



Want a clear vision of how advertisements work? You need

Capital

The Capital Reading and Noting Survey: Facts and Figures

Contents

The Reading und Noting Survey: Content and Tools	4
The trend in the attention paid to advertisements 1980–2002	6
The significance of formal impact criteria of advertisements	7
The advertisement and the advertising medium	8
The interplay of different criteria	10
The top campaigns from the Capital Reading and Surveys 2000–2003	11

The Reading and Noting Survey: **Content and Tools.**

Advertisements have an impact. But why is this?

Why advertising is effective is arguably the most important single topic in marketing and media research. In fact, advertising seeks to influence the behaviour of the recipients of the particular message, normally investors or consumers. To be truly effective, an advertisement must first and foremost be noticed. Within the parameters of market research, two indicators are used to measure the degree of attention attracted by an advertisement: 'ad recall' and 'ad recognition'.

The reading and noting survey: a test of advertising content.

Over the past two decades, the Capital reading and noting surveys have assembled a wealth of data relating to the attention paid to advertisements. The reading and noting survey is a study of the readers, or – as in the case of Capital – the buyers of a particular issue of a magazine using the original copy of the magazine. Respondents are questioned in an effort to determine their capacity to recall and recognise advertisements a certain number of days after coming into contact with the pages of the magazine. Reading and noting surveys, then, examine the extent to which an advertisement has succeeded in being noticed for a sustained period. It is important to note that the reading and noting survey is not in a position to measure the transfer capacity of Capital as an advertising medium; consequently, it is a test of the content rather than the medium of the advertising.

Two measurement techniques.

The reading and noting survey uses the impact technique to determine the degree of recall of an ad and the Starch method to measure the level of recognition. While the impact technique measures the 'aided recall' of an ad (when shown a list of brands, the survey respondent

remembers having seen an ad for this brand in the test issue), the Starch method is based on recognition of the ad. The participant is shown the test issue, which is opened at the advertisements being surveyed. The Starch method not only measures the simple recognition of advertisements but also the extent to which the respondents have recognised parts of the ad (or 'Noticed brand name') and really understood the ad copy ('Read over half of the text'). In addition to these techniques, the intensity of interest in the product is recorded for all the advertisements and related to the level of attention paid to the ad.

Although researchers use a range of indicators to estimate the impact of an advertisement, they have to evaluate the results for each individual ad. This is because it is only possible to usefully interpret the results in the context of the respective communication target of the advertiser and the creative implementation of the ad.

The factors that can influence the result.

In addition to formal criteria for the effectiveness of an ad such as format, colour, text volume and level of interest in product, factors including the creative implementation, brand awareness and advertising volume can strongly influence the extent to which an ad is noticed.

Furthermore, only conclusions reached using identical reading and noting survey methodology are comparable. Due to the fact that they use differing methods of evaluation – examples may include the sample, sample size, questionnaire and choice of research institute – the reading and noting surveys produced by other magazines frequently produce results that cannot be compared.



Capital Reading and Noting Survey Methodology

Universe:	Buyers of Capital
Sample:	Approximately 165 people per reading and noting survey Quota sample according to readership structures of Capital
Survey type:	Oral interview using fully structured questionnaire and presentation of original issue of magazine
Fieldwork period:	Between 7 and 14 days of on sale date
Measurement tools:	Impact ('recall') and Starch ('recognition') techniques
Institute conducting research:	Media-Markt-Analysen, Frankfurt am Main

