

Study on Advertising Effectiveness of TV
Summary of Research Objectives and Findings

August 4, 2020 (Report)

The Japan Commercial Broadcasters Association Research Institute

Researched with cooperation from Dentsu Inc.

Survey implemented by Video Research Ltd.

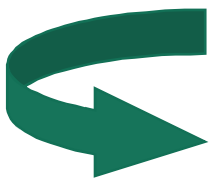
Key Point of Research

Are TV media underrated and Internet media overrated?



Hypotheses & Issues

1. TV does contribute to corporate branding, but what about the Internet?
2. Is TV just for recognition? Can the Internet contribute to purchasing with a full-funnel approach?
3. Does TV trigger demand and motivate purchasing/consuming? What about the Internet?
4. How do people rate TV and the Internet, and what value do they feel? What about the younger generation in particular?



An online survey was conducted in March 2020 using the VR CUBIC panel (in Tokyo and 6 other prefectures in the Kanto region, with 2,536 valid samples collected). Results were analyzed in relation to accumulated CUBIC data, amount of time spent watching TV (measured by machine), amount of time spent online, and so on.

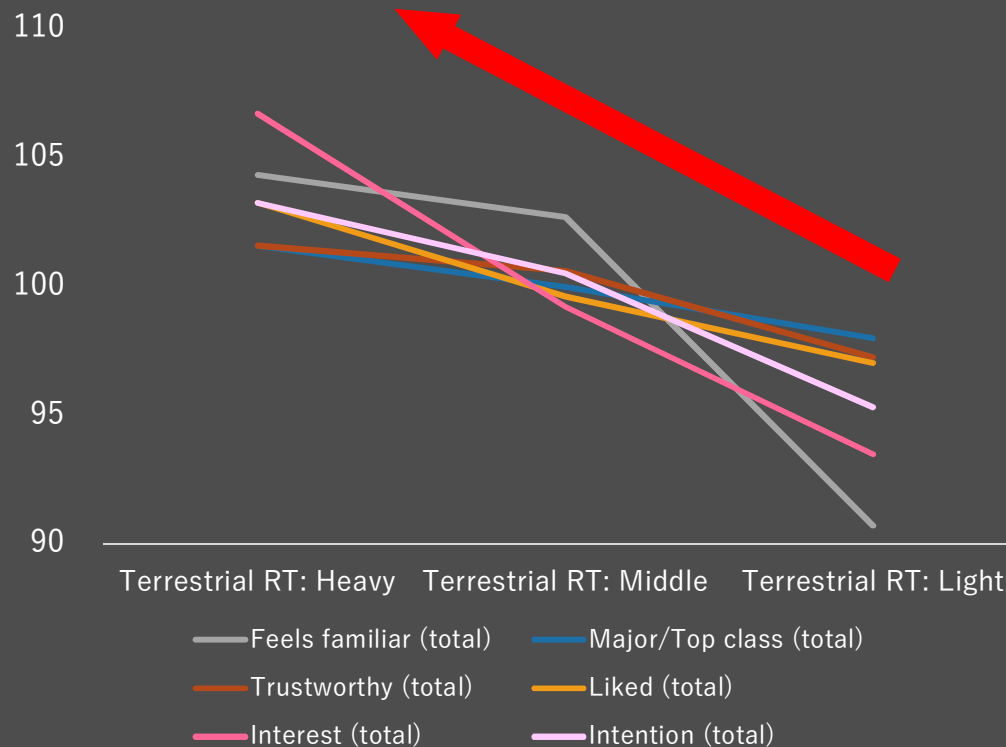
*This survey was conducted on the VR CUBIC panel (ages 15 to 69). Most respondents reported some usage of TV and the Internet, but other media (radio, newspapers, magazines, etc.) have different usage rates. For this reason, it should be noted that comparisons of these media against TV and the Internet in this survey would be inappropriate.

