BUILDING BOX OFFICE BRANDS

VOLUME III

PROVING CINEMA'S UNIQUE VALUE AS PART OF ADVERTISERS' AV SCHEDULES

KANTAR MILLWARDBROWN   digital cinema media   Benchmarking

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"HOW LOVELY TO MAKE YOUR ACQUAINTANCE"

MRS POTTS, BEAUTY AND THE BEAST

FOREWORD

Karen Stacey, CEO, Digital Cinema Media

Welcome to the latest instalment of Digital Cinema Media's (DCM) research programme, Building Box Office Brands – Volume III. Since 2015 we have published this insight to help advertisers and agencies better understand the value cinema adds as part of a cross-media schedule and its ability to drive brand growth.

Over the last three years we have also been working tirelessly to better align ourselves with other AV channels. From the way in which we research and talk about our medium, to how you can now book your cinema campaigns, it's never been easier to include cinema on your AV schedules.

At a time when advertisers are faced with challenges around attention, brand safety and viewability, we believe cinema's offering has never been more powerful. DCM delivers a massive 2.7m admissions* every week - enabling advertisers to engage with a captive audience, every one of whom has actively chosen to experience the most premium content that drives real cultural moments. Your brand stories are guaranteed to be seen on the mother of all screens!

For this volume, we are taking a deep dive into the world of AV and we are delighted to once again be working with our partners Kantar Millward Brown and Benchmarketing. By tapping into their robust databanks we have been able to unearth further insight into cinema's impact on key brand-building metrics and sales.

We hope this study once again highlights why cinema should be an integral part of any AV media plan. Cinema can help brands reach receptive audiences, deliver impact on key brand metrics and ultimately drive longer-lasting sales effects.

So please be our guest...sit back, relax and enjoy learning about the best seat in media.

*Source: DCM Campaign Management. Based on 171m estimated industry admissions 2017 (52 week year), 82% DCM market share.

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KEY TAKEAWAYS

Building Box Office Brands: Volume III explores the value of cinema within the AV mix and showcases how cinema can deliver receptive audiences, significant impact across key brand-building metrics and a longer-lasting effect on sales.

1. CINEMA DELIVERS THE MOST RECEPTIVE AUDIENCES

Gen Z and Gen Y (16-34s) rate cinema ads as the AV advertising format they are most positive towards, ahead of TV and online video. The older Gen X audience are also receptive to big screen advertising, with cinema coming in just behind TV. Results demonstrate that the cinema environment can be incredibly valuable for reaching audiences who are open to brand messaging and helping campaigns cut through and resonate with these audiences.

2. CINEMA CONTRIBUTES UNBEATABLE IMPACT WITHIN THE AV MIX

Across all five brand-building metrics analysed – salience, love, difference, consideration and recommendation – cinema delivers unbeatable contributions per person reached compared to TV and online video. All AV channels have a role to play for advertisers but results have revealed that cinema can have a powerful impact when included on the plan. Campaigns that included cinema delivered greater contributions to total brand KPI performance compared to other AV combinations.

3. CINEMA DRIVES LONGER-LASTING SALES EFFECTS

Cinema's impact isn't fleeting either – cinema campaigns are memorable and can have a longer-lasting effect on sales. Across all four sectors analysed – Retail, Telecoms, Travel & Transport and Services – cinema performs strongly delivering adstock levels that are at the very least comparable to TV and consistently higher than those delivered by online video.

IMPLICATIONS

This report highlights how cinema can deliver significant impact for brands and why cinema should be an essential part of the AV mix. These results can help inform the planning of your next campaign in three ways:

1. CINEMA SHOULD BE INCLUDED ON EVERY BRAND'S AV SCHEDULE

Results have revealed that cinema offers key attributes that every advertiser should be looking to harness on their AV schedule – receptivity to brand messaging, unbeatable contributions to key brand metrics per person reached and memorable impact that delivers longer-lasting sales effects. These reasons all highlight why cinema should be the essential complement to TV on advertisers' AV plans, to help drive campaign performance.

2. CINEMA SHOULD BE PLANNED AS 'APPOINTMENT TO VIEW' PROGRAMMING

Consider cinema as one of the pivotal coverage building AV channels on the schedule – rather than just adding incremental reach at the end of the coverage curve. Results have demonstrated that cinema offers advertisers a chance to engage receptive audiences and deliver significant impact for brands at the start of their campaigns. Cinema should be seen as contributing engaged and effective cover alongside the mass reach of launch TV spots.

3. MAXIMISE CINEMA CREATIVITY

The unique cinema environment – the big screen, the dark room, the captivated audience – makes for a memorable advertising experience. Brands seeking to maximise this could consider how bespoke copy may elevate memorability further, or how best to use the latest cinema technology to increase the creative impact of campaigns and drive longer-lasting sales effects.

"NOW THAT'S A PROPER INTRODUCTION"

DR LOUISE BANKS, ARRIVAL

Building Box Office Brands: Volume III aims to share new insight into how cinema can complement and add real value to AV plans. DCM has once again partnered with Kantar Millward Brown, a world leading expert in advertising effectiveness research to investigate how receptive audiences are to different AV channels and ultimately the impact they have on core brand-building pillars.

DCM has also re-partnered with the marketing knowledge consultancy Benchmarketing, which is part of the Omnicom Media Group, to prove how cinema advertising drives positive effects on sales by investigating the adstock levels (memorability) of the three core AV channels – TV, cinema and online video.

The third edition of this long-term insight series has been published in a challenging year with issues of brand safety, measurement and transparency coming to the fore against a background of political and social uncertainty that has led to some advertisers spending more cautiously. There has also been mounting evidence showing how our industry has become too focused on the short term, which may be harming marketing effectiveness.

Media In Focus: Marketing Effectiveness in the Digital Era, the latest landmark study written by Les Binet and Peter Field on behalf of the Institute of Practitioners in Advertising (IPA), investigates how brands should best approach their marketing activity and **highlights how there are NO signs that mass, paid for media is becoming any less effective - even in today's digital age.**

The report goes on to emphasise that marketers could strike a better balance between short and long-term activity if they want to make the most of their marketing in today's landscape. As previous work by Binet and Field has shown, **the right balance of brand to activation activity remains 60/40 with brand-building responsible for helping to drive the long-term sales of a brand.**

To build a brand, it's essential that campaigns deliver scale and the report has shown how AV advertising specifically can be incredibly effective in helping brands gain fame and top-line growth.

DCM's aim with Building Box Office Brands: Volume III is to expand on this and share new evidence about **the positive contribution cinema adds to AV schedules by proving its value in three key areas: RECEPTIVITY, BRAND IMPACT and MEMORABILITY.**

"TRY TO KEEP AN OPEN MIND"

CHRISTIAN GREY, FIFTY SHADES OF GREY

WE LIVE IN AN AGE WHERE ADVERTISING HAS NEVER BEEN SO PROMINENT. ACCORDING TO SOME SOURCES THE AVERAGE PERSON IS EXPOSED TO THOUSANDS OF BRAND MESSAGES IN ONE SINGLE DAY. WITH THE CONTINUED EXPANSION OF ONLINE AND MOBILE THE NUMBER OF MESSAGES PEOPLE ARE POTENTIALLY EXPOSED TO IS ONLY GOING TO INCREASE.

This demonstrates a real challenge for brands who are trying to cut through in an increasingly noisy, cluttered world. With 27% of UK internet users using ad blocking software (Source: Kantar TNS Connected Life), it's clear that the sheer amount of advertising messages is proving increasingly overwhelming for some. This issue of ad avoidance in today's media landscape is prevalent and one that's a concern for brands – which is why it's crucial that ads are being placed in environments where audiences are receptive and open to them, and not looking for ways to completely avoid them.

Background

At the beginning of 2017, Kantar Millward Brown published its latest AdReaction study – 'Engaging Gen X, Y and Z' – which explored advertising receptivity to help marketers understand how media attitudes and behaviours differ among the three generations.

Kantar Millward Brown surveyed 600 people in the UK across the three generations – Gen Z (16-19 year olds), Gen Y (20-34 year olds) and Gen X (35-49 year olds). These three key generations are particularly interesting from a cinema perspective as 45% of annual UK cinema admissions are delivered by Gen Z & Y, with a further 21% by Gen X (Source: CAA Film Monitor Coverage & Frequency 2016).

