Used Car Retailer Drives High Performance from TV

Using TV for Short- and Long-Term Response

A U.S.-based used car dealer devoted $70M in ad spend annually to broadcast and cable TV, leveraging it to promote not only reach and awareness, but also drive response. Specifically, short-term engagement (website visits, customization pages, etc.) and long-term business outcomes (sales). Since automobiles are higher-consideration purchases for consumers, understanding and then optimizing the longer-term impact of TV was crucial.

The brand spent time testing TV campaign strategies, including different frequencies, buys and creatives. Through consistent measurement of TV’s immediate and longer-term impact, it found that a “pulsing” technique, combined with a heavy seasonal presence, maximized TV’s longer-term effect.

CASE STUDY

Tested “Pulsing” Technique for TV Strategy

The brand’s “pulsing” technique consisted of one “heavy” week, where it spent a significant amount of money (sometimes up to $1M) on premium content. It would follow with a “light” week, with a smaller number of spots running on more economical inventory. This pattern would only alter during the holiday season, when it had campaigns running consistently for 60 days.

Major Impact on Performance & Efficiency

Compared to previous TV campaign results (when the brand ran TV fairly evenly throughout the year, with a mild uptick around the holidays), “pulsing” outperformed it by 3x. The strategy resulted in better response across the board, helping the brand get more out of its ad spend and maximizing TV’s longer-term impact.

In terms of total responses, the pulsing technique results in (on average) 32% immediate impact and 68% delayed impact.

Additionally, pulsing increased the adstock curve for the brand, showing TV’s impact up to 2.5 months after being on air. It also helped in terms of efficiency, reducing cost per response (CPR) rates consistently by 10% or more.

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68% delayed impact

Source: TVSquared Platform