions of use. These associations ensure the mental availability of brands. The latter plays a decisive role for the purchase decision and thus for the economic success of brands.



Brands even in complex, high involvement, intangible categories, compete largely for mental and physical availability.

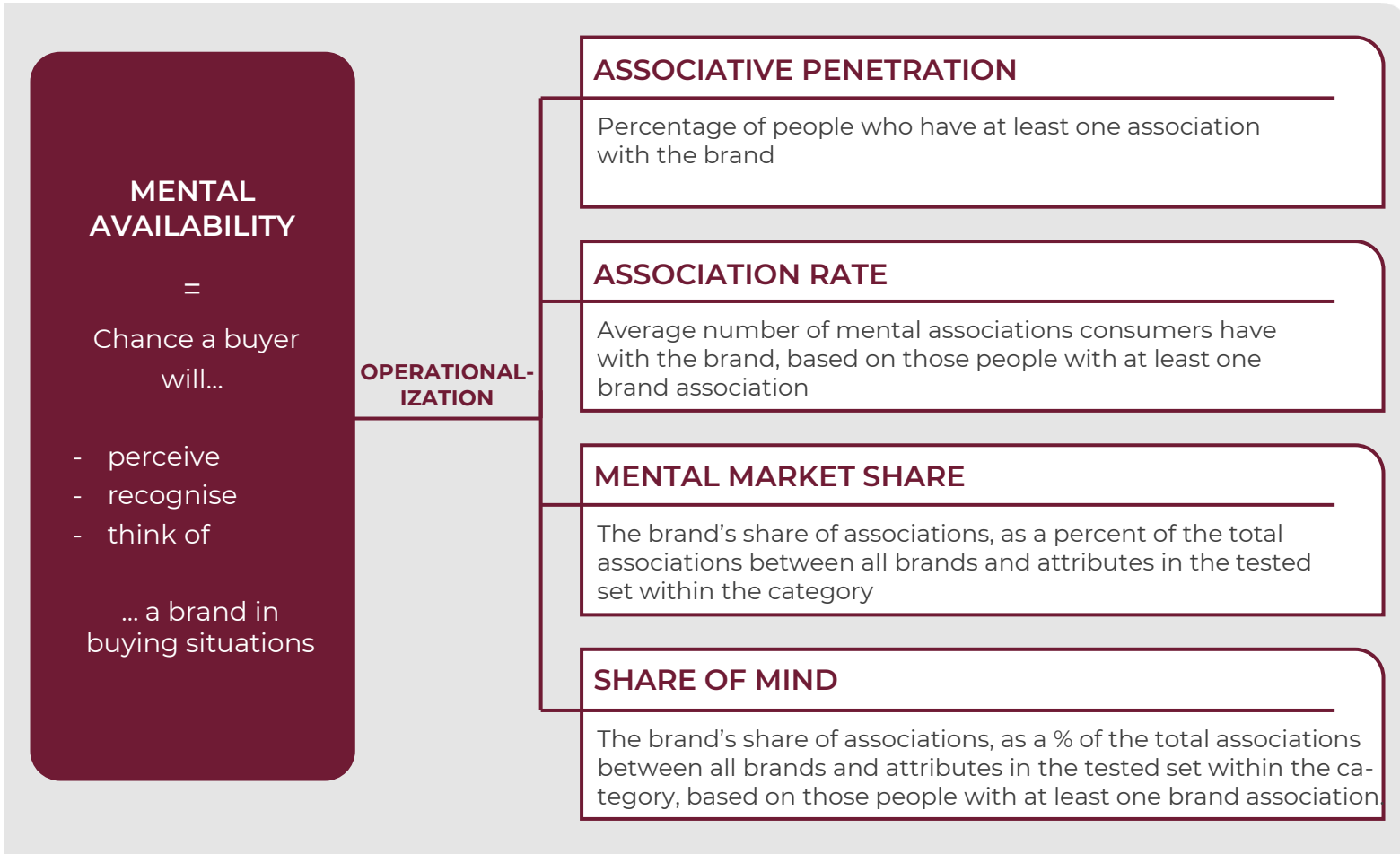
Growth depends on building these two market-based assets at a faster rate than competitors.

Jenni Romaniuk, International Director Ehrenberg-Bass Institute

CONCEPT: The impact of advertising on consumer memory can be determined by using metrics of mental availability. The concept of mental availability formulated by the Ehrenberg-Bass Institute provides a deeper understanding of how advertising builds and mentally anchors brand associations.

FOUR KPI OF MENTAL AVAILABILITY

CONCEPT OF THE EHRENBERG-BASS INSTITUTE FOR THE OPERATIONALIZATION OF MENTAL AVAILABILITY



The concept for measuring the mental availability of brands was developed by researchers at the Ehrenberg-Bass Institute and goes far beyond the recognition or awareness of a brand but focuses on the associations linked to it. This involves both the characteristics of brands as well as possible reasons for their use.

Mental availability is operationalized by four indicators, of which two (associative penetration and association rate) are absolute values of the brand, while the other two (mental market share and share of mind) depict the mental position of a brand within the entire market.