Results

The study published useful insight and guidance for advertisers seeking to maximise how receptive audiences are to their advertising:

Reach people in the right mood

The study revealed that being relaxed is the most pertinent mindset for receptiveness for all three generations. In addition to this, being faced with boredom/the need to pass time and be entertained all increased receptiveness – particularly among Gen Z and Y.

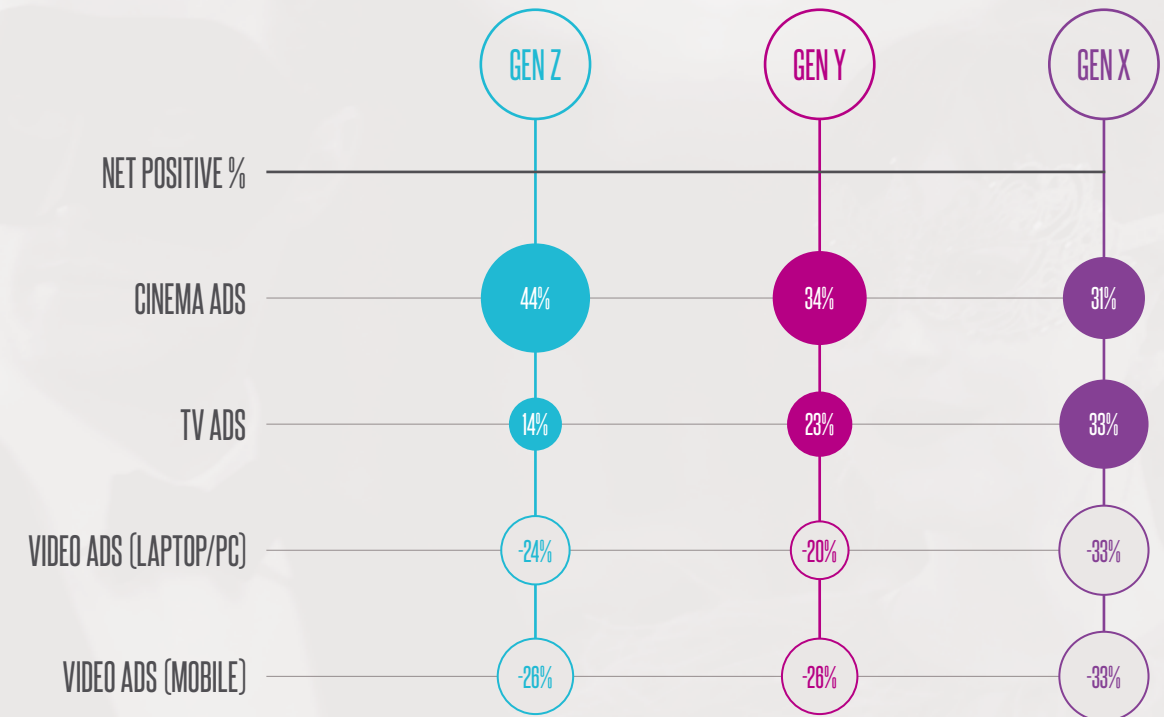Aligned to the entertainment mindset, all generations also said that the context of movies, music and comedy were key to making them more positive towards advertising. Cinema can be particularly effective here as according to the latest IPA TouchPoints 2017 mood data, when audiences are at the cinema they are in an incredibly positive frame of mind – 82% of emotions felt when visiting the cinema were positive, compared to 57% and 56% while watching TV and online video respectively.

Timing is everything

The AdReaction data shows that targeting people at certain times of the day can help improve positivity towards advertising. While Gen Z are more open to ads during the afternoon (when others may be at work), all three generations are at peak receptiveness during the evening with 6:00-9:00pm proving the sweet spot for receptivity. This plays well for AV media with viewing and admissions peaking in this key evening period.

Don't underestimate traditional ad formats

Each generation was asked about their attitude towards different formats of advertising and this unearthed some of the study's most interesting findings – specifically in relation to the youngest cohort, Gen Z (16-19 year olds), who are the first generation to have grown-up in the online, on-demand world, and are proving challenging for advertisers to reach and engage with.

	GEN Z	GEN Y	GEN X
NET POSITIVE %			
CINEMA ADS	44%	34%	31%
TV ADS	14%	23%	33%
VIDEO ADS (LAPTOP/PC)	-24%	-20%	-33%
VIDEO ADS (MOBILE)	-26%	-26%	-33%

In the UK, Gen Z and Gen Y actually rate cinema ads as the AV format they are most positive towards with respective net positive scores of 44% and 34%.

The older Gen X audience are also receptive to big screen advertising, with cinema achieving a net positive score of 31%, coming in just behind TV.

The lack of control around some online video ad formats (e.g. non-skippable pre-rolls and app pop-ups) negatively impacts the format, which has to work harder to make any generation receptive to advertising in this environment.

Results demonstrate that the cinema environment is incredibly valuable for advertisers and helps campaigns cut through and resonate with audiences.

"BRACE FOR IMPACT"

CHESLEY 'SULLY' SULLENBERGER, SULLY

FOR THE THIRD YEAR WE HAVE WORKED WITH KANTAR MILLWARD BROWN TO UNDERSTAND THE IMPACT OF CINEMA AND OTHER MEDIA ON THE KEY BRAND METRICS THAT DRIVE LONG-TERM SUCCESS FOR ADVERTISERS. THE THEORETICAL UNDERPINNING OF THIS WORK IS KANTAR MILLWARD BROWN'S MEANINGFULLY DIFFERENT FRAMEWORK.

The framework helps determine how meaningful (meets consumer needs and affinity), different (unique and sets trends) and salient (top of mind) a brand is. Research by Kantar Millward Brown has gone on to prove that consumers are more predisposed to buy brands that better meet these three criteria than their competitors.

The challenge for brands therefore is to ensure that they remain as meaningful, different and salient as possible. This makes media selection crucial. Which channels can deliver the impact required to contribute to the key metrics that drive these all-important brand-building factors?

METHODOLOGY:
KANTAR MILLWARD BROWN

DCM & Kantar Millward Brown's ongoing partnership

For the third consecutive year, DCM has commissioned Kantar Millward Brown to analyse its robust CrossMedia databank to help understand cinema's impact on key brand-building metrics, and how these compare to the impact of other channels.

Since the publication of Building Box Office Brands: Volume II in November 2016, another 49 campaigns across Europe have been measured using Kantar Millward Brown's CrossMedia methodology. These studies have been incorporated into this year's meta-analysis to reveal the latest, definitive impact that paid AV media has on key brand metrics.

Results are once again published at a European level to ensure a robust sample for all channels across the five core metrics – with the UK being the biggest contributor to the database, with 142 campaigns.

Understanding CrossMedia

Kantar Millward Brown's CrossMedia solution is rapidly being seen as the global industry standard in multi-media brand measurement. CrossMedia is designed to evaluate how paid marketing activities affect key brand equity measures such as awareness, engagement and consideration. So, how does it work?

Through understanding when a brand's marketing activity is running and the media consumption habits of the target audience, Kantar Millward Brown can understand the audience's exposure to the paid media activity.

As part of the CrossMedia survey, a comprehensive bank of questions is compiled to help understand category and brand pre-disposition. This includes underlying involvement factors (for example previous category interest,

brand involvement, purchase behaviour) and ongoing influences (word of mouth and news coverage).

By accounting for these variables and stripping out the contributions they make to the key measures, Kantar Millward Brown can control for potential bias and reveal the true performance of the media campaign, and how each individual channel has contributed to the key brand-building metrics.

For this volume we will be focusing specifically on the contributions that paid AV media channels deliver for advertisers.

