

Time-Ad Impact Ratio: A New Perspective Linking Time Spent and Ad Results

While some members of the ad community look at time spent with media as a way to assess a medium’s advertising value, this approach fails to recognize a key concept: time spent with a medium is not a meaningful measure of advertising value unless it connects to advertising outcomes.

To help marketers address this issue, the analysis below presents a new perspective that links time spent with media to ad impact, using third party sources. This resulting metric, dubbed the “Time-Ad Impact Ratio,” can help marketers to evaluate time spent in a way that aligns with their desire for better results.

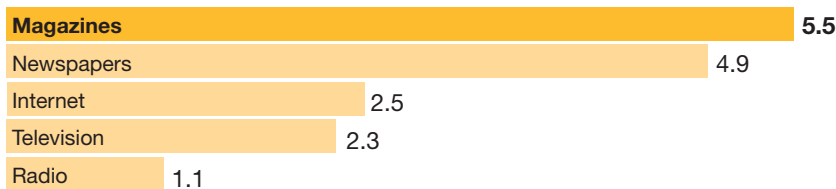
Findings

The Time-Ad Impact Ratio shows the following rankings, which differ significantly from those that exist if time spent is examined in isolation (without regard to results):

- Magazines emerge as the leading medium with 5.5 times more ad influence relative to the time spent with magazines on an average day
- Newspapers rank second with 4.9 times more ad influence relative to time spent
- The Internet has 2.5 times more ad influence relative to time spent
- TV has 2.3 times more ad influence relative to time spent
- Radio has 1.1 times more ad influence relative to time spent

Time-Ad Impact Ratio

The ad influence of a medium relative to time spent with that medium



Time-Ad Impact = Media Influence/Share of Total Time Spent
Sources: MRI MediaDay, 2008. Deloitte “State of the Media Democracy” Study, 2008

How the Time-Ad Impact Ratio Is Computed

The Time-Ad Impact Ratio incorporates two components:

- 1) Share of time consumers spent with each media in an average day, based on MRI's MediaDay study, and
- 2) The influence that advertising in each medium exerts on consumer purchases, according to Deloitte's "State of the Media Democracy" Survey, 2008. In this study, consumers were asked to rank the types of advertising most influential on their buying decisions.

The calculation was performed by computing the percent share of time spent for each medium (based on minutes per average day) and then dividing Media Influence by the resulting percent of time spent. When the data on time spent with media and media influence are brought together, the resulting Time-Ad Impact Ratio shows advertisers the ad influence of a medium relative to time spent with that medium.

Time-Ad Impact Ratio: Factors Behind the Calculation

Media	*Time Spent with Media (minutes)	Percent Share of Total Time Spent	**Media Influence	Time-Ad Ratio
Magazines	70	8.9	49	5.5
Newspaper	68	8.6	42	4.9
Internet	154	19.5	48	2.5
Television	302	38.2	88	2.3
Radio	196	24.8	27	1.1

Time-Ad Impact Index=Media Influence/Share of Total Time Spent

Sources: *Time Spent with Media on Average Day by User of that Medium, MRI MediaDay, 2008. **Percent of U.S. Consumers Who Said Advertising in this Medium Has the Most Influence on Their Buying Decisions, Deloitte "State of the Media Democracy" Study, 2008

For any skeptics who question how magazines could enjoy such a commanding lead, other recent research provides evidence of magazines and magazine ad effectiveness relative to other media:

- When consumers read magazines they are much less likely to use other media or participate in non-media activities while reading, giving them more opportunity to engage with the advertising or the editorial content (BIGresearch, December 2008)
- Magazines consistently get higher scores on the engagement dimension of "ad receptivity" than TV or the internet (Simmons Multi-Media Engagement Study, 2008)
- Magazines yield the lowest ROI for brand familiarity and purchase influence (Marketing Evolution, 2008) and the greatest impact on brand favorability and purchase intent (Dynamic Logic/Millward Brown, 2007)
- Magazines are the medium most likely to generate web search (BIGresearch, December 2008)
- Magazines are the medium most likely to complement the web in reaching social networkers (Mediamark Research & Intelligence, Fall 2008)

For more information about the Time-Ad Impact Ratio, please contact Stephen Frost, Director of Research, Magazine Publishers of America, at sfrost@magazine.org.