THE INNOVATIVE STUDY CONCEPT CONSISTS OF TWO PARTIAL STUDIES 1/2

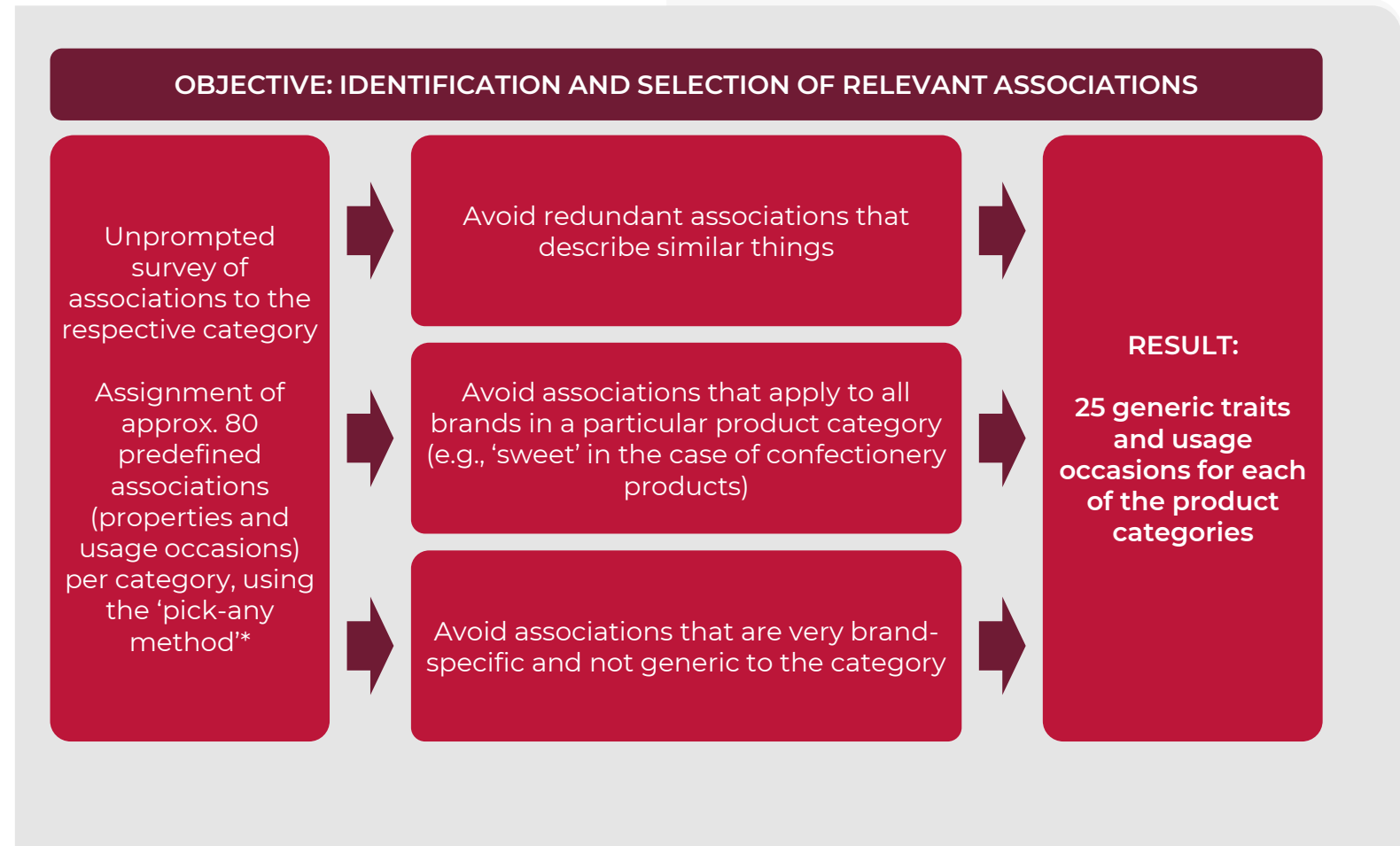
(1) PRELIMINARY STUDY IDENTIFIES AND SELECTS RELEVANT ASSOCIATIONS

In advance to the main study, a preliminary study was conducted in order to define the spectrum of possible associations for the three categories surveyed and to select the most relevant ones.

In the main study, the Ehrenberg-Bass Institute concept was adapted. Brands from the categories of chocolate pralines, men's shampoo and food retail were examined.