Results will be reported across the metrics for cinema, TV and online video.
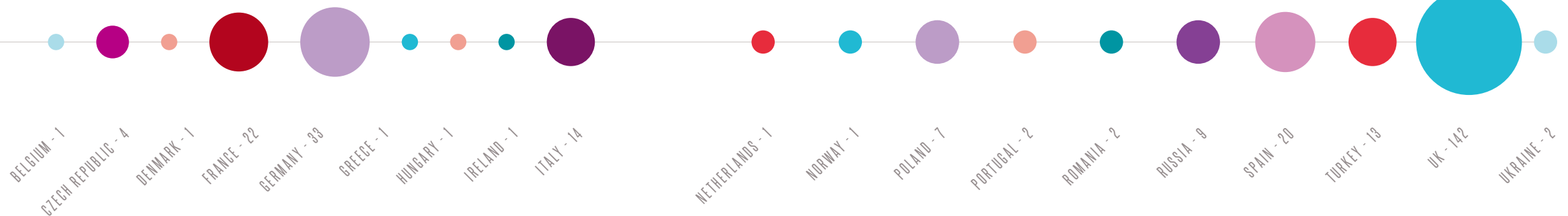
Understanding the metrics

The results will again focus on the five brand-building metrics that Kantar Millward Brown highlight as drivers of brand growth:

– Brand Salience

– Brand Love

– Brand Difference

– Brand Consideration
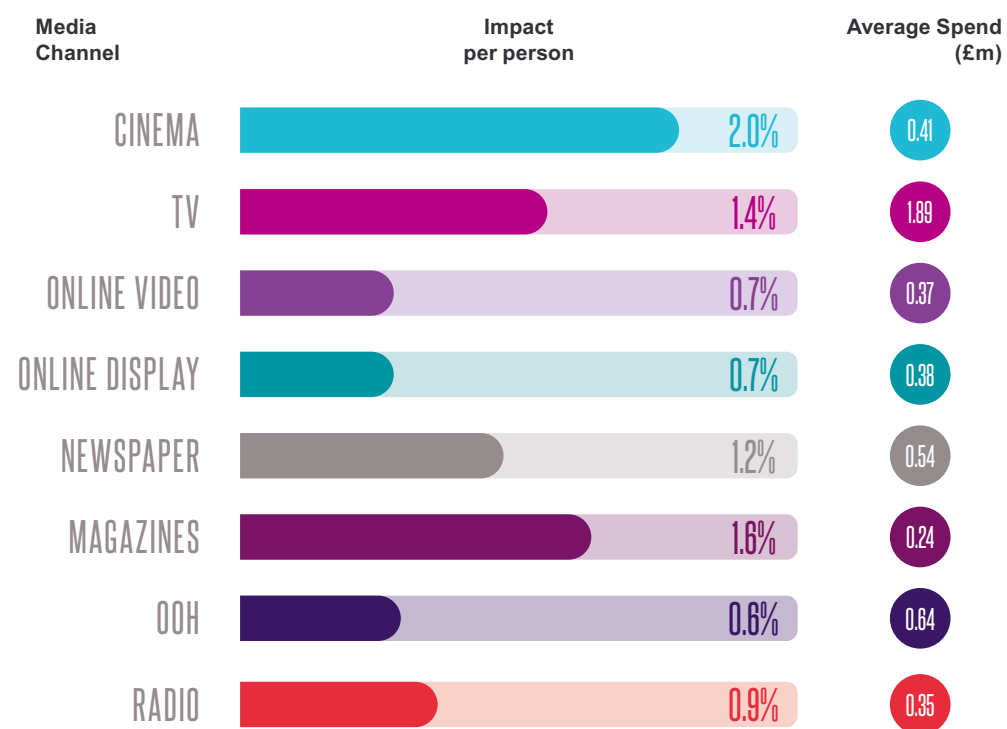
– Brand Recommendation

The results will report the impact each channel has contributed towards the specific metric and highlight the key role that cinema can play as part of the mix. Across these brand-building pillars, the results focus on an 'Impact per person' metric as reported by Kantar Millward Brown.

Impact per Person (IPP)

Contributions made by each of the paid media channels are reported 'per person reached'. This approach takes the total contribution delivered by each channel and divides it by the reach achieved by each medium. By stripping out the influence of reach, Kantar Millward Brown's 'Impact per person' approach puts all media channels on a level playing field and only considers the impact among individuals who have ACTUALLY been exposed to the campaign on each of the channels.

COUNTRIES INCLUDED IN THE STUDY

BELGIUM - 1
CZECH REPUBLIC - 4
DENMARK - 1
FRANCE - 22
GERMANY - 33
GREECE - 1
HUNGARY - 1
IRELAND - 1
ITALY - 14

NETHERLANDS - 1
NORWAY - 1
POLAND - 7
PORTUGAL - 2
ROMANIA - 2
RUSSIA - 9
SPAIN - 20
TURKEY - 13
UK - 142
UKRAINE - 2

Total CrossMedia KPI

Media Channel	Impact per person	Average Spend (£m)
CINEMA	2.0%	0.41
TV	1.4%	1.89
ONLINE VIDEO	0.7%	0.37
ONLINE DISPLAY	0.7%	0.38
NEWSPAPER	1.2%	0.54
MAGAZINES	1.6%	0.24
OOH	0.6%	0.64
RADIO	0.9%	0.35

CrossMedia analysis

As we saw in both previous volumes of Building Box Office Brands, analysis of the CrossMedia databank highlights a positive story for paid media. Every channel that advertisers can use on their schedules can deliver a significant impact on the key metrics that help drive brand equity.

Similar to previous volumes, cinema, magazines and TV lead the way in terms of the contributions those channels make per person reached. Delivering an average impact per person

of 2.0%, the highest across the core brand KPIs, cinema once again demonstrates why it should be seen as a valuable channel with the media mix.

In the rest of this chapter we will focus on the three AV channels and explore their relative strengths and weaknesses across the five core brand-building metrics that Kantar Millward Brown identifies as drivers of brand growth.

Number of case studies per media channel
Cinema: 71 | TV: 268| Online Video: 115 | Online Display: 232 | Newspapers: 76 | Magazines: 53 | OOH: 163 | Radio: 78
(Average of salience, love, difference, consideration and recommendation measures)

FIVE METRICS THAT MATTER

IN THIS SECTION WE EXPLORE THE STRENGTHS AND WEAKNESSES OF CINEMA, TV AND ONLINE VIDEO ACROSS FIVE KEY BRAND METRICS, WHILE HIGHLIGHTING THE KEY ROLE OF CINEMA IN THE MIX

"YOU REMEMBER THE LAST TIME I SAW YOU?"

KEVIN, MOONLIGHT

IN AN INCREASINGLY COMPETITIVE AND CROWDED LANDSCAPE, BRAND SALIENCY (AWARENESS) – THE PROPENSITY OF A BRAND TO COME TO MIND DURING THE PURCHASE DECISION MAKING PROCESS – IS A KEY BRAND-BUILDING METRIC FOR GROWTH AND SUCCESS.

Salience, one of the core metrics of Kantar Millward Brown's Meaningfully Different framework, is a measure of how well a brand's campaign grabs people's attention and primes their mind ready to be activated when the time to purchase occurs. Coming to mind at the right time is crucial and therefore, from a media perspective, it's key that a brand's campaigns are placed in environments that will ensure the brand cuts through and resonates with audiences.

Kantar Millward Brown measures three different elements of awareness as part of its CrossMedia research – unaided brand awareness, aided brand awareness and communications awareness. For simplicity's sake we have combined these three measures to create one overall awareness metric to demonstrate how cinema, TV and online video channels contribute, per person reached, towards a brand's saliency.

AV contribution to Brand Salience

AV Channel	Impact per person	Average Spend (£m)
CINEMA	2.6%	0.41
TV	2.5%	1.89
ONLINE VIDEO	0.8%	0.37
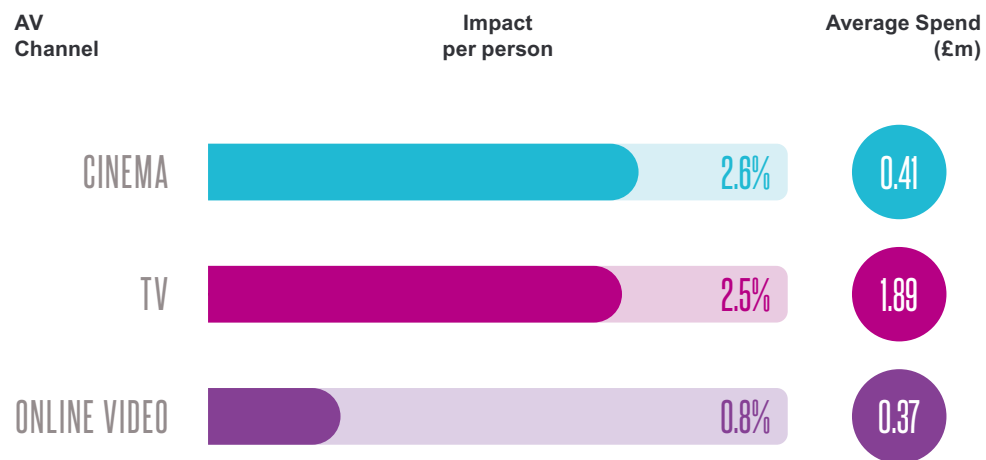
CrossMedia analysis

The analysis of the CrossMedia databank reveals the positive impact that advertising on the three core AV channels can have for brands in contributing towards brand and campaign awareness, with all three channels making a substantial contribution. However, cinema and TV contribute the most significant impact, delivering 2.6% and 2.5% per person reached respectively.