1. Contributions to corporate branding

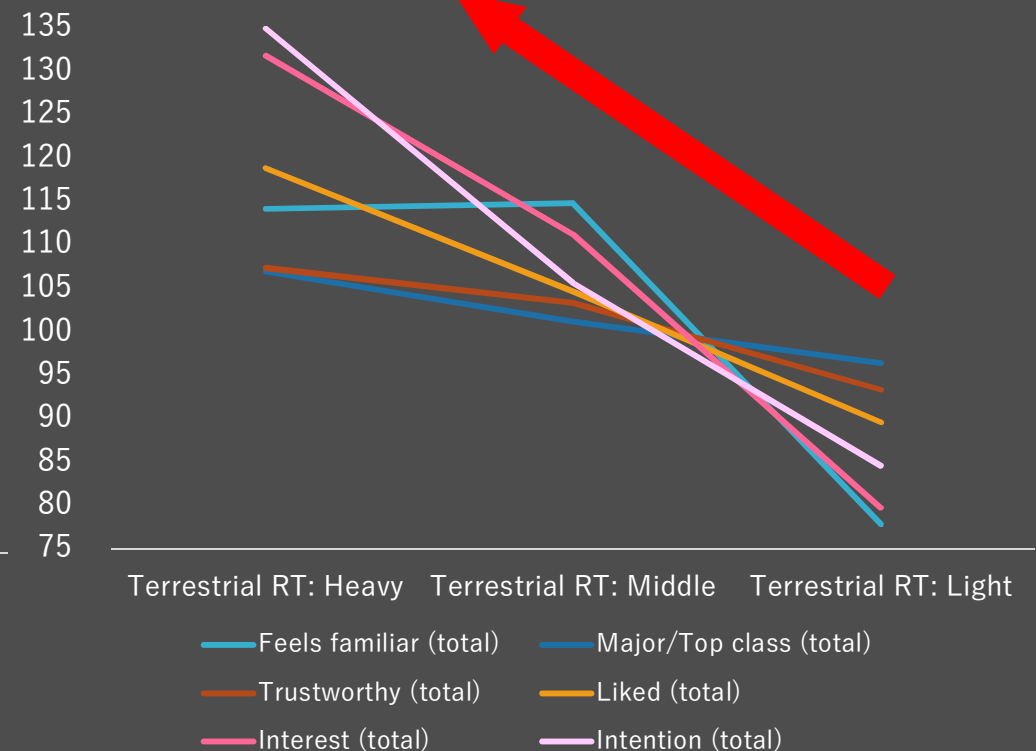
○ The greater the amount of real-time (RT) terrestrial viewing, the higher the company/brand evaluation. The same relationship is true for younger age groups.