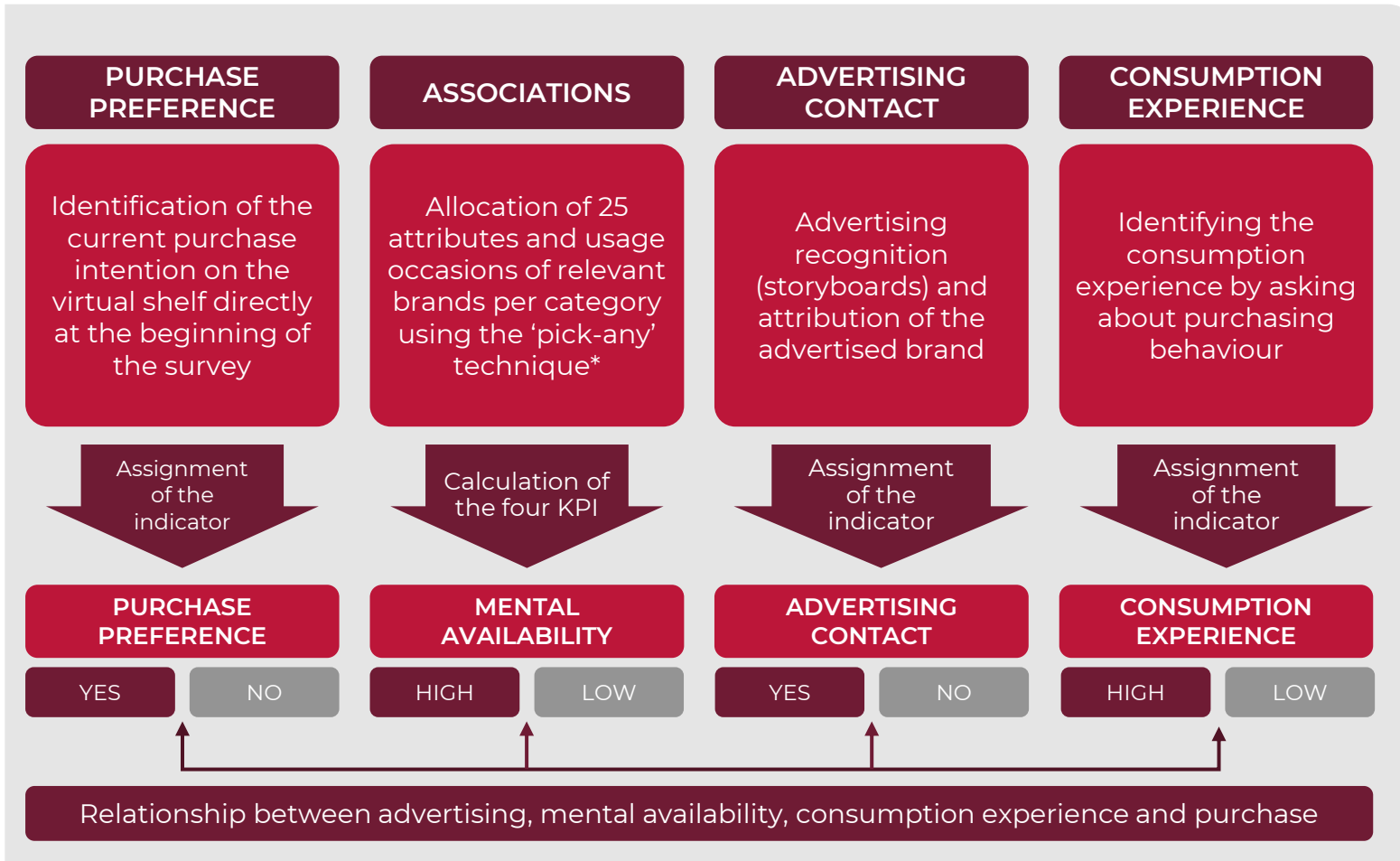
The study is not designed as a conventional advertising impact study, in which a test group is provided with advertising contacts and then compared with a control group.

The concept is rather based on the idea of collecting the relevant factors as independently as possible as characteristics of the person interviewed and then relating them to each other. The concrete procedure is described on the next page.



THE INNOVATIVE STUDY CONCEPT CONSISTS OF TWO PARTIAL STUDIES 2/2

(2) MAIN STUDY EXAMINES THE RELATIONSHIPS AMONG AD CONTACTS, ASSOCIATIONS AND PURCHASE INTENTION



The main study consists of four pillars:

- Right at the beginning, the **purchase preference** or preference for a food retailer is determined.
- The **associations** are surveyed according to the 'pick-any' approach. Each person has to assign 25 associations to all the brands in the category to which they think they apply. From this data, the four KPI of mental availability are calculated.
- To determine the **advertising contacts**, images of current campaigns are shown. If participants recognize the storyboards, they have to name the advertised brand. If the brand is correctly assigned, the person is classified as 'aware of the advertising', that is, a participant with ad contact.
- Finally the **consumption experience** is surveyed. The classification is made according to at least occasional vs. rare/no use.

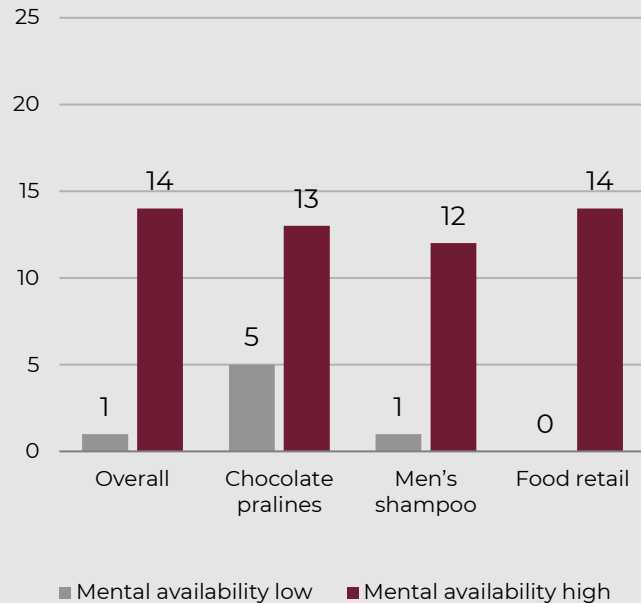
The idea of the method is to identify purchase, ad contact and consumption experience as individual characteristics of the test subjects and to calculate correlations with the four mental availability KPI.