The strengths of the two channels complement each other well in helping contribute to brand salience. With its ability to deliver mass reach and build frequency quickly, TV is rightly at the heart of most campaigns to help brands stay front of mind.

Cinema doesn't quite work in the same way. While the average cinema campaign might only be seen once on the big screen, the impact that it has on those people exposed is greater than or equal to that delivered by online video and TV campaigns. These results indicate that there is real value in the quality of the exposure delivered and makes the case that cinema should be added alongside TV on any AV plan to help maximise the cut through of the brand and ad campaign.

Factor in that cinemagoers are notoriously lighter TV viewers and cinema's value in helping build engaged, cover in addition to the mass reach delivered by TV is clear. The benefit of cinema as the key complementary AV channel is further strengthened when considering the average campaign budget – cinema can deliver over 3x the impact per person contributed by online video, at a very similar level of investment.

● CASE STUDY

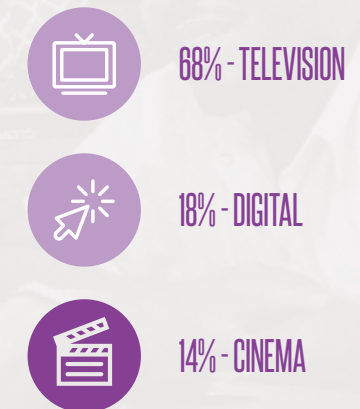|	
Measure	Saliency (Communications Awareness)
Country	UK
Category	Electronics
Objectives	Raise awareness and build brand equity
Target audience	ABC1 Adults 18-44
Total Media spend	£2m

This established consumer electronics brand was running a launch campaign to build awareness of its new mobile phone model. With heavy competition in this space, it was crucial to employ an impactful and memorable creative alongside a well-thought-out media mix.

TV was used at the heart of the campaign to drive awareness of the new product – with cinema and digital both deployed in a supporting role to extend reach and engagement. Although TV commanded the majority of the spend and was the most dominant media for both reach and frequency, digital and cinema surpassed norm in terms of reach.

All channels helped drive the awareness KPI but, as expected, TV was the main contributor. With that said, cinema was actually the only medium to drive communications awareness, a measure of campaign recall and indicator of campaign memorability.

Although all channels helped deliver against the core awareness objective, when considering media spend, cinema shone as the most efficient channel – delivering 14% of the impact from just 8% of the overall budget.

Media Spend %

TV	DIGITAL	CINEMA
75%	18%	8%

22.8% TOTAL AWARENESS

7.2% MEDIA CONTRIBUTION TO AWARENESS

68% - TELEVISION

18% - DIGITAL

14% - CINEMA

Kantar Millward Brown Commentary
"With the help of a powerful, high performing creative, cinema outperformed expectations in terms of driving awareness of this campaign - despite the challenge of a lower frequency vs other channels. A longer creative, a sense of occasion and increased receptivity all contributed to the strong performance of cinema."

Number of case studies per media channel
Cinema: 68 | TV: 262 | Online Video: 112

"ONLY LOVE WILL TRULY SAVE THE WORLD"

DIANA PRINCE, WONDER WOMAN

WE'RE IN A WORLD WHERE WE HAVE A MYRIAD OF CHOICES WHEN IT COMES TO WHERE WE SHOP AND THE BRANDS WE BUY. LOYALTY IS NO LONGER GUARANTEED SO IT'S ESSENTIAL FOR BRANDS TO STAND OUT BY WINNING OVER THE HEARTS AND MINDS OF THEIR CUSTOMERS.

Kantar Millward Brown's BrandZ™ work has consistently proven across the last decade that brands that are loved grow most rapidly in value.

Creating an emotional connection with their audiences is huge business for brands. Those brands who have scored highest in 'love' over the last 10 years have increased in value 8x more than brands who scored low on 'love'.

By building affinity with audiences, it means they are not only more likely to choose the brand but they're also more willing to pay a price premium for it. So how can AV media help brands build and foster this all-important brand love?

BrandZ™ Global Top 100
10-Year Value Change

Top Third 'Love'
'Love' Index - 121

+182%
(10-Year Value Change)

Middle Third 'Love'
'Love' Index - 104

+52%

Bottom Third 'Love'
'Love' Index - 97

+22%

Three groups of brands from the 95 common brands valued in the BrandZ Global Top 100 in both 2006 and 2016. Source: BrandZ / Millward Brown

AV contribution to Brand Love

AV Channel	Impact per person	Average Spend (£m)
CINEMA	1.5%	0.41
TV	0.8%	1.89
ONLINE VIDEO	0.5%	0.37

CrossMedia analysis

The results of the analysis showcase how all AV channels can help advertisers emotionally engage with audiences and contribute significantly towards brand love.

TV and online video contribute 0.8% and 0.5% to this key metric, however it's cinema that stands head and shoulders above the rest.

Cinema delivers 3x the impact of online video to brand love and delivers almost twice the contribution of TV per person reached.

In cinema, brands can reach an audience in a very positive (and receptive) mindset and leverage this emotional engagement for themselves. The captivated audience is sat ready to be entertained and open to brand stories, making it possible for brands to make significant inroads in increasing the affinity people feel for the brand.

● CASE STUDY – IKEA

Measure	Brand Love
Country	UK
Category	Retail
Objectives	Increase consideration and motivation
Target audience	ABC1 Adults

In October 2016, IKEA launched its 'Welcome Home' campaign aiming to illustrate the transformative effect light has on our happiness and wellbeing. The emotive AV-focused campaign featured a son illuminating his mother's walk home from work in the dark with IKEA lighting and bringing to life the core message that 'life is better at the flick of a switch'.

Cinema offered IKEA the opportunity to showcase the emotive 60" copy in an environment that would deliver high levels of attention and be able to drive consideration among the target audience of upmarket adults. To bring its copy to the big screen IKEA bought film packs in *Doctor Strange*, *The Girl on the Train*, *Inferno* and *Fantastic Beasts and Where to Find Them*. Other AV channels included in the campaign were TV, VOD, social video on Facebook, Instagram and YouTube.

The campaign successfully contributed 0.6% to brand love for IKEA – with cinema contributing 50% of the impact on this metric, despite only accounting for 3% of the overall campaign spend. Ultimately cinema's engaging environment was the perfect showcase for IKEA's emotive copy, helping the brand build brand love further among its core target audience.

Media Spend %

TV **79%**	VOD **12%**	SOCIAL **4%**
YOUTUBE **3%**	CINEMA **3%**	
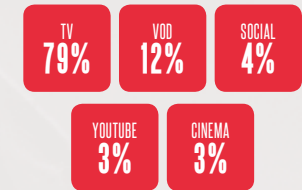
17.6% TOTAL BRAND LOVE

0.6 % MEDIA CONTRIBUTION TO LOVE

50% - CINEMA

50% - TV

Kantar Millward Brown Commentary
"Cinema proved the perfect fit for IKEA's emotive AV copy which we saw enabled the channel to significantly amplify the perceived meaningfulness of IKEA to consumers. It was highly encouraging to see cinema working alongside TV to grow brand love, not only among customers already brought into the brand but also among a group less predisposed to IKEA."

"I AIN'T NEVER GONNA FIND ANYONE LIKE YOU."