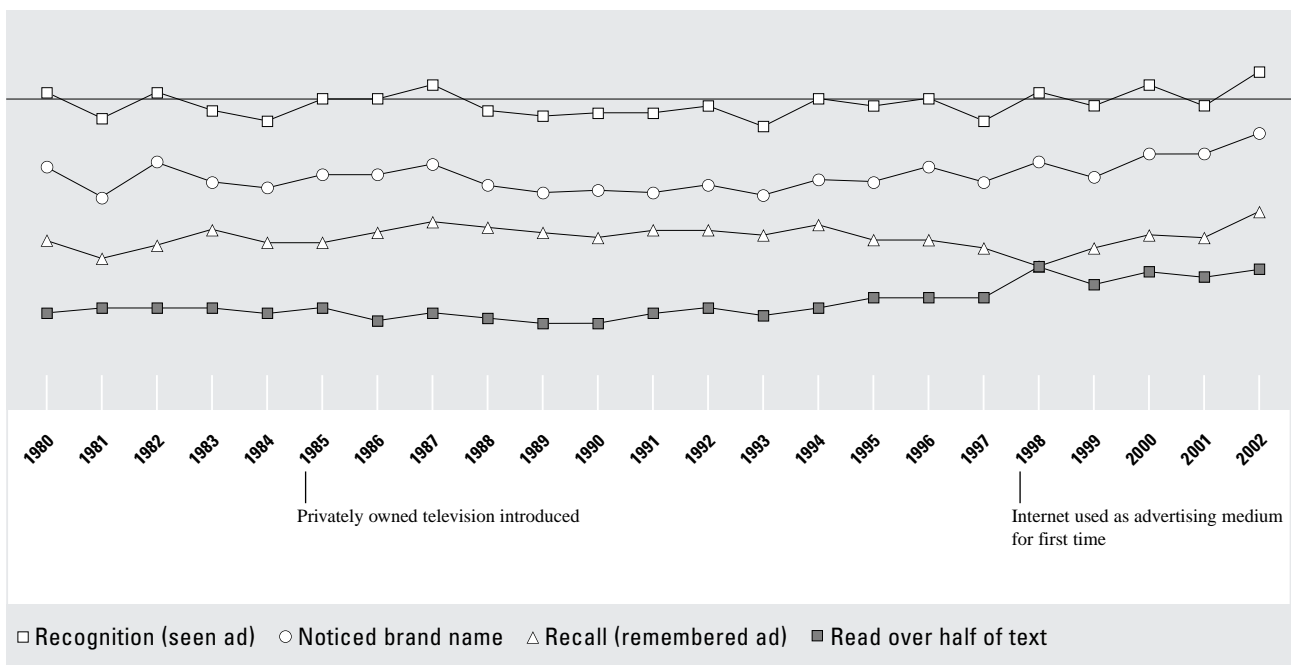
The trend in the attention paid to advertisements 1980–2002.

In well over 20 years of the Capital reading and noting survey, the overall trend in the test results has been extremely stable.

The recall scores (i.e. how well a respondent remembers an ad when shown a list of brands and not presented with the original magazine) hit a high in 2002, a level they had not previously reached since 1987. While the introduction of privately owned television in 1985 had no influence upon ad recall, the advent of the internet

(1997/98) caused a reduction in average recall scores. By 2002, it had proven possible to pull recall scores back up to their previous level.

Respondents' highest scores are for the recognition of advertisements when shown the magazine in question (recognition scores). Recognition scores in 2002 also hit their highest level since the reading and noting survey database was first set up.



Source: Capital Reading and Noting Survey 1980/02–2002/25 (Average scores per year, universe approx. 150 ads per year)

The significance of formal **impact criteria of advertisements.**

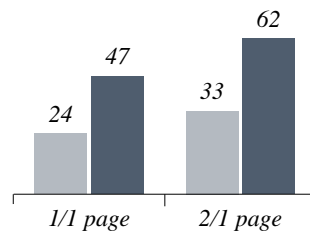
There are many different elements to the design of an advertisement, each of which can have a decisive

influence on the capacity of the ad to communicate its message.

Format

In general, a comparison of the way in which different formats influence the extent to which ads are noticed can be summed up in a single sentence: the larger the ad, the more likely it is to attract a

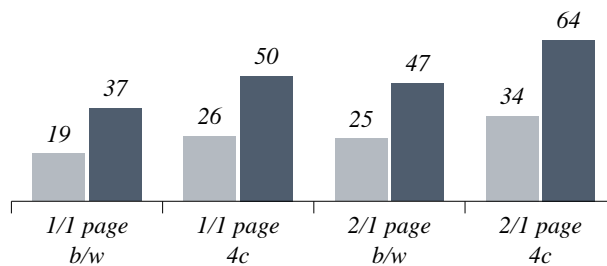
reader's attention. While enlargement of the format does improve recall and recognition scores, however, the increase in attention is not in proportion with the increase in ad format.



Format and colour

The effectiveness of an ad improves significantly with the use of colour. Colour seems to increase the initial stimulus felt by the reader and to increase recall of the copy accordingly. The larger and more colourful an

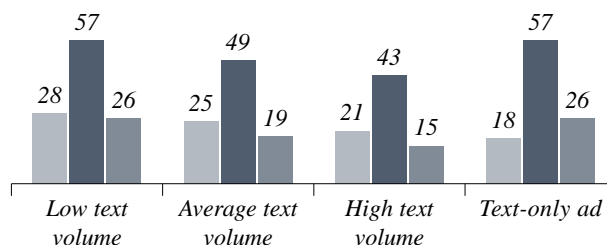
advertisement, the more attention is paid to that ad. The highest recall and recognition scores are achieved by 4c formats on 2/1 pages, which attract almost double the attention of 1/1 page ads in black-and-white.