MENTAL AVAILABILITY IS CRUCIAL FOR THE PURCHASE DECISION 1/2

HIGH ASSOCIATIVE PENETRATION AND WIDE RANGE OF ASSOCIATIONS LEAD TO SIGNIFICANTLY HIGHER PURCHASE RATE

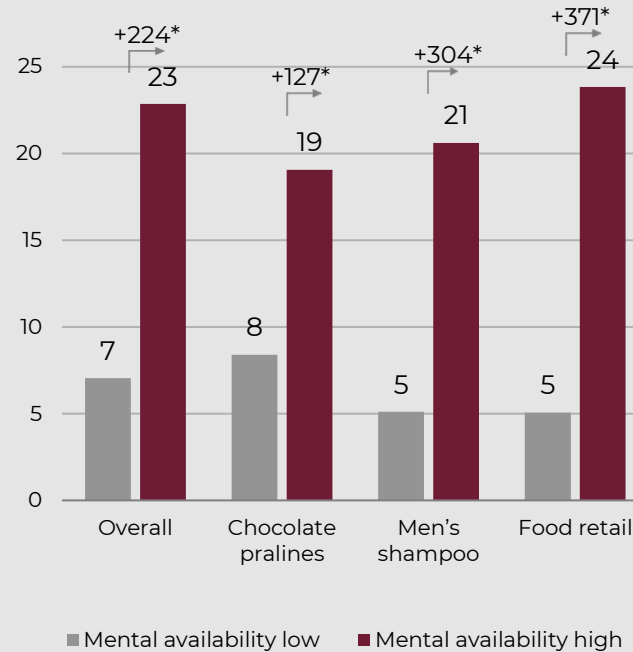
PURCHASE RATE ACCORDING TO ASSOCIATIVE PENETRATION

Figures in %



PURCHASE RATE ACCORDING TO ASSOCIATION RATE

Figures in %



The success of a brand depends on it being available not only physically but also mentally.

This can be seen by the comparison of the two groups of test subjects with low and high mental availability. For associative penetration, people with at least one association are compared with those who have no association with the brand. For the other KPI, the comparison groups ('low' and 'high') were formed using the median.

The results show very clearly how decisive mental availability is for purchasing behavior. Participants who have at least one association with a brand were significantly more likely to purchase that brand in the virtual store. A higher association rate also significantly increases the probability of a purchase.

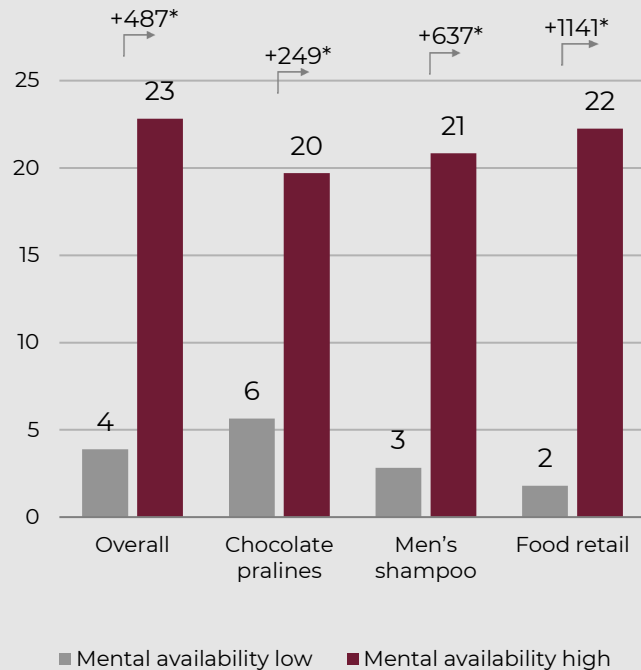
These results apply to all three product categories investigated.

MENTAL AVAILABILITY IS CRUCIAL FOR THE PURCHASE DECISION 2/2

MENTAL MARKET SHARE AND SHARE OF MIND ARE ALSO ESSENTIAL FACTORS FOR SALES

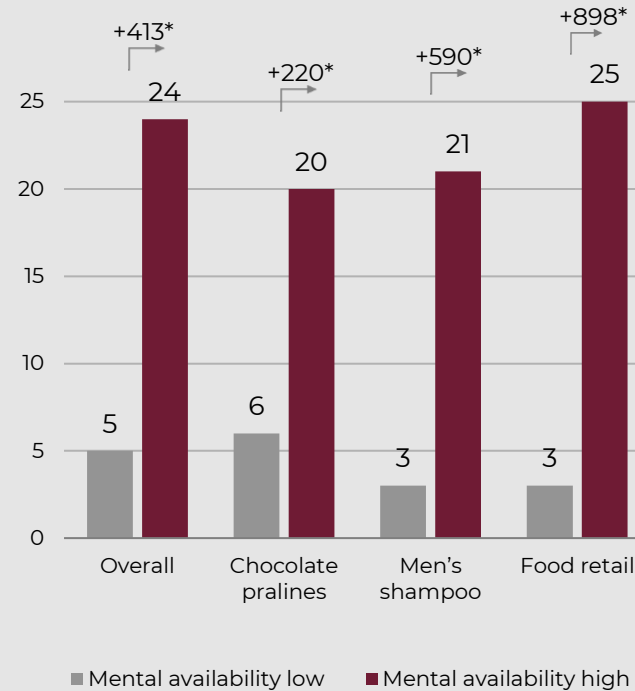
PURCHASE RATE ACCORDING TO MENTAL MARKET SHARE

