

# The Most Effective Channels for Advertising

31 October 2013

According to Nielsen\*, Australian advertisers spent almost \$9.6 billion in the year to 30 June 2013. However, media fragmentation has been accompanied by growing confusion over what channels are most likely to give marketers and businesses solid return on investment.

For this research, more than 9,000 Australian consumers were canvassed to get their views on advertising and effectiveness of communication channels.



## Mythbusters!

**People are migrating from traditional media to online channels.**

The top five most effective advertising channels are all so called traditional media! When it comes to channel effectiveness, the first digital channel in the rankings is email marketing, at number six.

**Yes, but the younger demographics are online, aren't they?**

Younger demographics do rank social media advertising, online display advertising and email marketing more effective than older demographics do, but still nowhere near as effective as catalogues and flyers, TV advertising, press, radio and direct mail as advertising channels.

**I thought press and direct mail were for older demographics.**

As it turns out, they work for all demographics. However, online channels have cross-demographic appeal too! When presented with real life scenarios in different industries, all segments (including older professionals and retirees) ranked websites in their top three most useful channels for evaluating options and making a final purchase decision.

**ADMA**  
Association for data-driven marketing & advertising

nielsen  
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## Which advertising channels do consumers believe are more effective in influencing their purchase decisions?

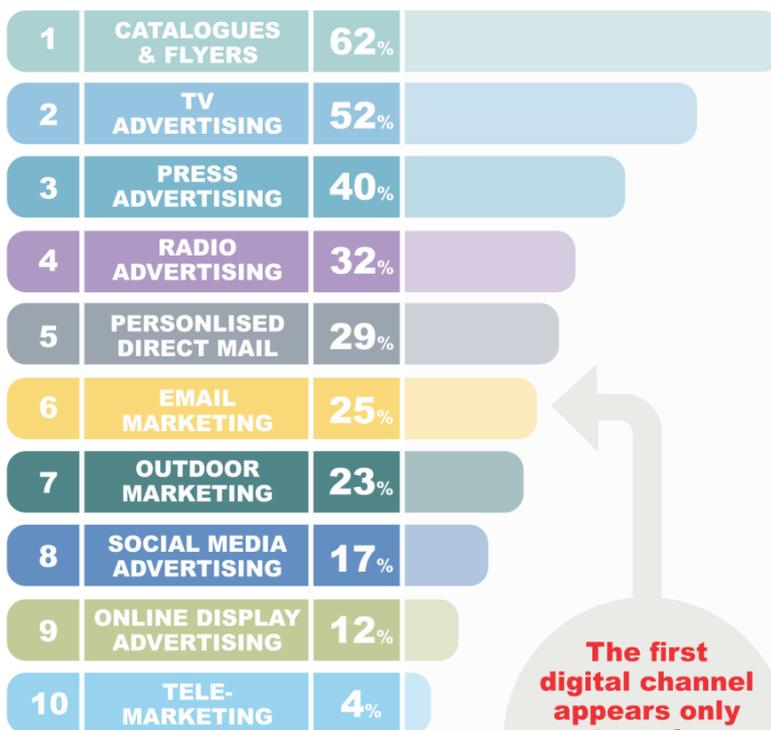
The findings debunk the modern advertising myth that connections made via digital channels are all that matter. On the contrary: **catalogues and flyers, TV, press, radio and direct mail all ranked above digital channels** in the minds of consumers when it came to perceived effectiveness. Across the board, channels that were ranked lower in effectiveness were social media advertising, online display ads and telemarketing.

### 10 key research findings

- 1 Six out of 10 Australians are **receptive** to advertising messages.
- 2 The top five channels consumers consider to be most effective for advertising messages are: **catalogues and flyers, TV advertising, press** (newspapers and magazines), **radio advertising** and **personalised direct mail**.
- 3 Consumers' top channel preferences are remarkably **consistent across demographics**. However, variations further down the rankings can help marketers **target a multichannel mix** most effectively.
- 4 **Current marketing spend doesn't match** the consumer channel preferences reported. Three of the top five most effective channels experienced a **drop in advertising spend** in the past year.
- 5 For industries such as banking and finance and utilities, when consumers are evaluating options, they consider **websites and TV advertising** to be the **most useful channels**.
- 6 For the fashion and supermarket sectors, **catalogues and flyers** are considered the most useful channel for considering new purchases.
- 7 For industries such as superannuation, utilities and telecommunications, **websites, TV advertising and direct mail** are considered the three most useful options when making a final purchase decision.
- 8 For cross-sell, consumers consider **websites and direct mail** the two most useful channels.
- 9 As existing customers, consumers view **direct mail and email marketing** as the two most useful channels through which to be kept informed.
- 10 When considering their options for switching and making a final decision, consumers consider **websites and direct mail** as the most useful channels.

### Message received: The top 10 most effective advertising channels

All demographics agreed: the so-called traditional channels are the most effective advertising media.



The first digital channel appears only at number six in the effectiveness rankings.

Source: [Creating connections that matter](#) October 2013  
Nielsen AIS data, Jul 2012-June 2013