



# \$TRETCH

## Your Media Budget

*How to Optimize Media Spending by  
Using the **TURF Plus** Model*

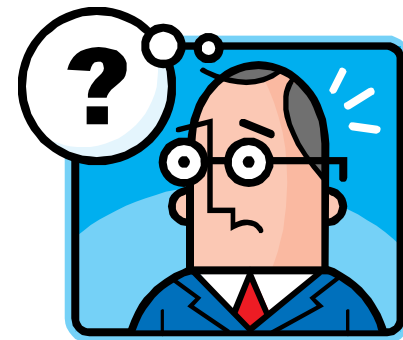
The *Right*  
Approach to  
Business Decisions

## The Challenge

In today's difficult economic climate, marketers are often called upon to achieve their business objectives with a reduced marketing budget. And one of the first things to get slashed is the media budget.

But how do you cut media spending without adversely affecting sales, market share or brand equity? Which magazine or television ads can you do without?

The challenge is to identify the *optimal mix* of TV shows or publications to reach your target market in a cost efficient fashion. However, determining the optimal mix can be very difficult.



## Traditional Solutions

Historically, marketers or their ad agencies have tried one of three primary approaches to determine where to cut back on their advertising spending:

- Highest Circulation/Audience Approach
- Lowest Cost Per Thousand (CPM) Approach
- TURF Analysis

These approaches will be discussed on the following pages. However, each has limitations that often lead to over paying for media to attain your target reach goals.



A better approach, as will be discussed subsequently, is to conduct a **TURF *Plus*** analysis which takes both reach and cost efficiency into consideration.

## Limitations with Traditional Solutions

- With the **Highest Circulation/Audience** approach, magazines or TV shows in the media plan with the highest circulations are selected firstly until a budget level is reached. The problem with this approach is that it does not take into account the overlap in readership/viewership across items. As a result, you often hit the same target customers too often while leaving many untouched.
- The **Lowest Cost Per Thousand** approach starts with selecting the advertising vehicle with the lowest CPM and then adding the next lowest CPM item and so on until a budget level is reached. The limitation with this approach is that it assumes that the audience for each magazine or TV show contains a high proportion of your target customers. If this is not the case, you end up reaching many of the wrong customers in a cost efficient manner.



## Limitations with Traditional Solutions (continued)

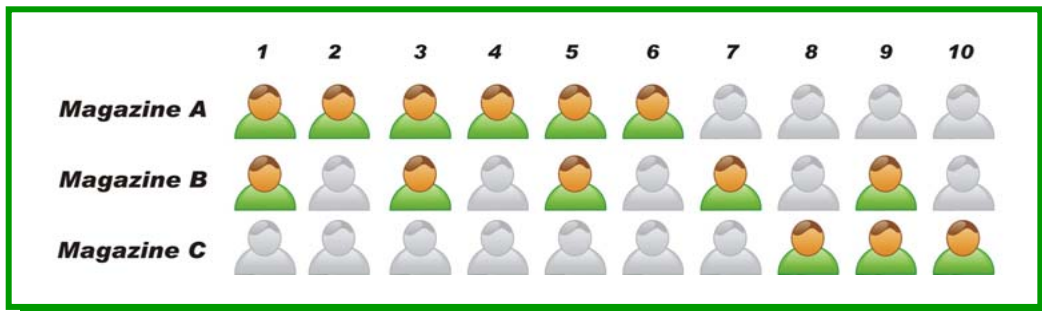
- Another common approach to refine media spending is to do a **TURF Analysis**. TURF stands for Total Unduplicated Reach and Frequency. It starts by selecting the advertising vehicle that has the greatest reach within the target population. Then, the item that adds the next most incremental target customers is selected and so on until a desired reach level is attained.

To see how this works, let's assume we had three magazines – A, B and C. Using a TURF Analysis, magazine A would be selected first because it

reached the most households (6 of 10).

Then, magazine C would be selected because it provided more *incremental* households (3) than

magazine B (2) after taking magazine A into account.



The problem with this method is that it totally ignores costs. As a result, you often end up paying too much for a small gain in incremental target customers.

## Introducing **TURF Plus**

A better method to improve media spending is to conduct a **TURF Plus** analysis. **TURF Plus** is a technique developed by Left Brain Marketing that incorporates both media costs and audience overlap in the analysis to identify the most cost efficient way to reach your target market.