Figures in %



PURCHASE RATE ACCORDING TO SHARE OF MIND

Figures in %



Similar findings are evident in mental market share and share of mind. Both are essential drivers of sales.

On average, the shares are about five times higher among respondents with high mental availability of the brand. The differences are clearest in the food retail brands studied, but brands are also more successful in the other segments when as many people as possible associate them with as many associations as possible.

These results underline the high relevance of the concept of mental availability for brand success.

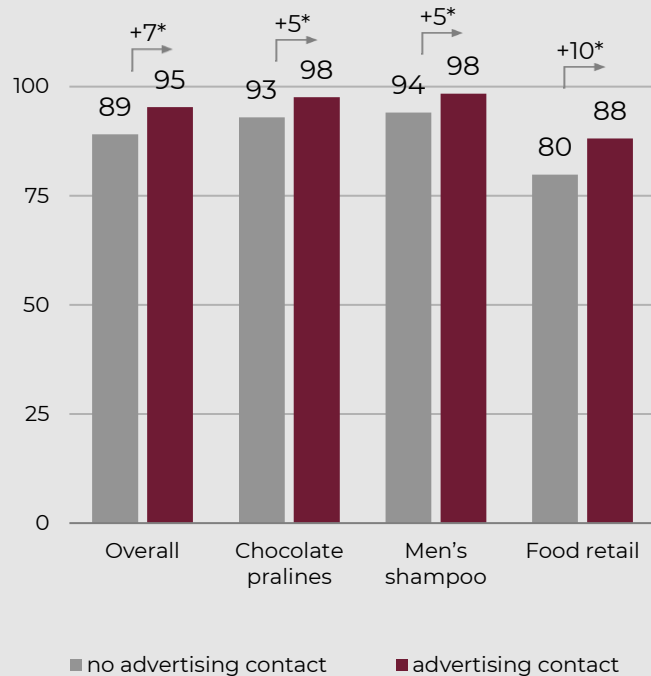
Since the results for the four KPIs of mental availability are also very similar in the further analyses, only the associative penetration and association rate indicators are shown below.

ADVERTISING CONNECTS BRANDS WITH ASSOCIATIONS

MENTAL AVAILABILITY IS HIGHER AMONG PEOPLE WITH ADVERTISING CONTACT – AND THUS ALSO MARKET SUCCESS

ASSOCIATIVE PENETRATION

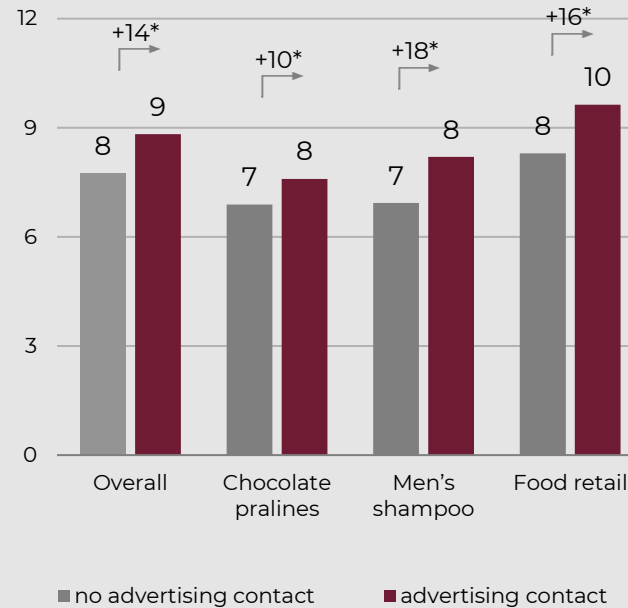
Figures in %



Contact period: Jan 21 to March 22.

ASSOCIATION RATE

Avg. number, uplift in %



Mental availability is crucial for market success – and it can be strengthened through advertising. Recent advertising contacts have a significant influence on the associations linked to brands and thus on mental availability.

Advertising increases the proportion of those who have at least one association with a brand, i.e., the associative penetration. 89 percent of participants without advertising contact have at least one association per brand, regarding 95 percent in the group of persons with advertising contact.

Furthermore, advertising also broadens the range of associations that people have with a brand. On average, participants without advertising contact have about 8 associations per brand, while those with advertising contact have 9 associations.