QUEENIE, FANTASTIC BEASTS

BEING DIFFERENT IS WHAT MAKES THE DIFFERENCE FOR BRANDS. STANDING OUT FROM COMPETITORS ALLOWS BRANDS TO JUSTIFY A PRICE PREMIUM THAT ULTIMATELY HELPS DRIVE FASTER GROWTH IN BRAND VALUE.

How do brands go about achieving this? The difference must have the potential to be meaningful to people – to deliver against their needs in a new way that betters what other brands have to offer.

Functional advantage over competitors can be difficult to maintain and therefore gaining emotional advantage is the more sustainable approach, although no less challenging. However, those brands who can achieve this sense of difference will reap the rewards when consumers become predisposed to choosing them over the competition.

As Kantar Millward Brown's BrandZ™ analysis shows, those brands who rank highest for 'Difference' have grown 258% in the last 11 years, compared to those brands in the bottom third who have witnessed just 21% change in value.

BrandZ™ Global Top 100
11-Year Value Change

Top Third 'Different'

+258%
(11-Year Value Change)
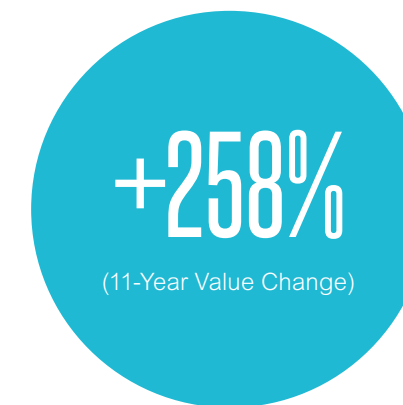
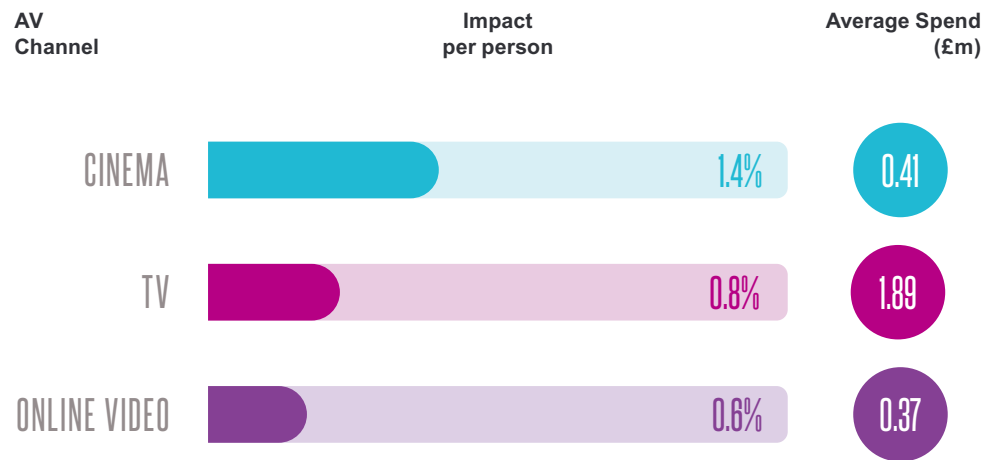**Middle Third 'Different'**

+67%

Bottom Third 'Different'

+21%

Brand value growth for the 85 brands that appear in 2006 and 2017 rankings, based on Difference scores.
Source: Kantar Millward Brown/BrandZ™

AV contribution to Brand Difference

AV Channel	Impact per person	Average Spend (£m)
CINEMA	1.4%	0.41
TV	0.8%	1.89
ONLINE VIDEO	0.6%	0.37

CrossMedia analysis

TV and online video both contribute substantially to this metric delivering 0.8% and 0.6% respectively but of the three AV channels analysed, none has a greater impact on Brand Difference than cinema, contributing 1.4% per person reached.

The engaging, comparatively clutter-free cinema environment provides the perfect canvas for advertisers to land key brand messages that help them stand out from the competition.

Most advertisers currently directly transfer their TV ads onto the big screen – so these results really do highlight the true impact of the immersive cinema environment.

While some cinemagoers will likely have seen the ad on TV before going to the cinema, it feels like a different viewing experience on the big screen and often enables them to take out new messages from the ad that they had previously missed.

Cinema can also transfer a sense of 'premium' on to brands which can help engender a sense of trust, another measure which Kantar Millward Brown relates to brand differentiation.

These elements all help brands achieve a sense of emotional difference that ultimately helps them stand out from the competition and drive a long-term advantage.

● CASE STUDY

Measure	Difference
Country	UK
Category	FMCG
Objectives	Develop emotional connection with consumers to drive awareness & consideration
Target audience	Adults 16-64
Total media spend	£8m+

This well-established FMCG brand was launching a substantial campaign designed to reach a broad adult and family audience to celebrate 'meal times' and the powerful role that food plays in everyday lives. TV and outdoor were used to deliver mass reach with other channels including print, radio and cinema running with the same creative approach to create a true multi-channel campaign.

Cinema was used to reach audiences while they were enjoying another key 'together time' occasion to help develop the distinctive positioning of the brand. Alongside magazines (which drove the majority of the contribution on this metric), cinema was the only other channel to make a significant contribution.

Despite using the same creative as TV, exposure in cinema was able to successfully drive perceived uniqueness of the brand – highlighting how the unique and immersive cinema environment is able to amplify message takeout and emotional engagement within the media mix. This was a particularly strong performance considering magazines and cinema accounted for only 8% of the budget.

Media Spend %

TV	OOH	CINEMA	DIGITAL
46%	36%	3%	2%

MAGAZINE	NEWSPAPER	RADIO
5%	6%	2%
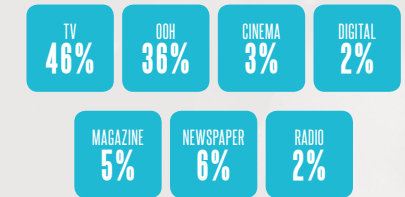
69.7% TOTAL BRAND DIFFERENCE

2.5% MEDIA CONTRIBUTION TO DIFFERENCE

84% - MAGAZINES

12% - CINEMA

Kantar Millward Brown Commentary
"Having a brand that stands out in the highly competitive FMCG category is not easy but what this study highlighted was the value of putting the right media forward to help overcome this challenge. The powerful and unique environments of both cinema and magazines were crucial to the campaign's contribution to 'brand difference', where other channels with similar copy did not contribute in this case."

Number of case studies per media channel
Cinema: 30 | TV: 102 | Online Video: 64

"I'VE CONSIDERED EVERY OPTION"

M, SKYFALL

CONSIDERATION AS A METRIC PLACES BRANDS IN THE STRONGEST POSSIBLE POSITION TO CONVERT SALES. BEFORE SOMEBODY BUYS ANYTHING THEY'LL FIRST HAVE THEIR CONSIDERATION SHORTLIST – AND IT'S CRUCIAL FOR BRANDS TO MAKE IT ON TO, AND STAY ON THIS LIST.

McKinsey's Customer Decision Journey Framework proposes that a 'trigger' starts the purchasing loop process and at this early stage consumers have their initial consideration shortlist in place.

However, it's a crucial time for brands as they can still 'interrupt' the decision-making process, entering into consideration and even forcing the exit of rival brands from the shortlist.

It's therefore important for brands – both those on and off the consideration shortlist – to ensure that their campaigns are making them salient and meaningful, so they can challenge for position.