Index with 100 set (as average) for all company/brand evaluation scores

Age 15–69

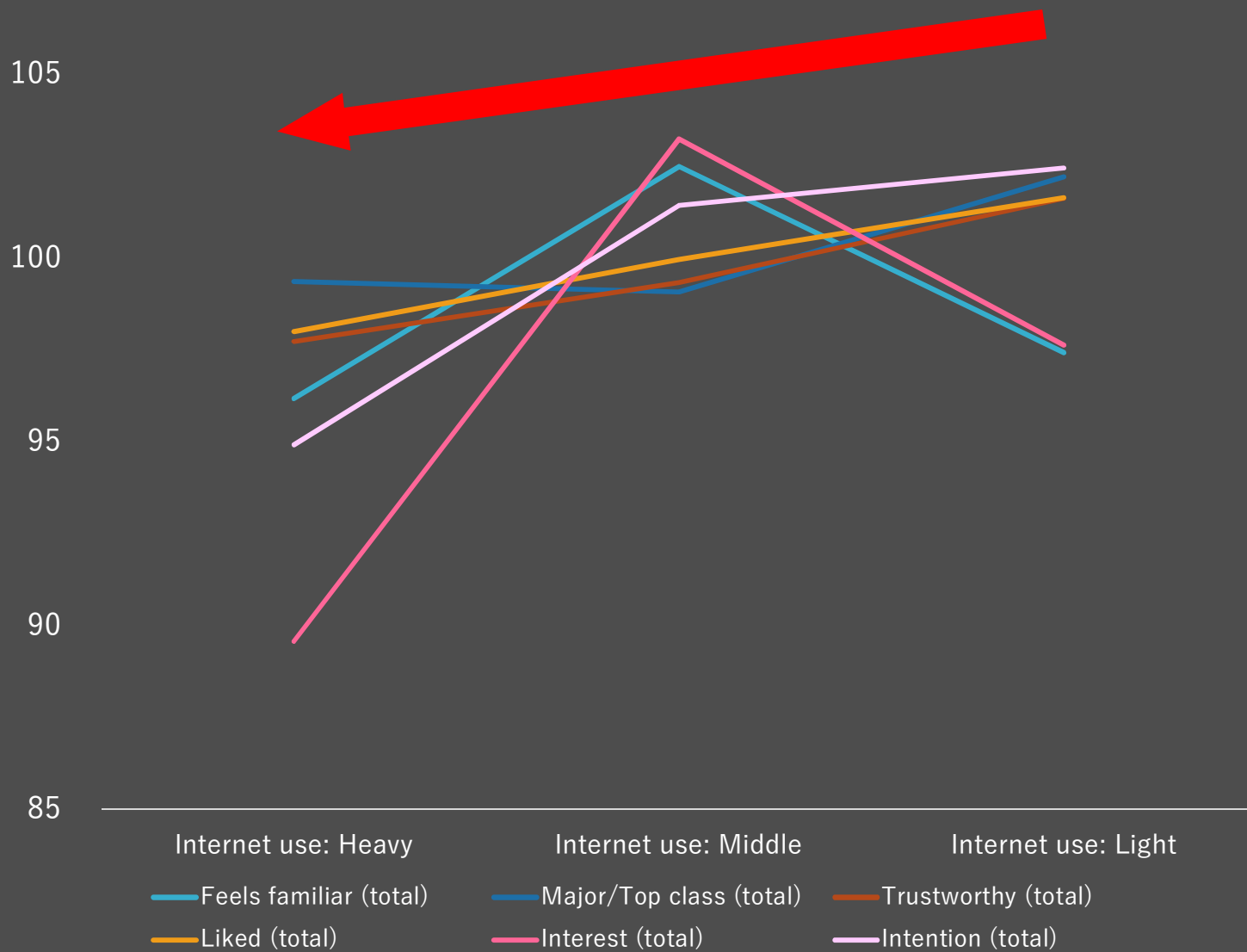


Age 15–29



○ Almost no relationship can be seen between amount of time spent online and company/brand evaluations.
As time spent on the Internet increases, company/brand evaluation tends to decline, although only slightly.

Index with 100 set (as average) for all company/brand evaluation scores



2. Contribution points in the purchasing process

○ TV has the top score for “Trigger for recognition,” “Interest,” “Trigger for information search,” “Trigger for desire/intention to use,” and “Impressive/memorable”.

TV exerts a massive presence in the purchasing process.

Overall	TV Program	TV commercials	Internet banner advertising	Internet videos Advertising	Social media	Portal sites	Review & comparison sites	Blogs & reposting sites	YouTube r videos	News apps & curation apps	Radio (programs & advertising)	Newspapers (articles & advertising)	Magazines (articles & advertising)
Acts as trigger for knowing	65.6	69.0	38.6	35.3	34.1	40.9	30.7	27.9	29.6	33.4	25.7	34.6	34.8
Has interest	36.9	35.4	11.8	11.2	17.6	16.4	17.9	14.2	13.4	15.5	9.7	14.7	17.7
Acts as trigger to look up information or search	19.2	17.7	7.5	7.1	11.6	13.5	16.6	11.6	8.2	9.8	5.6	8.1	9.7
Look up or search for detailed information	9.5	8.5	3.6	3.8	7.6	12.3	19.3	9.9	5.8	6.0	2.8	4.2	5.5
Compare with other products or services	5.6	6.0	2.1	2.1	4.8	6.4	21.4	7.0	3.3	3.9	2.2	2.3	3.1
Find out about other people's reviews and ratings	3.9	4.2	1.6	1.9	7.6	5.7	23.4	9.6	3.8	3.5	1.8	1.8	2.6
Acts as trigger for desiring or wanting to use item	13.0	11.7	3.1	2.5	6.9	5.7	10.1	6.1	4.3	3.9	2.5	3.9	5.3
Is impressive/memorable	15.4	17.8	2.7	2.8	5.3	3.9	5.1	3.7	4.9	3.0	3.7	3.5	5.3
Acts as trigger/deciding factor behind purchase or use	8.7	9.0	1.7	1.3	5.0	3.6	13.8	4.7	3.0	2.5	1.7	3.0	3.8