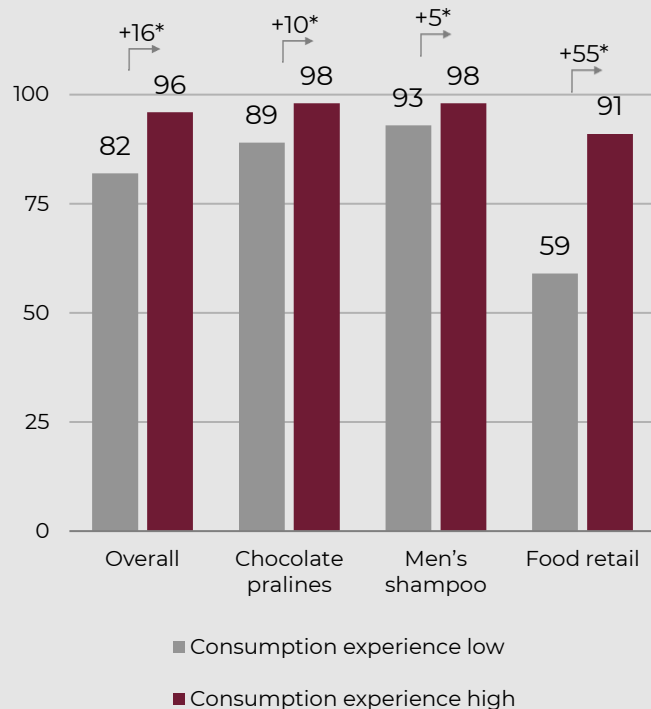
The effects of advertising are not only evident for the average of all brands studied, but also for each analyzed segment as well as for the individual brands.

CONSUMER EXPERIENCE ALSO SIGNIFICANTLY SHAPES THE BRAND IMAGE

OF COURSE, THE EXPERIENCE WITH THE BRAND IS ALSO AN IMPORTANT FACTOR FOR MENTAL AVAILABILITY

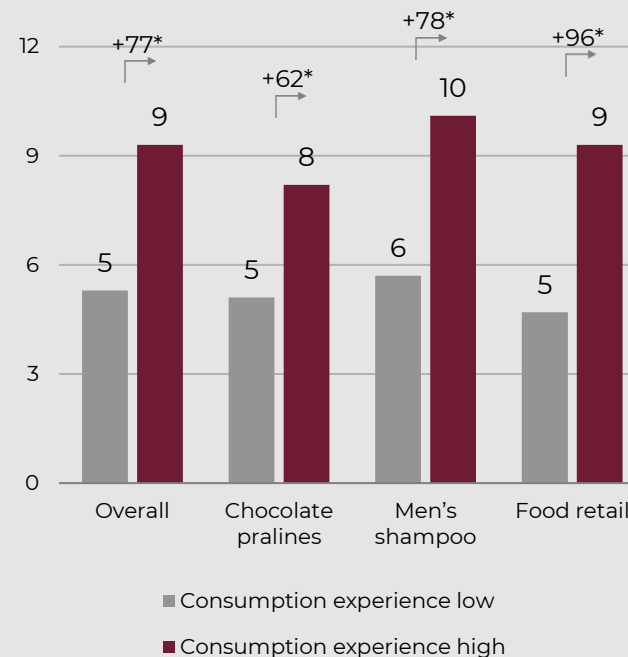
ASSOCIATIVE PENETRATION

Figures in %



ASSOCIATION RATE

Avg. number, uplift in %



The image that consumers have of brands is of course strongly influenced by their proximity to the brand, i.e., whether they already have an extensive consumption experience.

The results of the study show very clearly that respondents who use brands regularly or shop frequently at the examined food retailers have significantly more associations with these brands than persons with little or no consumer experience.

The associative penetration, i.e., the proportion of those with at least one association, is also significantly higher among consumers.

