

Strategic Media Case Study

What You Don't Know Will Hurt You

Background

A client in the educational seminar space approached us after about seven months of experience with radio advertising during which they worked with another radio advertising agency. Their experience with radio advertising had been generally positive; however, their original radio agency was unable to expand their campaign profitably. As a result the client was in a hurry to establish a relationship with a new radio agency so they could expand their campaign heading into a crucial season for their business.

The Challenge – Flying Blind

The previous radio advertising agency did not provide complete results tracking and reporting capability for the client's radio campaign. This is a common issue for "black box" radio agencies who refuse to disclose campaign data to their clients and leave them struggling to survive if they want to change agencies. In this case, however, the former radio agency simply did not have the capability to provide the necessary data.

Instead of using conclusive, objective data, the client was left to provide Strategic Media with their opinion about which radio station formats were the best for their campaign based solely on their beliefs about their customers and the demographics of each format. Because the client was in such a hurry to be on the air, we placed their media according to that direction. However, the limited tracking system meant we were only able to receive results reporting by market as a whole because every ad on every station in a market used the same toll free telephone number ("TFN") for tracking. That prevented us from being able to refine the media to bring the cost per registrant ("CPR") down to maximize campaign profitability because we could not pinpoint which stations and formats were successes or failures within each market.

The Solution – Create Visibility

We encouraged the client to consider taking advantage of our more sophisticated approach to data tracking. As is typical, change is often resisted. We highlighted the significant benefits to them of



better tracking of advertising results. These benefits include visibility into which formats, dayparts, days, radio commercials and individual stations were working, and which weren't. This visibility would lead to better analysis, resulting in a meaningful increase in profitability. When they realized this they agreed to proceed with our approach. We set up tracking capability by each individual station, relying on unique TFNs. Every one of this client's radio stations received their own unique TFN so we could monitor performance on a granular level with daily updates from the client call center.

The Outcome – “Radio is our best producer”

With our enhanced results tracking approach in place, we took advantage of the ability to evaluate each media buy on each radio station and network individually. This allowed us to identify which formats and stations were performing best and which weren't meeting the CPR goal. Our analysis highlighted untapped opportunities that were now visible because of the enhanced results tracking. We expanded the media allocation to formats that analysis showed provided the best return on ad spending and eliminated the media allocation to those stations and/or formats that weren't performing well enough.

Once better data visibility was in place, we discovered that the radio station formats the client initially told us were the “best” for their campaign were actually the *lowest* performers. Moreover, the formats that previously made up the smallest part of their media buys (with their former agency) were the most profitable lead sources.

By following Strategic Media's approach to direct response radio and data tracking, this client was able to surpass their CPR goals, maximize their radio campaign profits, and expand their business profitably. They have since increased their investment in radio advertising by nearly 50%. On one recent call the client remarked “Radio is our best producer right now, who would've thought...” Indeed, when direct response radio is properly executed, it often outperforms DRTV and DR print as a customer acquisition vehicle.