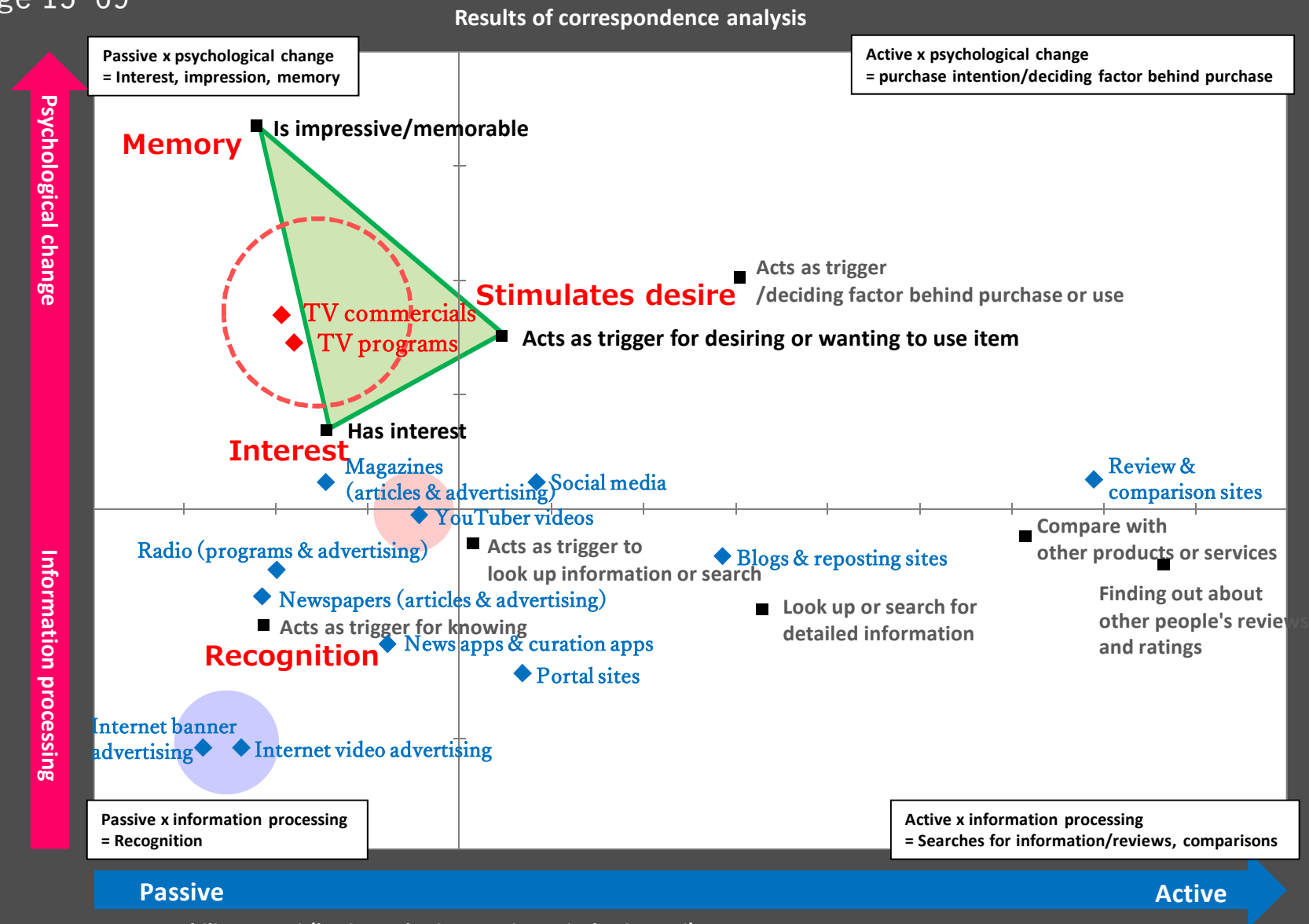
 TOP1 scoring media in the purchasing process

 TOP2,3 scoring media in the purchasing process (TOP2 in bold)

○ TV contributes to the purchasing process not only through recognition but also psychological change