Three separate inputs are required to conduct a **TURF Plus** analysis:

- Approximate **population size** of the target market
- **Percent of target market** reading/viewing each media alternative (typically obtained from a brief “media consumption” survey)
- Total **cost per ad** for each media alternative

Based on these inputs, the **TURF Plus** model first selects the media option that provides the lowest cost per customer reached. Then, the item with the lowest cost per *incremental* customer is identified and so on.

Ultimately, a rank ordering of media options is provided along with the cumulative reach and cost per target customer for the set of media items selected.

## Case Study: Magazine Mix for the Fishing Boat Market

The following is an actual study among target buyers of fishing boats. Several outdoor magazines were examined. The names of each have been masked for this report. The goal was to determine the most efficient combination of publications to reach at least 50% of the target market.

The table below lists the selected set of magazines (in order) using traditional methods and the **TURF *Plus*** model:

	Highest Circ Method	Lowest CPM Method	Traditional T.U.R.F	TURF <i>Plus</i>
Magazines Selected	<ol style="list-style-type: none"> <li>1.Sportsman</li> <li>2.Water &amp; Wetlands</li> <li>3.Bass Champion</li> <li>4.Bird Watchers</li> </ol>	<ol style="list-style-type: none"> <li>1.Panfish Crazy</li> <li>2.Tournament Angler</li> <li>3.Bass Champion</li> <li>4.Smart Angler</li> <li>5.Water &amp; Wetlands</li> <li>6.Bird Watchers</li> </ol>	<ol style="list-style-type: none"> <li>1.Bass Champion</li> <li>2.Bird Watchers</li> <li>3.Smart Angler</li> <li>4.Sportsman</li> </ol>	<ol style="list-style-type: none"> <li>1.Southern Outdoorsman</li> <li>2.Panfish Crazy</li> <li>3.Tournament Angler</li> <li>4.Smart Angler</li> <li>5.Bass Champion</li> <li>6.Bird Watchers</li> </ol>
Cumulative Reach	51%	57%	53%	54%
Total Cost	\$245K	\$140K	\$224K	\$105K
Cost Per Target Customer	\$0.96	\$0.49	\$0.85	\$0.39

## Key Takeaways

From the case study we learned that:

- The **Highest Circulation method** was the least cost efficient (\$245K) because a couple popular/general interest publications came at a premium price.
- The **Traditional TURF** method also did poorly (\$224K) because it went after some of the bigger publications that added incremental customers but without regard to their higher price tag.
- The **Lowest CPM** method did relatively well (\$140K) since several of the “bargain” magazines contained a good concentration of target customers. Had more general interest (i.e., less targeted) publications been included, this approach likely would not have fared as well.
- The **TURF *Plus*** model was by far the most efficient (\$105K) and yielded the lowest cost per target customer (\$.39). Using this approach, the same reach goal could have been obtained at a 20% to 60% savings.

While a **TURF *Plus*** analysis can provide critical information, it should not be the only consideration when deciding which TV shows or magazines to advertise in. Other factors such as the editorial content or “fit” should also be taken into account. It is recommended that marketers first screen out inappropriate media choices before conducting the analysis.

## Implementing a **TURF *Plus*** Analysis

**TURF *Plus*** is a proprietary service developed by Left Brain Marketing to overcome the limitations of traditional TURF.

The cost to conduct the analysis is fairly inexpensive – typically around \$2,500 plus the cost for the survey data. Often times, the survey data can be obtained by simply “piggy backing” another study for very little additional charge.

Once the data is available, a summary report with recommendations would be provided within five business days.

Given its limited cost, a **TURF *Plus*** analysis will typically pay for itself many times over the first year. With budgets being cut and the competition getting more intense, it may be just the tool you need to help you attain your marketing goals while cutting costs at the same time.

## About Left Brain Marketing ([www.leftbraininc.com](http://www.leftbraininc.com))

We are a marketing research and advanced analytics company. Our focus is on providing clients with meaningful *direction*, not just *data*.

In this difficult economy, budgets are scarce and it's important to spend every dollar wisely. We offer an exceptional value by using top notch talent with a low overhead cost business model. As a result, you end up paying for quality people's time, not for a fancy building, a large administrative staff, a slick trade booth or a generous entertainment budget.

To learn more about our proprietary **TURF *Plus*** model or any of our other services, please contact us at:

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