Text volume

In addition to format and colour, the design element of text volume has a significant influence on how much an ad is noticed. As a general rule, ads featuring extensive passages of text provoke less of a reaction than those that avoid sweeping blocks of text. This applies whether the ad is black-and-white or 4c. It is important, however, to avoid oversimplification here:

if an ad requires a large amount of copy, it should not be cut back unnecessarily. The results of the reading and noting survey also confirm that, although text-only ads achieve an equally high recognition score as those with low text volume, they are harder for readers to recall. As a result, the recall score is lower compared to ad recognition.



■ Recall ■ Recognition ■ Read over half of text

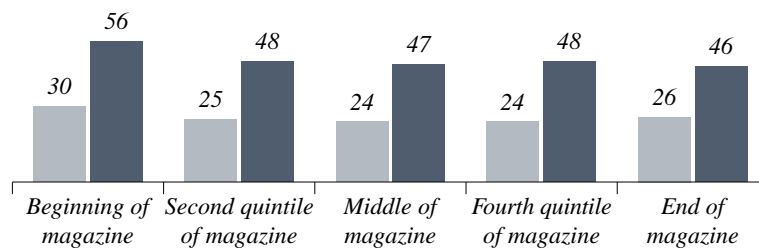
Scores in %
Source: Capital Reading and Noting Survey, 1993–2003

The advertisement and the **advertising medium.**

Average recall and recognition scores for 1/1 page, four-colour ads by quintiles of magazine

Both the agency and the client frequently enquire as to their advertisement's positioning in the magazine. To highlight the fact that the recall and recognition scores of an ad will be roughly similar irrespective of positioning, we have based the following representation upon gradation of the magazine by quintiles. The presumption

that an ad receives more attention if positioned closer to the beginning of a magazine is undermined by the results of the Capital reading and noting survey. Irrespective of the positioning – with the exception of the very beginning of the magazine – the recall and recognition scores of advertisements are broadly comparable.



Average recall and recognition scores for ads placed on left-hand and right-hand pages

Experts have discussed at length the question of left-hand/right-hand positioning of an ad as a factor affecting the attention it receives. The idea is firmly established across our industry that an ad on the left-hand page has a lesser chance of attracting attention than one positioned on the right. So is a page on the right-hand side of a magazine really more effective than one on the left, or is this merely an urban myth? The results of the Capital reading and noting survey results show that there is no

major difference between the recall and recognition scores for ads positioned on right-hand and left-hand pages. While there appears to be absolutely no difference in the recall scores, the recognition scores do tend towards the right-hand side. Even in this case, however, recognition of an advertisement on a right-hand page – at 48 percent – is only 5 percentage points above that for an ad positioned left.



■ Recall ■ Recognition

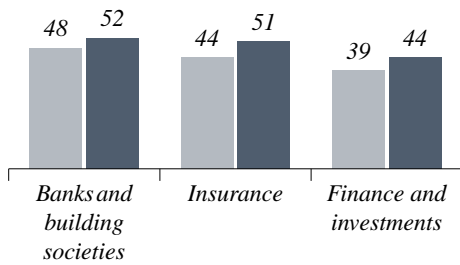
Scores in %
Source: Capital Reading and Noting Survey, 1993–2003

Average recall and recognition scores by interest in product and by industry

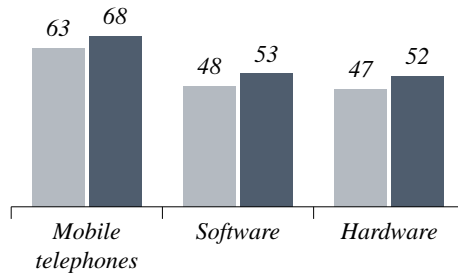
As well as recording the recall and recognition scores, the Capital reading and noting survey seeks to determine the level of interest in the product being advertised, since it is safe to assume that people with a stronger interest in a particular product will also tend to pay greater attention to the copy in question and that these readers will pay more attention to the advertisement as a result. The industries that have developed broad

brand awareness by means of high advertising volume have a significantly greater capacity to achieve higher recall and recognition scores. Naturally, the general level of product/brand awareness also influences the recall capacity of Capital readers. Amongst other things, this shows that the level of attention paid to ads can only be usefully compared within the context of the industry in question.

