For Students

Can you plan an ideal Ad campaign for Rihanna's new single?

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Task description

You probably spend at least one hour every week being in some way or another being exposed to it - advertising. Whether it's in your home or outside, Ads are always there. You see them in the breaks of your favorite TV shows and listen to them between your favorite hits on the radio. They are in newspapers, magazines, on the street, and even on the internet. Ever wondered what kind of thoughts are behind an Ad campaign? Well. You are about to engage in some of these deliberations just now.

The R 'n B songstress Rihanna (see Picture 1) just finished her new single which will precede an album in 6 months time. Your group is working as freelance consultants to the marketing directors of a music label which is the national branch of the US-based Def Jam Records – the label which has signed Rihanna. Your job is to advice the director on how to allocate the funding for an AD campaign which promotes Rihanna's new single.

The marketing director of the music label has decided to spend a maximum of €27.000 on the first week of the campaign for the single. The Ad campaign will begin next week so you contact a radio network and a television network right away. You receive special offers on Ad campaigns which could be scheduled to run next week. Details of the can be seen in Table 1.

1: Discuss in the group how you would determine the distribution of the €27.000 which maximizes your Ad's *exposure time*. Use these considerations to make a suggestion on how to distribute the €27.000.

> In marketing theory, the concept '**exposure time**' refers to the amount of time an Ad is aired.

2: For each person in the group: state how big a percentage of your total radio/television listening/viewing time is spent on listening to the radio and how much is spent on viewing

> When producing a product one usually considers that product's '**target audience**'. The target audience is the group of people who will be the most likely people to buy the product. It therefore assumed that it is possible to identify some characteristics which are shared by a number of people. Typically, *gender* and *age* are determining characteristics. Consider e.g. how to define the target audience of a product like toy guns. How would you use an identification of a target audience in your marketing strategies?

television. (e.g. if you spent 4 hours of listening to the radio each week and 16 hours of watching television each week, you spend 20% of your listening/viewing time on listening to the radio while its 80% for viewing television). What about the group as a whole? If you assume that you belong to the *target audience* of the Ad campaign, how would this information affect your suggestion on the ideal distribution of the allotted €27.000?

An Ad's '**Impact**' refers to the number of persons who see or hear the Ad at least once.

In the previous assignment you collected some data on the habits of the members of your group with respect to media usage. Broadcast networks spend considerable resources on collecting a large amount of such data. One potential benefit of such data is that it allows the networks to guide their potential clients to plan a campaign with ideal *impact*. In Table 2 the TV and Radio network which you have contacted have supplied some data of the habits of their consumers.

3: Use the data in Table 2 as argument in a discussion of the following:

- How is *impact* related to *exposure time*?
- Is an Ad's *impact* a better measure of success than the Ad's *exposure time*?

4: Suppose that primetime (17pm-22pm) TV-spots cost 4% more than the €501 originally offered. Use the data from Table 2 and 3 as arguments in a discussion of how one could make a model which finds the best way to distribute the €27.000 (assuming that the CD is an R 'n B single). What if you assume that the CD is a classical music album?

A network stations '**share**' refers to how much a specific group of people views or listen to that network relative to other networks. So if e.g. a TV-network's share is 25% for people under 30, it means that people under 30 spend a quarter of their total viewing time watching that network.

5: Can you think of any other factors which have an effect on your decision of the how to distribute the €27.000? In your discussion you could e.g. consider the following:

- Do you think there is a *qualitative* difference in the effects of TV- and radio spots?
- Do TV-spots affect consumers in another way than radio spots do?
- If there is a difference, is that difference related to the type of product being advertised?

Use these considerations in a discussion on what one must be mindful about in making mathematical models.

Pictures

Picture 1 – Rihanna. Source: www.myspace.com/rihanna

Tables

Media	Length of spot	Number of spots	Price
Radio	10 seconds	Between 50 and 100*	€148
TV	20 seconds	20	€501

Table 1 - The received offers from the TV and Radio networks (* The radio station has informed that contracts on more than 100 spots require individual negations, and that it would not be possible to do that within your time frame.)

Time\Age	<14		15-27		27-50		>50	
Media	TV	R	TV	R	TV	R	TV	R
6am-17am	74	20	37	98	53	110	80	126
17pm-22pm	56	14	84	45	102	33	103	42
22pm-6am	12	3	62	30	42	42	16	9
Total min/day	142	37	183	173	197	185	199	177

Table 2 - Average minutes/day spend watching TV and listening to Radio**.**

Age	<14		15-27		27-50		>50	
Media	TV	R	TV	R	TV	R	TV	R
Share	18%	20%	22%	22%	22%	22%	18%	7%

Table 3 – The share of the Radio and TV networks.