AV contribution to Brand Consideration

AV Channel	Impact per person	Average Spend (£m)
CINEMA	3.4%	0.41
TV	0.7%	1.89
ONLINE VIDEO	0.5%	0.37
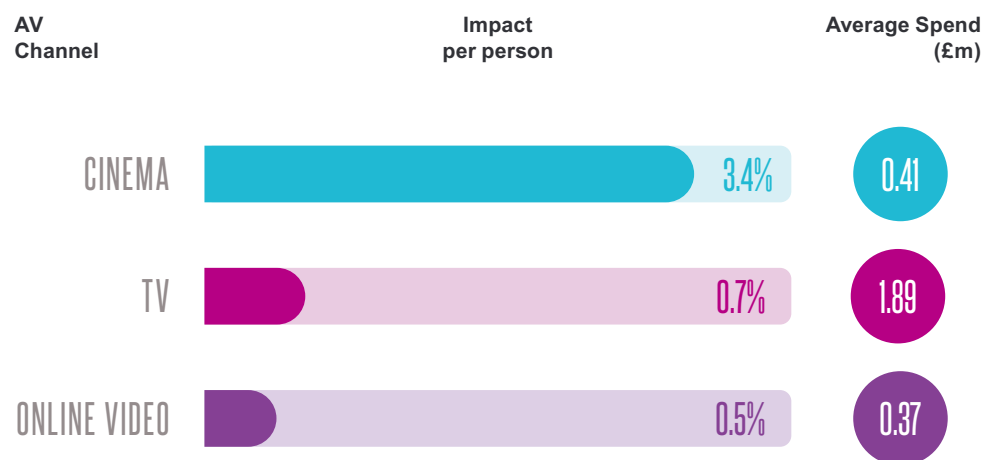
CrossMedia analysis

Across the metrics evaluated so far, we have seen how consistently AV channels are able to contribute to the metrics that help brands grow. So, it's no surprise that these factors come together to enable all three channels to contribute positively towards brand consideration.

Delivering a contribution of 3.4% per person reached, cinema stands out as the best AV channel for making an impact on this key metric. The impact delivered by the immersive cinema environment helps brands land their key messages and convince a captive audience that the showcased brand is deserving of a place on their consideration shortlist.

Both TV and online video do also deliver positive contributions towards consideration but comparatively aren't quite as strong per person reached.

Advertising often has to work harder in these environments to engage viewers and therefore it can be more challenging for the ads to ultimately contribute to consideration.

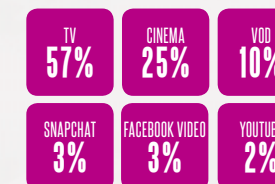## ● CASE STUDY – CARPHONE WAREHOUSE

Measure	Consideration (Top 2 Box)
Country	UK
Category	Telecoms
Objectives	Raise awareness and build familiarity of Carphone Warehouse's 'Don't Ask, Don't Get' proposition
Target audience	16-34 Adults

In July 2016, Carphone Warehouse launched a new brand campaign designed to bring to life how it's the only place where customers can compare tariffs across the major networks and ensure they're getting the best deal. The AV-focused campaign featured Keith Lemon in Dubai explaining how Carphone Warehouse customers can get a "proper good upgrade deal".

Cinema offered Carphone Warehouse a great way of engaging its core target audience of tech-savvy 16-34 year olds with the 60" Dubai creative. Carphone Warehouse bought the *Star Trek Beyond* Gold Spot, the *Magnificent Seven* Bronze Spot and a *Suicide Squad* film pack. Across the summer there were other channels running including Facebook and YouTube video and VOD activity, and TV launched in September.

The brand campaign successfully contributed 2.8% to consideration for Carphone Warehouse – with cinema the main contributor to this metric. Cinema offered Carphone Warehouse an engaging environment in which its key target audience was receptive to the persuasive messages and ultimately delivered a significant contribution to consideration.

Media Spend %

TV	CINEMA	VOD
57%	25%	10%

SNAPCHAT	FACEBOOK VIDEO	YOUTUBE
3%	3%	2%

36.5% TOTAL CONSIDERATION (TOP 2 BOX)

2.8% MEDIA CONTRIBUTION TO CONSIDERATION

🎬 **100% - CINEMA**

Kantar Millward Brown Commentary

"Cinema excelled as part of Carphone Warehouse's brand campaign – delivering the ad to the sweet spot 16-34 audience in an immersive environment helped contribute significantly to brand consideration levels. Alongside this activity, Carphone Warehouse also ran a product campaign where we saw significant contributions across metrics from TV and radio - highlighting how important it is to use multiple channels to deliver key messages and ultimately drive brand success."

"WHAT DO YOU RECOMMEND?"

GARY KING, THE WORLD'S END

TODAY'S CONSUMERS ARE SAVVY, BETTER INFORMED AND MORE CONSCIOUS OF THE CHOICES THEY MAKE THAN EVER BEFORE – WHICH IS WHY RECOMMENDATION CAN BE ONE OF THE MOST INFLUENTIAL TOUCHPOINTS IN SHAPING THE PURCHASE DECISION-MAKING PROCESS.

At a time when some of us are becoming more sceptical and less trusting of brand messaging, receiving a recommendation can be a powerful factor in deciding which products and services we choose to give our time and money to.

Word of mouth has long been considered a powerful tool and today it's never been easier to source recommendations that can influence decision-making. Think about the last holiday you went on – it's likely the choices you made regarding where you stayed, places you ate and sights you visited were all influenced by reviews left by other holidaymakers.

It's therefore crucial for brands to reach socially-savvy audiences who are happy to talk about brands on and offline, and can help drive buzz and word of mouth.

These endorsements must come from trusted sources – and the media channels selected by a brand can help reach your audience and inspire word of mouth.

AV contribution to Brand Recommendation

AV Channel	Impact per person	Average Spend (£m)
CINEMA	0.9%	0.41
TV	0.7%	1.89
ONLINE VIDEO	0.8%	0.37

CrossMedia analysis

All three AV channels can help brands drive recommendation, delivering average contributions between 0.7% and 0.9%. Cinema and online video both edge slightly ahead of TV in terms of impact per person on this metric – highlighting the value of the socially-savvy audiences that advertisers can reach via these channels.

The results also highlight that while audiences love talking about the content they're watching, this can also extend to the brands who position themselves in and around the best AV content.

If advertisers can interest and engage these brand-savvy consumers, they can tap into this group's willingness to share opinions about brands and advertising campaigns and recommend where they feel strongly enough about the product or service in question.

Online video and cinema are both able to deliver comparable levels of impact per person reached to TV, but at a fraction of the cost – highlighting how they are cost-efficient add-ons to a TV schedule to help brands maximise the word of mouth and buzz they are delivering around their products and campaigns.

Number of case studies per media channel
Cinema: 26 | TV: 106 | Online Video: 39

● CASE STUDY

|	
Measure	Recommendation
Country	UK
Category	Media
Objectives	Develop brand positioning
Target audience	Adults 18+
Total media spend	£3m+

This campaign was designed to showcase the brand's multimedia credentials and how in a digital age it was still committed to delivering high quality journalism to readers, regardless of the platform they now used to access their news.

To achieve this, TV was employed at the heart of the mix with support from cinema, outdoor and digital channels which were activated across the campaign. Cinema was specifically used to reach a socially-savvy, early adopting audience and showcase the brand's impactful creative in a premium environment.

The mix of channels worked well with TV being instrumental in contributing to improved brand consideration and cinema excelling at driving recommendation. Of the 0.4% contributed by the total media campaign to recommendation, cinema was responsible for 100% of this impact.

Creating a buzz around the campaign was essential for the brand and the results demonstrate how showcasing the brand film in cinema – reaching the right people in an engaging environment – was an essential part of the mix.

Media Spend %

TV	OOH	CINEMA	DIGITAL
56%	13%	23%	8%
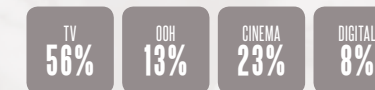
12.5% TOTAL BRAND RECOMMENDATION

0.4% MEDIA CONTRIBUTION TO RECOMMENDATION

100% - CINEMA

Kantar Millward Brown Commentary

"The channel mix employed was a crucial success factor for this highly impactful campaign. Specifically, the results showcased the positive role cinema can play in allowing brands to be a part of people's conversations with friends and family. Whilst other channels played an instrumental role in driving overall brand impact, cinema was the only medium to encourage recommendation – a very powerful metric in this category."
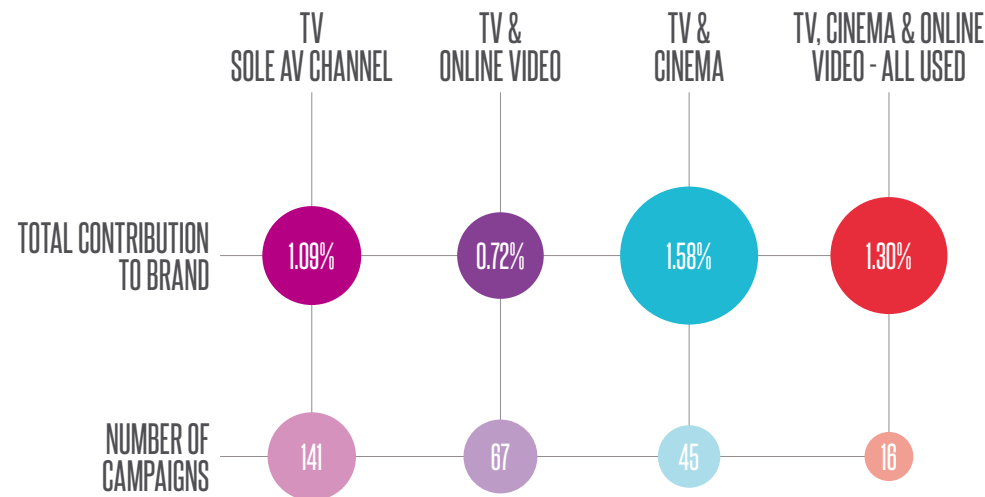
The Impact of AV Channels