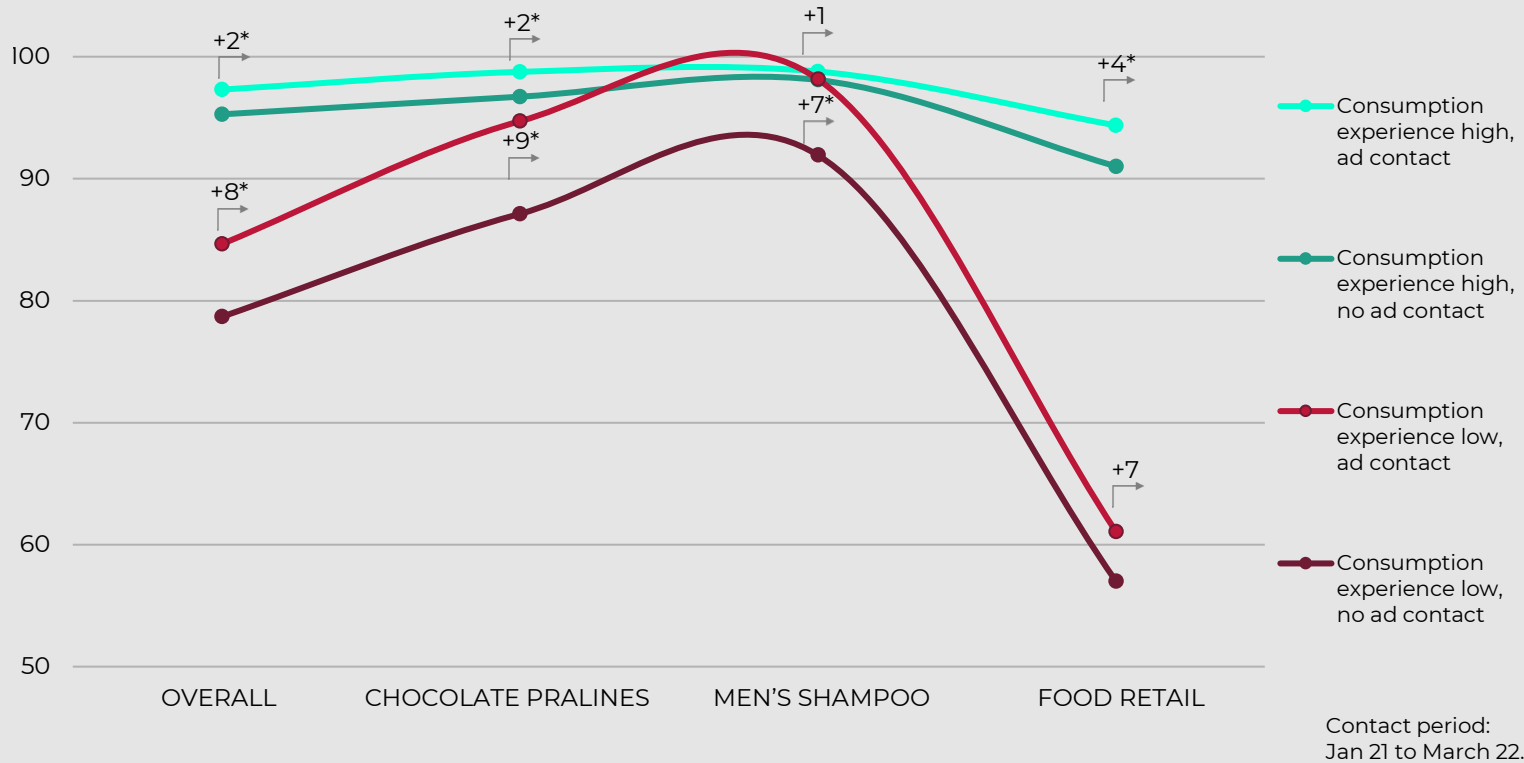
These results show how important it is to differentiate between people with low and high consumption experience in analyses of advertising effectiveness.

ADVERTISING INCREASES MENTAL AVAILABILITY, IN PARTICULAR AMONG NON-CONSUMERS 1/2

PEOPLE WITH HIGH CONSUMER EXPERIENCE LINK BRANDS WITH ASSOCIATIONS EVEN WITHOUT ADVERTISING CONTACT

ASSOCIATIVE PENETRATION BY AD CONTACT AND CONSUMPTION EXPERIENCE

Figures in %, uplift in %



The diagram shows the associative penetration by advertising contact separately for people with high and low consumption experience.

The results reveal that advertising is a strong lever for associations, especially among non-consumers. 79 percent of participants with low consumption experience and without advertising contact have associations with the brand. Advertising contacts can increase the percentage to 85 percent.

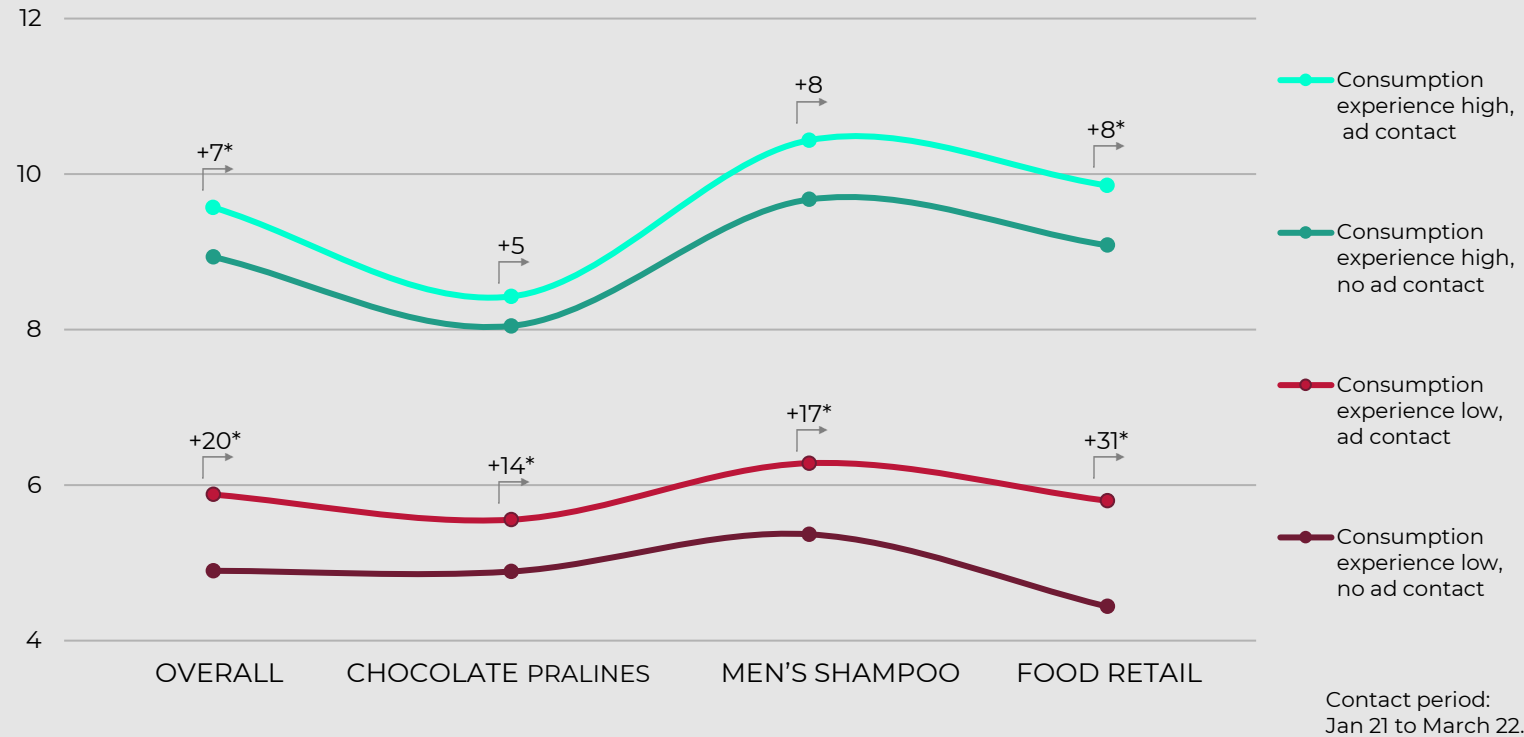
Frequent buyers of the brand already have a very high proportion of associations. Advertising therefore has less leverage here. Nevertheless, even at this high level, the associative penetration can be increased through advertising contacts.