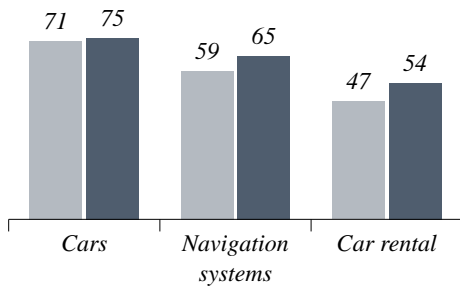
Personal Finances



EDP and Telecommunications



Cars



High-value Consumer Goods



■ All respondents ■ Respondents with very high/high interest in product

Scores in %
Source: Capital Reading and Noting Survey, 1993–2003

The interplay of **different criteria.**

So why is one ad seen and recalled and another not?

In an attempt to answer this question, the entire reading and noting survey database has been subjected to a regression analysis. Regression analyses enable researchers to examine the connection or effect of a number of different features upon a dependent variable (the level of attention paid to an ad). Regression also provides estimated scores for the strength of influence of the feature in question. The assessment was carried out on the basis of the recognition scores (Starch: 'Seen ad').

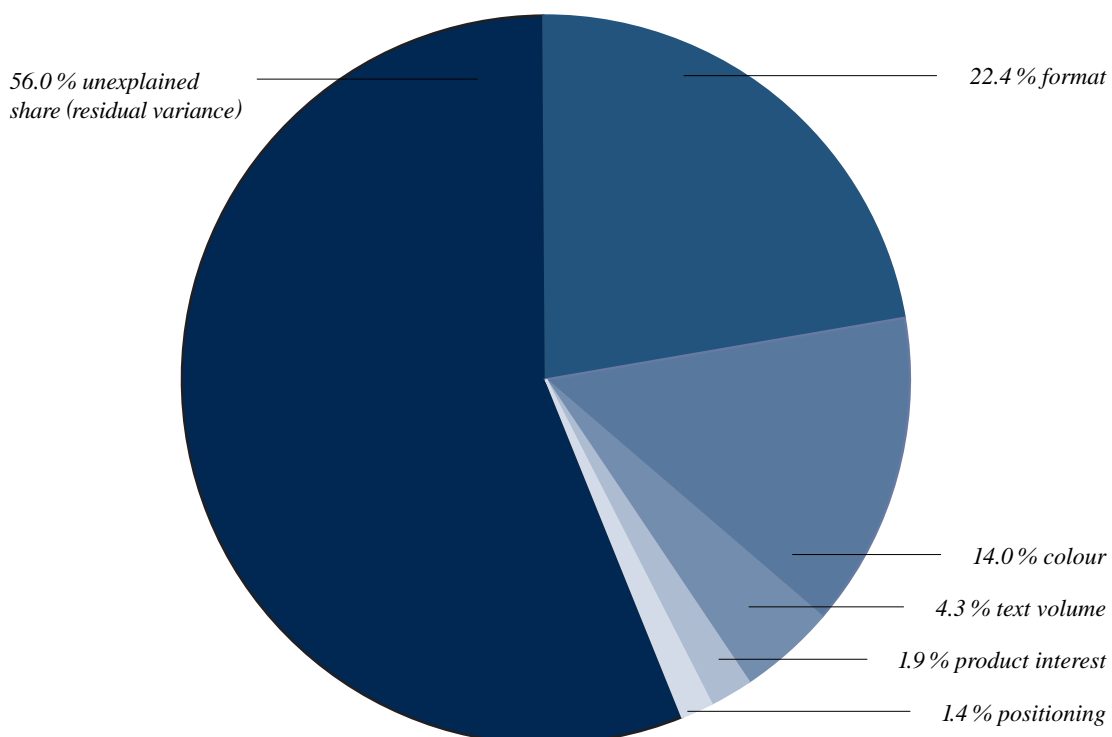
With a share of 22.4 %, format is the most important of all the design elements. Compared to format, colour is somewhat less significant: it takes a 14 percent share of the attention paid to an ad. The text volume of an ad is another criterion, although it scores as little as 4.3 %.

Overall, the three formal criteria of format, colour and text volume, which are exclusively dependent on the ad itself, account for approximately 40 percent of the attention attracted by the ad.

The fourth variable is the level of interest in the product, an industry-specific value, although this only accounts for 1.9 % of the explanatory potential. Positioning, meanwhile, is the least important variable of all, with just 1.4 % of total attention.

Consequently, 56 percent of the attention paid to an ad cannot be explained by formal design elements such as format, colour or text volume. This means that the decisive element in the success of an ad is its creation. The creative potential of an advertisement is the key factor in its capacity to attract attention. The purely formal elements in ad design – when used correctly – can strengthen this creative aspect further still, however.