We've seen so far that all AV channels – with cinema leading the way – make significant contributions per person reached to five of the key brand-building pillars that drive brand growth. We wanted to understand how the different mix of AV channels used may influence the total impact of a campaign, so Kantar Millward Brown analysed its databank to investigate the impact of different combinations of AV channels.

Kantar Millward Brown analysed 269 campaigns from across Europe (of which 136 are from the UK) by splitting them into four groups based on the AV strategy each campaign used. Most campaigns measured using CrossMedia include TV on the plan so this features in every group and restricted analysis from investigating the

impact of solus and combined cinema and online video. The AV combinations being analysed are:

– TV as the sole AV channel used
– TV & online video (including VOD) used, but no cinema
– TV & cinema used, but no online video
– TV, cinema and online video all used

The campaigns all ran with an average of three other channels alongside the AV mix, with specific channels and the weighting of individual touchpoints varying by campaign. For this analysis, Kantar Millward Brown focused on the 'total contribution' of the campaign which enables us to understand the cumulative impact achieved by the campaign on the Total Brand KPI metric (incorporating all five key measures).

	TV SOLE AV CHANNEL	TV & ONLINE VIDEO	TV & CINEMA	TV, CINEMA & ONLINE VIDEO – ALL USED
TOTAL CONTRIBUTION TO BRAND	1.09%	0.72%	1.58%	1.30%
NUMBER OF CAMPAIGNS	141	67	45	16

WHAT DOES THIS MEAN FOR YOUR AV PLANS?

Of the analysed combinations, using cinema alongside TV appears to have the greatest influence over the total contribution to brand KPI. Campaigns employing TV and cinema as the AV media on average contribute 1.58% to total brand KPI – twice the impact driven by campaigns where TV and online video are used as the AV channels. **For your next campaign consider these factors when planning the AV mix:**

1. Adopt a multi-screen strategy

The results highlight that the impact delivered by having all three AV channels in the mix is greater than the contribution achieved by campaigns using just TV as the sole AV channel. In today's landscape where media consumption is becoming increasingly fragmented, reaching the right people in different ways is crucial to drive reach, frequency and campaign effectiveness. While TV rightly remains a core component to many brand campaigns, results here reveal it works at its best when it's combined with other AV channels.

2. The big screen should always be part of AV schedules

The results highlight the influential role that cinema can have within AV planning – campaigns that include cinema have delivered greater contributions than those where cinema hasn't been used. Cinema should be treated as 'appointment to view' programming – seen as a must have on the plan like Great British Bake Off and Britain's Got Talent on TV. Delivering an average of over 3.3m weekly industry admissions, cinema is equal in stature to some of TV's top programmes. The big screen can help launch a brand's campaign and deliver reach with impact among an affluent young audience, complementing the audience delivered by TV.

3. Integrate and optimise online video

Online video can be a great incremental reach option for brands but like any channel its impact can be at the mercy of the creative execution. Kantar Millward Brown recommends that while the creative needs to be integrated with the wider campaign it should also be customised for the online environment – simply replicating the 30" TVC may not be the best fit.

Kantar Millward Brown also recommends that brands should creatively ensure that their ads make an impactful start to attract and command attention for longer and don't rely on just audio to communicate the key message – complementary text and imagery can help too. Ultimately relevant and emotionally resonant copy designed specifically for the online video environment will be best placed to ensure the channel can complement the other AV channels and deliver significant impact on the key brand metrics.

"HOW LONG DOES IT LAST?"

NINA SAYERS, BLACK SWAN

HAVING SEEN HOW CINEMA DELIVERS UNBEATABLE IMPACT PER PERSON REACHED ON KEY BRAND METRICS, WE ALSO WANTED TO UNDERSTAND HOW THIS TRANSLATES INTO DRIVING LONGER-TERM SALES FOR BRANDS.

In Building Box Office Brands: Volume II we commissioned the marketing knowledge consultancy, Benchmarketing to investigate how cinema investment can help advertisers optimise the return their ad campaigns deliver.

Findings revealed that advertisers across a variety of sectors are currently underinvesting in cinema and by increasing spend they could see growth in their total campaign return on investment.

For this volume we have once again commissioned Benchmarketing to tap into their robust databank of campaigns to investigate the adstock levels (memorability) that the three key AV channels deliver for brands across five key product sectors.

METHODOLOGY: BENCHMARKETING

HOW WAS THIS STUDY DONE?

Benchmarketing has amassed a robust databank of over 800 UK cases, analysing the return on investment and adstock levels of media and evaluating the success of the different channels used within the media mix.

For this analysis Benchmarketing has evaluated the average adstock levels for four core product sectors:

– Retail
– Telecoms
– Travel & Transport
– All Services

Results report on the adstock levels delivered for these sectors by cinema, TV and online video.

UNDERSTANDING AD STOCKS

The concept of 'advertising adstock' was first introduced in 1979 by Simon Broadbent in the Journal of Market Research Society. The term was used to describe the prolonged effect of advertising on consumer purchase behaviour – after all the actual effect of advertising is not always immediate. For example, after watching a car ad on TV you don't go running out to your local dealership to buy a new car straight away.

A simple way of thinking about Broadbent's advertising adstock theory is that it essentially measures how memorable an exposure is and help brands understand what impact advertising on different channels has on sales over time.

Ad stock levels are identified by best fit/statistical confidence within the modelling process and are an important component of brands' econometric analysis. The higher the adstock level, the longer the media's effect on sales will be – and ultimately this can greatly influence the total return delivered by each channel.

For example, if a channel's adstock level is 75% this means that sales will on average retain by 75% each week after launch. So, if the channel helped drive 100 sales in the first week, it would drive 75 in its second week, 56 in its third week, 42 in its fourth and so on.

RETAIL

Of the three main AV channels, TV and cinema deliver the strongest adstock levels for retail brands at 59% and 58%. The strengths of these two channels at delivering brand storytelling to audiences means that using two channels within the media mix will help brands drive longer-lasting sales effects.

Within the retail category, there is variation by category with non-grocery retailers more likely to see higher adstock levels (63-66% for cinema and TV) compared to grocery retailers (50-54%). This is likely to be indicative of the types of campaigns being run – longer-term branding campaigns (more frequently run by non-grocery retailers) tend to deliver higher memorability and this in turn drives a stronger adstock level. Promotional campaigns (more frequently run by grocery retailers) are designed to drive short-term sales and therefore their impact is likely to last for a shorter period.

"CINEMA'S STRENGTH AT DELIVERING LONGER-LASTING EFFECT ON SALES FOR RETAIL BRANDS HIGHLIGHTS THE VALUE IT CAN ADD WITHIN THE MIX"

Cinema's strength at delivering a longer-lasting effect on sales for retail brands highlights the value that it can add within the mix – and as discovered in Building Box Office Brands: Volume II, retail brands should be investing at least 2.6% of their media budgets in cinema to deliver the optimal campaign return on investment.

Ad stock percentages

TV
59%
136 cases

Cinema
58%
17 cases
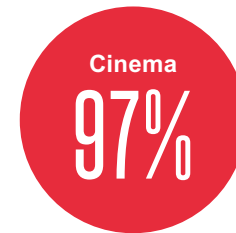
Online Video
35%
19 cases

TRAVEL & TRANSPORT

Benchmarketing's analysis reveals that on average cinema delivers an adstock level of 97% for travel and transport brands – highlighting how it can help deliver a longer-lasting impact on sales than other AV formats. TV and online video deliver adstock levels of 69% and 57% respectively based on the campaigns in the results vault.