ADVERTISING INCREASES MENTAL AVAILABILITY, IN PARTICULAR AMONG NON-CONSUMERS 2/2

ASSOCIATION RATE IS EXPANDED BY ADVERTISING EVEN WITH HIGH CONSUMPTION EXPERIENCE

ASSOCIATION RATE BY AD CONTACT & CONSUMPTION EXPERIENCE

Avg. number, uplift in %



A similar result emerges from the analysis of the association rate, differentiated by consumption experience.

The number of associations linked to the brand increases significantly through advertising contacts among persons who do not use the brand or use it only rarely. For consumers of the brand, it is already at a very high level, but is nevertheless further increased by advertising contacts.

The other indicators behave similarly, which is why the following deduction can be made: Advertising contacts increase mental availability in all buyer groups. However, the effects are particularly strong among people with low consumption experience. Attracting these non-buyers and light buyers to the brand has to be therefore a central task of brand communication.

SUCCESSFUL BRANDS HAVE A WIDE RANGE OF ASSOCIATIONS

STRIKING CORRELATION BETWEEN ASSOCIATION RATE AND PROPENSITY TO BUY

PURCHASE SHARE AND ASSOCIATION RATE

Figures in %, avg. number



Another analysis shows that linking brands with associations is essential for brand success.

All brands studied are positioned according to their association rate (x-axis) and their purchase share in the virtual store (y-axis).

The correlation between the number of associations with the brand and the share of purchases is obvious. Apart from a few special cases, the cloud of points runs from the bottom left to the top right.

Accordingly, successful brands have a particularly broad association rate.

SEVEN DEDUCTIONS FOR MARKETING PRACTICE

THE RESULTS OF THE STUDY PROVIDE THE FOLLOWING PRACTICAL INSIGHTS

1.

Purchase decisions are often very automated. There is rarely a rational process of consideration.

2.

Spontaneous associations with brands play a decisive role in these purchase situations, as mental availability strongly influences brand choice.

3.

Advertising can link brands with associations and has a strong influence on mental availability.

4.

Analyses for individual brands show that advertising also charges brands with new associations that were not strongly linked with the brand before.

5.

Conventional indicators of advertising effectiveness used in tracking studies, such as brand awareness and ad recall, do not adequately reflect the communicative performance of advertising.

6.

Brand trackings and advertising impact analyses should generally distinguish between heavy and light users of the brand, since the brand experience of heavy buyers directly influences all indicators, and the effect of the advertising is no longer discernible.

7.

This is in particular important for big brands, because due to their high buyer reach, many respondents in a brand tracking show high proficiencies in the surveyed indicators due to brand experience. Here in particular, it is important to take a closer look at non-buyers in order to assess advertising.

APPENDIX: STUDY PROFILES

	Preliminary study	Main study
Client	Seven.One Media	Seven.One Media
Implementation	eye square GmbH	eye square GmbH
Population	German-speaking population 18 to 65 years	German-speaking population 18 to 65 years
Method	Online survey	Online survey
Period	18.02 - 25.02.2022	07.04 - 19.04.2022
Sample	N = 1,000 participants quota by age and sex	N = 2,920 participants quota according to age and sex
Content	Identification and selection of relevant associations	Purchase intention, associations, advertising contacts, consumption experience
Product categories	Chocolate pralines, men's shampoo and food retail	Chocolate pralines, men's shampoo and food retail