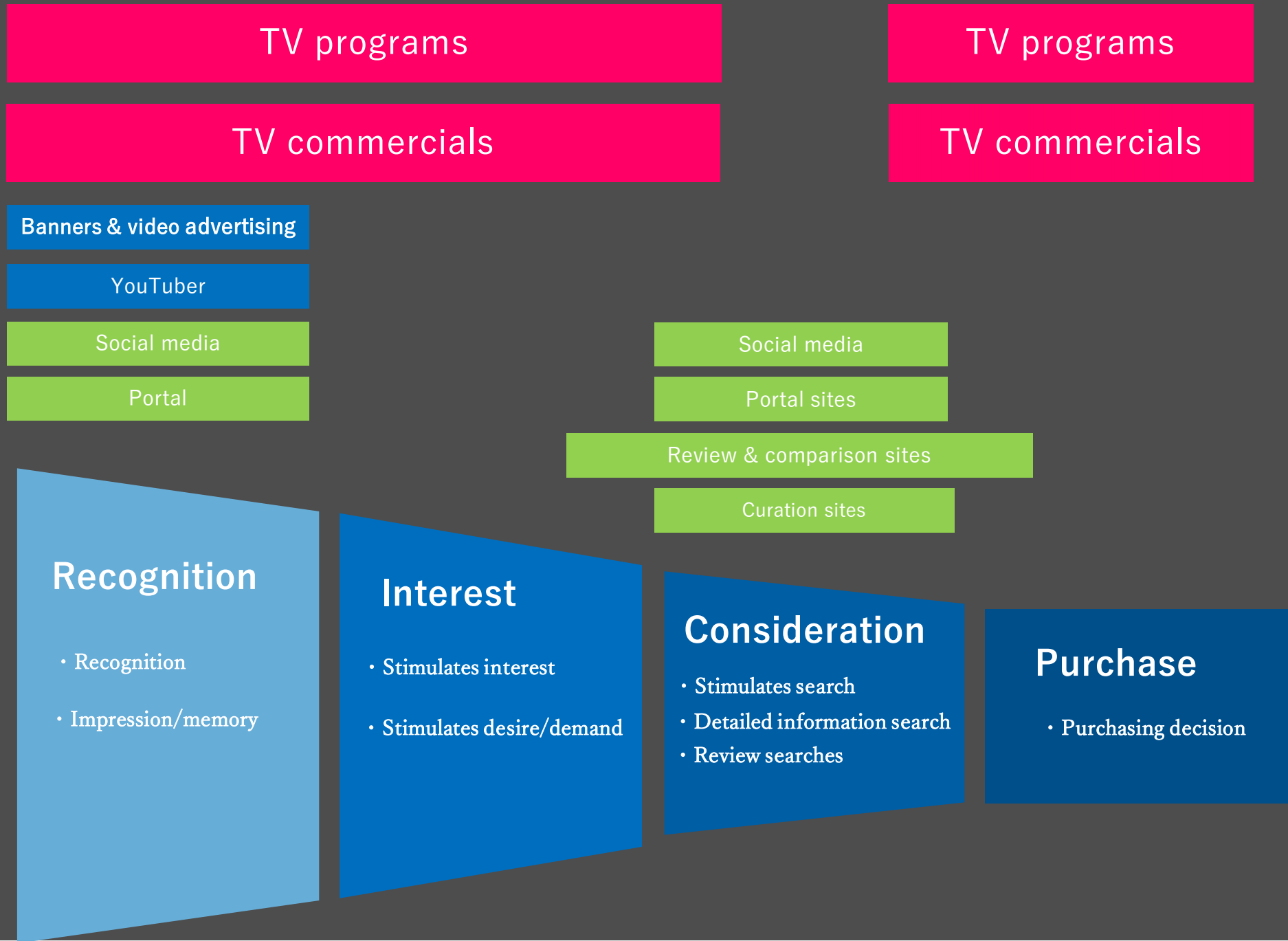
* The results of the correspondence analysis confirmed that TV programs and commercials have aspects of psychological change such as arousing interest, making lasting impressions, and stimulating desire.

Age 15–69



Interpretability: 95.2% (horizontal axis: 81.2%, vertical axis: 14%)