Cinema's ability to showcase a Travel & Transport brand's creative to its fullest potential can clearly have significant impact on the captive audience – and this means that the impact of the creative is more likely to have a positive impact on them in the future, compared to exposure on other AV channels.

"CINEMA CAN HELP DELIVER A LONGER-LASTING IMPACT ON SALES THAN OTHER AV FORMATS"

Cinema's memorability here demonstrates why cinema should be an essential part of the mix for Travel & Transport brands. In Building Box Office Brands: Volume II, we also found that when Travel & Transport brands invest 11% of the media budget in cinema the campaign ROI increases significantly compared to lower levels, highlighting the turbo-charging effect cinema can play within the mix for this sector.

Ad stock percentages

Cinema
97%
17 cases

TV
**69%**
32 cases
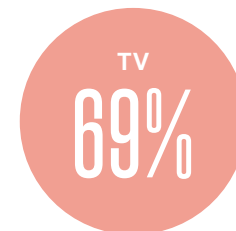
Online Video
57%
4 cases

TELECOMS

Within the telecoms sector TV and cinema deliver the highest adstock levels for brands, at 61% and 59% compared to online video's adstock of 37%. The results demonstrate that cinema can add value alongside TV by being able to capture attention and differentiate brands which ultimately helps stimulate a longer-lasting effect on sales than online video.

"CINEMA CAN ADD VALUE ALONGSIDE TV BY BEING ABLE TO CAPTURE ATTENTION AND DIFFERENTIATE BRANDS"

Cinema's strength here shows why it's a great complement to TV activity on an advertiser's AV schedule and reinforces the findings reported in Building Box Office Brands: Volume II. Results revealed that when Telecoms brands invest 3% of the media budget in cinema the campaign ROI doubles compared to campaigns where cinema takes a smaller share, highlighting the influential role that cinema can play for Telecoms advertisers.
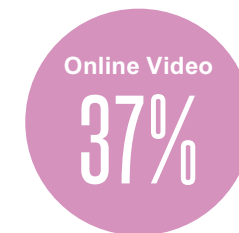
Ad stock percentages

TV
61%
48 cases

Cinema
59%
26 cases
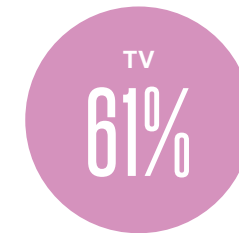
Online Video
**37%**
21 cases

ALL SERVICES

For this overarching services category Benchmarking has analysed the average adstock levels delivered for a range of advertisers including those within the Charity, Entertainment & Leisure, Finance, Gambling, Retail, Telecoms and Travel & Transport sectors.

The analysis reveals once again that TV and cinema deliver the strongest adstock levels for services brands, with average adstocks of 63% and 62% versus 50% for online video. Cinema's performance here once again indicates how advertisers should be using the big screen alongside TV activity to maximise the impact campaigns have on sales.


"ADVERTISERS SHOULD BE USING THE BIG SCREEN ALONGSIDE TV TO MAXIMISE IMPACT"

These results also further support the findings of Building Box Office Brands: Volume II which highlighted how cinema delivers £7.73 for every £1 invested for services brands, a return comparable to that of TV (£7.09) and demonstrating why cinema is a valuable addition to the AV plan.

Ad stock percentages

TV
63%
404 cases
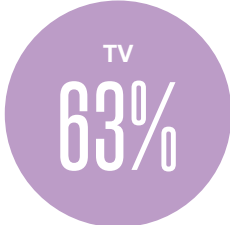
Cinema
62%
72 cases
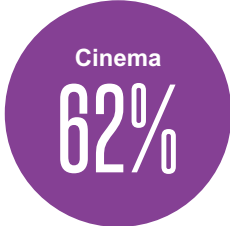
Online Video
50%
51 cases

MAXIMISING AV MEMORABILITY

The analysis conducted by Benchmarking reveals that cinema and TV consistently deliver longer-lasting effects on sales than online video with increased adstock levels for the two channels seen across all four of the product sectors investigated in this volume.

For your next campaign Benchmarking recommend considering the following factors:

1. Maximise what each channel has to offer creatively

To prolong the impact of your AV advertising, the creative needs to stick in the mind of the audience so that when the time comes for the audience to enter a purchasing mindset your brand remains front and centre. When choosing which media makes it on to the plan, think about how best to creatively maximise the impact of each channel. From a cinema perspective, capitalise on what is arguably the most immersive creative experience on offer. This could be through longer-form creative or bespoke copy that's designed specifically for the big screen (including taking full advantage of the high-spec audio and visual technology available) to help elevate the memorability of the campaign.

2. Emotion is key

The role of emotion is often central to delivering stronger adstock levels for campaigns. While rational price led messaging will tend to dominate short-term effects, emotional priming is key for delivering longer-term effects. Evoking an emotional reaction through creative – be this through visual storytelling or evocative audio – can stir audience emotions and help elicit these powerful effects.

Cinema can play a valuable role here for brands by maximising the emotional impact of the creative. IPA research demonstrates that when brands appeal to customers' emotions this can have the biggest influence on factors including loyalty and price perception.

3. Strike the balance between brand and promotional messaging

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Adstock rates for brand activity are often found to be significantly higher than those found for promotional/ tactical activity – in part due to brand activity proving to be more emotionally led and memorable than price-led rational messaging.

It's therefore crucial for brands to strike the right balance between brand and tactical activity. While the latter will help drive short-term sales, emotional led brand activity is crucial for long-term growth:

Long-term vs short-term

Sales - uplift over base / Time
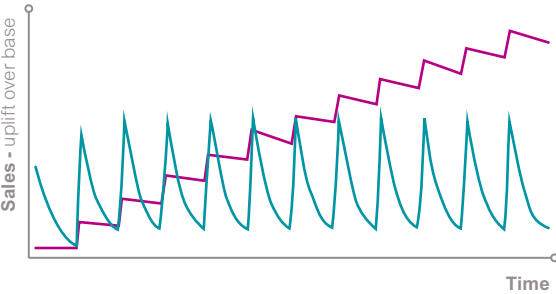
— Rational: Short term sales uplifts, but brand perceptions unchanged. No long term increase in sales or reduction of price sensitivity.
— Emotional: Brand grows stronger leading to long-term volume increase and reduced price sensitivity.

"I'LL SEE YOU IN THE MOVIES"

SEBASTIAN, LA LA LAND

CINEMA DELIVERS RECEPTIVE AUDIENCES, UNBEATABLE IMPACT AND INCREASED MEMORABILITY

These are three clear reasons why cinema should be considered an integral part of any AV media plan and how it can help drive brand success.

In this third edition of Building Box Office Brands, our work with Kantar Millward Brown and Benchmarketing has proven that cinema is a real 'triple threat' – being able to provide brands with the opportunity to reach audiences at their most receptive, which in turn delivers unbeatable impact per person across core brand-building metrics and ultimately increased memorability that leads to longer-lasting sales effects.

At a time when it's an increasing challenge for brands to cut through in a safe and trusted environment, cinema has many key attributes that should make it a 'must-have' on the AV schedule. Reaching a youthful, upmarket and affluent audience, cinema offers a great complement to TV and an immersive, high quality environment that allows brands to showcase their ads and have real impact.

The combination of TV and cinema is even more powerful when you consider the results of Kantar Millward Brown's analysis which highlights how the two channels together can be the most influential on AV schedules – helping drive the biggest contribution to total brand KPI performance compared to other AV combinations.

The impact cinema can deliver for brands isn't fleeting either – campaigns can make a lasting impression by using the big screen, with Benchmarketing's analysis revealing how cinema consistently delivers memorable impact that helps drive longer-lasting sales effects. Across all four sectors analysed cinema performs strongly, delivering adstock levels that are at the very least comparable to TV and consistently higher than those delivered by online video.

We hope these insights will help you plan your AV schedules with cinema as a pivotal part of your plan. Cinema is truly the best seat in media, captivating audiences, driving brand value, sales growth and delivering long term impact and return on investment.

digital cinema media