Explanatory potential of individual factors



Source: Capital Reading and Noting Surveys since 1981, universe 2,630 advertisements

The **top campaigns** from the Capital Reading and Noting Surveys 2000–2003.

The following pages show the top campaigns from the Capital Reading and Noting Surveys from 2000 to 2003, i.e. those that achieved the highest recognition score ('Seen ad') in their particular industries. The industries selected are the Capital core industries. Perhaps the most interesting factor is the relation between the recognition

score ('Seen ad') and the score ('Noticed brand name'). It is often the case that the brand name is not placed boldly enough in the foreground. The third measurement value, 'Read over half of text', also indicates that the ad has been consciously examined and provides us with a clue as to its design.



The **top campaigns** from the Capital Reading and Noting Surveys 2000–2003.

Industry: Personal Finance



Capital 23/2002

Recall	41 %
Product exactly/generally right	89 %
Colour right	78 %
Image completely right	38 %
Headline completely right	30 %
Text right	20 %
Recognition	66 %
Noticed brand name	55 %
Read over half of text	25 %



Capital 05/2003

Recall	46 %
Product exactly/generally right	93 %
Colour right	78 %
Image completely right	38 %
Headline completely right	36 %
Text right	27 %
Recognition	67 %
Noticed brand name	59 %
Read over half of text	28 %



Capital 09/2003

Recall	29 %
Product exactly/generally right	85 %
Colour right	72 %
Image completely right	35 %
Headline completely right	20 %
Text right	26 %
Recognition	49 %
Noticed brand name	36 %
Read over half of text	18 %

Industry: EDP and Telecommunications



Capital 05/2001

Recall	36 %
Product exactly/generally right	86 %
Colour right	62 %
Image completely right	31 %
Headline completely right	22 %
Text right	21 %
Recognition	63 %
Noticed brand name	52 %
Read over half of text	26 %



Capital 09/2003

Recall	34 %
Product exactly/generally right	85 %
Colour right	66 %
Image completely right	49 %
Headline completely right	36 %
Text right	25 %
Recognition	53 %
Noticed brand name	41 %
Read over half of text	17 %



Capital 05/2002

Recall	45 %
Product exactly/generally right	92 %
Colour right	78 %
Image completely right	42 %
Headline completely right	40 %
Text right	32 %
Recognition	68 %
Noticed brand name	57 %
Read over half of text	28 %

The **top campaigns** from the Capital Reading and Noting Surveys 2000–2003.

Industry: Cars



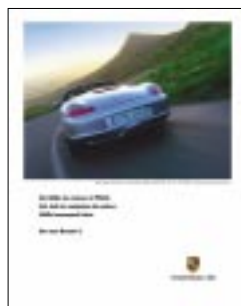
Recall	78 %
Product exactly/generally right	95 %
Colour right	87 %
Image completely right	47 %
Headline completely right	37 %
Text right	26 %
Recognition	91 %
Noticed brand name	86 %
Read over half of text	56 %

Capital 21/2001



Recall	65 %
Product exactly/generally right	93 %
Colour right	83 %
Image completely right	64 %
Headline completely right	42 %
Text right	27 %
Recognition	83 %
Noticed brand name	73 %
Read over half of text	45 %

Capital 09/2003



Recall	58 %
Product exactly/generally right	98 %
Colour right	78 %
Image completely right	57 %
Headline completely right	42 %
Text right	34 %
Recognition	75 %
Noticed brand name	72 %
Read over half of text	47 %

Capital 23/2002

Industry: High-value Consumer Goods



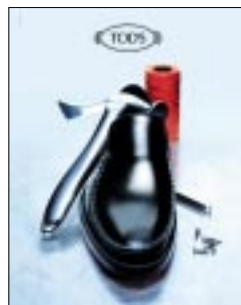
Capital 05/2001

Recall	72 %
Product exactly/generally right	93 %
Colour right	86 %
Image completely right	58 %
Headline completely right	45 %
Text right	42 %
Recognition	87 %
Noticed brand name	81 %
Read over half of text	57 %



Capital 23/2002

Recall	38 %
Product exactly/generally right	90 %
Colour right	70 %
Image completely right	60 %
Headline completely right	48 %
Text right	32 %
Recognition	74 %
Noticed brand name	54 %
Read over half of text	32 %



Capital 05/2003

Recall	33 %
Product exactly/generally right	100 %
Colour right	87 %
Image completely right	52 %
Headline completely right	56 %
Text right	44 %
Recognition	52 %
Noticed brand name	44 %
Read over half of text	28 %