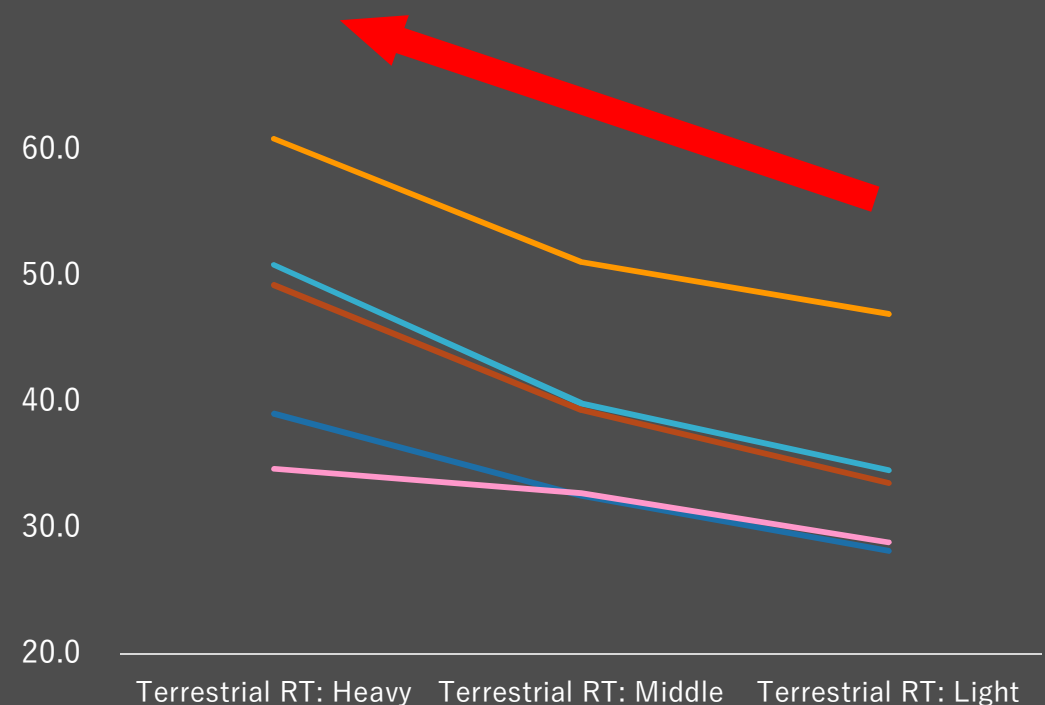
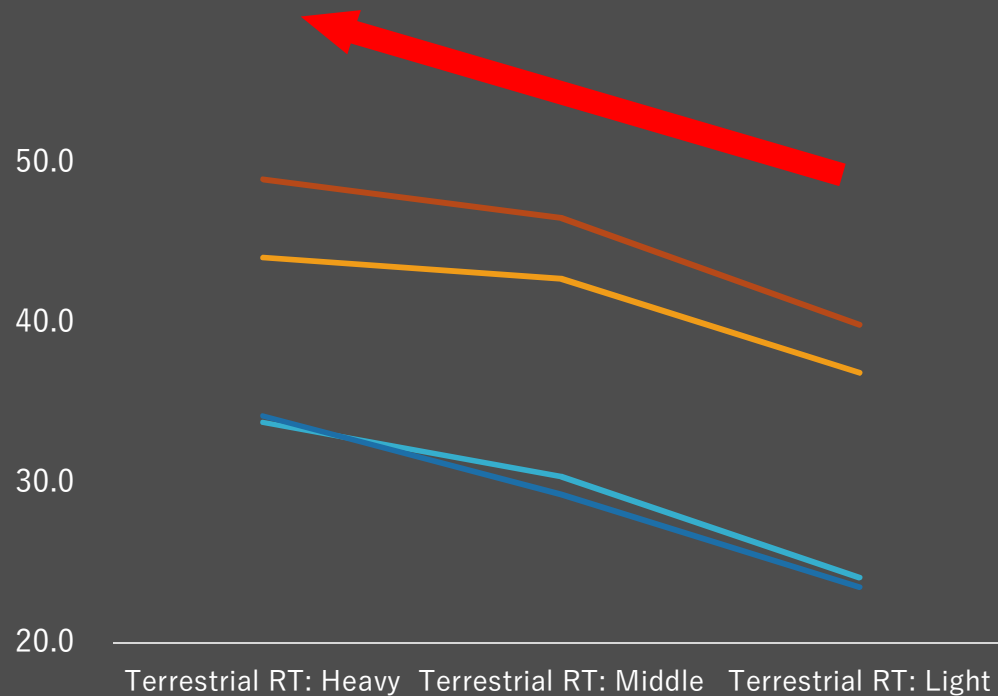
○ The contributing points of TV in the purchasing funnel are broad in scope.



3. Ability to stimulate demand, confidence through advertising

○ TV viewing stimulates demand. Advertising is more effective, and offers confidence about products

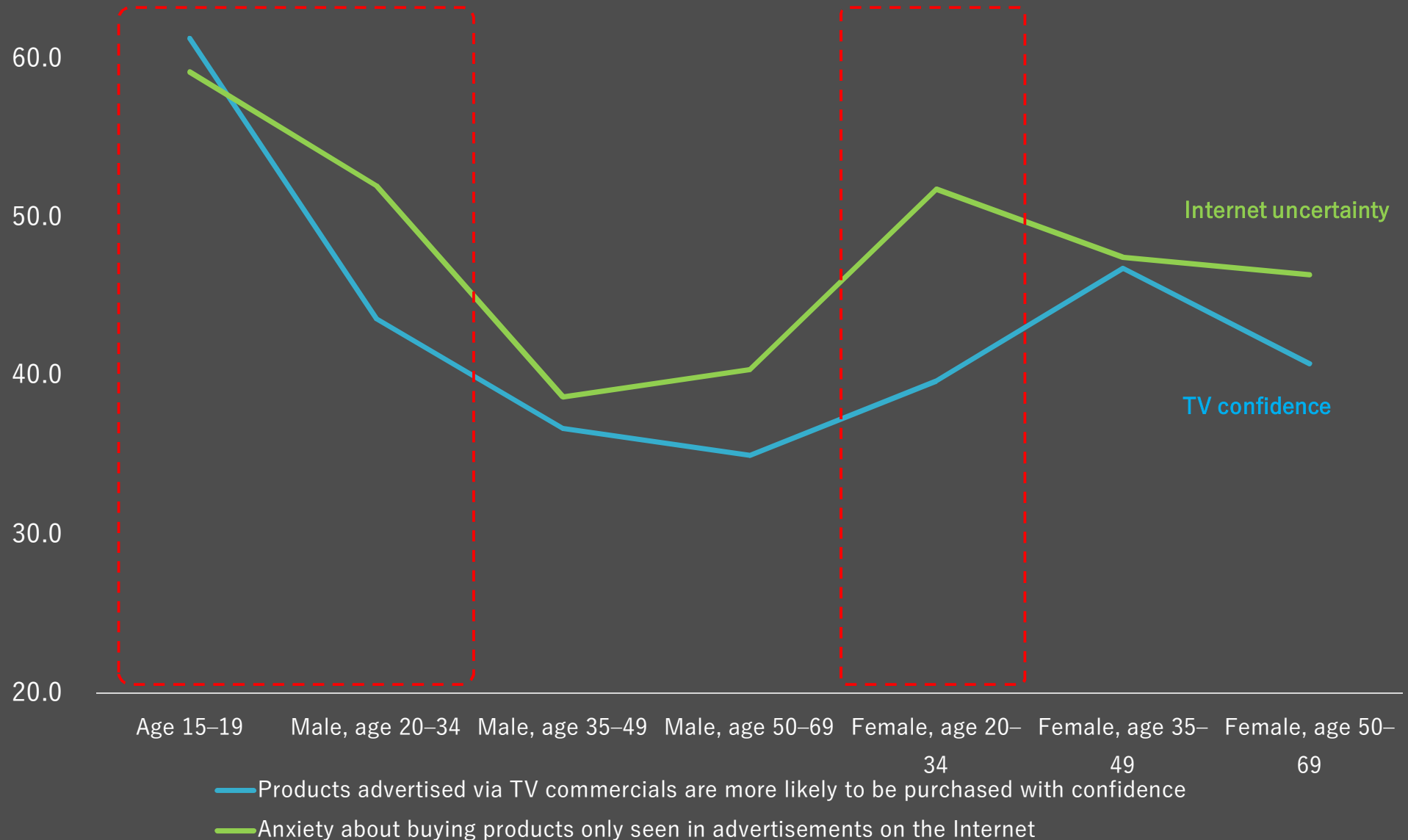
* The more people watch real-time (RT) terrestrial broadcasting, the more likely they are to buy what they see on TV. We also confirmed the effect of contact with the media: motivating consumers to want even more what they already wanted to buy. Moreover, their attitude towards advertising is positive, and “advertising is more effective”.



- Will purchase products introduced on a TV program
- Will purchase products seen on a TV commercial
- Media can stimulate greater desire for products that consumers already wanted to purchase
- Products advertised via TV commercials are more likely to be purchased with confidence

- Sees a lot of advertising
- Very interested in advertising, to find out what's popular and fashionable
- Finds advertising very helpful for shopping
- Carefully watches advertising for products of interest
- Often watches advertising and checks related sites on the Internet

*** Younger people feel more confident about TV commercials, and feel uncertain about purchasing products that are only advertised online.**



4. Evaluations of media

○ Although evaluations and expectations of TV are high among all ages, among younger people online media are comparable to TV

* TV programs and commercials are both highly evaluated in terms of familiarity, trustworthiness, importance of information, closeness, and essential importance for life.

Age 15–69

Overall	TV Program	TV commercials	Internet banner advertising	Internet videos Advertising	Social media	Portal sites	Review & comparison sites	Blogs & reposting sites	YouTube videos	News apps & curation apps	Radio (programs & advertising)	Newspapers (articles & advertising)	Magazines (articles & advertising)
Familiarity	74.1	73.5	32.1	28.1	41.1	51.9	44.1	32.8	33.4	36.5	23.0	33.2	28.4
Trustworthiness	47.4	45.9	15.3	15.6	19.6	34.0	33.4	21.5	17.1	23.8	25.4	36.0	28.0
Importance of information	50.1	44.3	14.1	13.6	22.9	35.8	36.0	22.5	16.8	24.8	23.6	35.1	27.9
Closeness	56.4	53.3	21.0	19.8	33.3	41.7	40.7	29.4	24.5	31.3	21.5	32.0	27.5
Essential importance for life	59.3	38.3	9.3	9.8	30.8	46.0	36.3	24.5	23.8	24.9	23.5	31.6	25.6

TOP1 media evaluation

TOP2,3 media evaluation (TOP2 in bold)

Familiarity

Do each of the following media feel familiar to you?

Trustworthiness

How much do you trust each of the following media?

Importance of information

For each of the following media, do you consider the information in that medium to be important?

Closeness

For each of the following media, do you think that medium is "right for you"?

Essential importance for life

For each of the media listed below, would it cause problems in your daily life if it disappeared?

* For M1F1, social media and review sites are rated equally highly as TV. Another distinctive aspect is that Youtubers are highly evaluated by teens.

Age 15–19

Overall	TV Program	TV commercials	Internet banner advertising	Internet videos Advertising	Social media	Portal sites	Review & comparison sites	Blogs & reposting sites	YouTube r videos	News apps & curation apps	Radio (programs & advertising)	Newspapers (articles & advertising)	Magazines (articles & advertising)
Familiarity	80.3	80.3	44.8	44.4	65.7	40.6	48.5	44.4	59.4	44.6	33.7	37.9	44.4
Trustworthiness	51.1	51.1	25.8	25.8	32.0	34.5	38.1	32.0	33.9	27.8	38.3	42.2	36.1
Importance of information	57.4	44.6	19.3	25.8	35.9	29.8	31.6	25.8	36.3	30.2	27.6	29.8	31.8
Closeness	50.7	53.1	34.1	36.3	68.0	30.2	46.7	38.3	50.9	38.3	25.6	29.6	31.6
Essential importance for life	65.9	40.4	14.8	17.0	57.4	38.5	46.5	32.0	52.9	27.6	29.6	27.4	36.1

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Essential importance for life

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Summary of findings

○ TV is a medium that encourages consumers to change their minds (psychological change)

The medium of TV still has an overwhelming presence compared to the Internet in terms of recognition, even for young people (who are considered more likely to be resistant to watching TV).

In addition, TV has a strong influence on the recognition, interest, and purchasing aspects of the purchasing funnel (although not consideration). In particular, it is a medium that stimulates psychological change and drives motivation for wanting/using products by keeping them in memory and stimulating interest.

○ TV viewing awakens latent demand, and stimulates greater desire and purchasing

Products shown in TV commercials offer a sense of confidence, but online advertising still lacks sufficient sense of confidence.

Watching TV has the effect of stimulating not only latent demand but also greater desire, and increasing the acceptability of advertisements, which has a positive impact on consumption. On the other hand, the reverse tendency is also observed among consumers who use the Internet heavily and who rarely watch TV.

○ The characteristics of TV media can be summarized as "trust and confidence"

Both TV programs and commercials are the most highly evaluated for familiarity, trustworthiness, importance of information, closeness, and essential importance for life.

Not only in many purchasing processes, but especially in terms of branding, strong effectiveness has been confirmed and information has a high level of trustworthiness.

TV viewing also cultivates expectations and raises media evaluation in many respects, such as knowledge of social situations or trends and knowledge of products or services.

On the other hand, on the Internet, even heavy users do not have a high degree of trust in online advertising, and do not have positive images of the advertising itself. It should be noted that the challenges of TV media include the fact that it is not highly evaluated for "closeness" (feeling like the medium is "right for you") among the younger generation, ranking equal or inferior to social media and YouTubers.

○ Internet media rank strongly for search and purchasing decisions. Internet advertising contributes only to recognition

Internet media, especially comparison sites, play an important role in search and purchasing decision processes. Television also contributes, but the degree of contribution varies depending on the product category. For Internet advertising, no contribution other than recognition could be confirmed, and it can be seen that internet usage and advertising actually have a converse relationship with acceptability and confidence felt in advertising. The trustworthiness of Internet media and the state of Internet advertising are issues to be resolved in the future.