

PHOENIX

Phoenix Brand Effect Proposed Research for the NYS Dairy Industry

September 8, 2020

Prepared for:



Introduction

Thank you for considering Phoenix to conduct research that would help inform and strengthen communications surrounding the NYS Dairy Industry.

This document provides an overview of who we are and our solution, the specific research project we are recommending, and associated investment. The proposed package is a starting point; we can adjust the specs as we learn more about NYS Dept of Agriculture and Markets needs.

The Phoenix Brand Effect Team

Who We Are



Mark Sanderson, VP Research & Project Lead

Mark is the research lead for several marquee CPG accounts at Phoenix. He has considerable experience in CPG products and prior to joining Phoenix led the Marketing Research organizations at Nestle, Gerber and Novartis. He has worked with the Brand Effect methodology for over 10 years and directly with a number of Dairy advertisers including Danone, Lactaid, Blue Diamond Almond Breeze, Wells and HP Hood. He has analyzed data across a number of Dairy categories, including sour cream, milk, yogurt, ice cream and cottage cheese. Additionally, Mark is well-versed in the Dairy Alternative category.



Rebecca Sandidge, SVP Client Solutions

Rebecca manages the CPG and Retail business units at Phoenix. She has 20 years of market research experience in a range of industries and methodologies, with a primary expertise in advertising effectiveness. She has spent much of her career consulting with a number of CPG companies, ranging from PepsiCo to Organic Valley to Hood, helping to find and develop the right research solutions that provide data-driven insights and stories. She has keen insight into the changing CPG and Advertising landscapes, and loves working with clients to deliver actionable recommendations that drive marketing strategy.

The NYS Agriculture and Markets Ask & Our Response

NYS Agriculture and Markets Ask:

Conduct research projects to ensure the safety of dairy products and / or expand the demand for New York dairy products and dairy ingredients

Our Response:

Phoenix recommends conducting an analysis of Dairy TV Advertising, with a focus on America's Milk Processors, to gain insight into how to best engage consumers and sharpen marketing communications – thereby helping to expand demand for Dairy in NYS. We would leverage our syndicated Brand Effect Database, which has over 500,000 sample on Dairy ads over past 3 years, to dig into common elements of the most (and least) engaging ads. As a result, NYS Agriculture & Markets could use the insights to craft future marketing strategies that will best convert potential Dairy consumers.



WHO IS PHOENIX MARKETING INTERNATIONAL?



350+ Research Consultants (including 77 New York state based employees) from both client and agency side, most of which have 20+ years experience.



American Marketing Association Gold Report “Top 20” firm and growing rapidly. Founded in 1999 and filled with smart, successful people with deep research expertise.



Headquartered in Rhinebeck, NY; office in New York City as well as other cities throughout the US and across the globe



Specialists in Brand and Communications, Customer Experience, Predictive Analytics and Custom Research

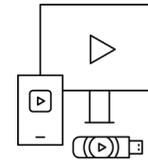


Leading the way with customized, interactive dashboards, sample quality, data integration and advanced modeling

What We Do

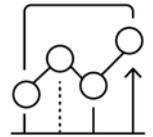
Advertising Measurement

Strategy Development, Copy-Testing & In-Market solutions available, headlined by eMotivations, AdPi and Brand Effect



Brand Health Measurement

SEM-based BrandPi platform measures standard & category specific contributions to Brand Equity KPIs



Customer Experience

Understanding customer satisfaction & drivers across channels and markets



Marketing Analytics

Tapping into our Marketing Scientist team to deliver segmentation, media optimization models, MMM, etc.



Our Ad Measurement Toolkit: Support Throughout the Advertising Lifecycle

Our proposal for NYS Agriculture & Markets centers on this solution:

What to say?

eMotivation

Which need states exist for my category and brand?

What are the emotional motivators and unmet needs among my customers?

What are the opportunities for my brand and category?

How to say it?

AdPi

How well do we think the ad will communicate our intended messaging?

How is the ad motivating consumers to take action?

Are consumers listening?

Brand Effect

Are consumers remembering my ads and messages? Is my communications strategy working in the real world?

What can we learn from the thousands of ads that have aired in the past – what works best and how should I craft an ad that will work for us?

Phoenix Brand Effect: The Premier In-Market Database of Advertising Effectiveness



REAL-WORLD

Natural viewing environment

Based on organic exposure

Next-day recall



REAL-TIME & ALWAYS-ON

2K+ ads & 14K panelists
surveyed daily

150K panelists monthly

1M+ panelists yearly



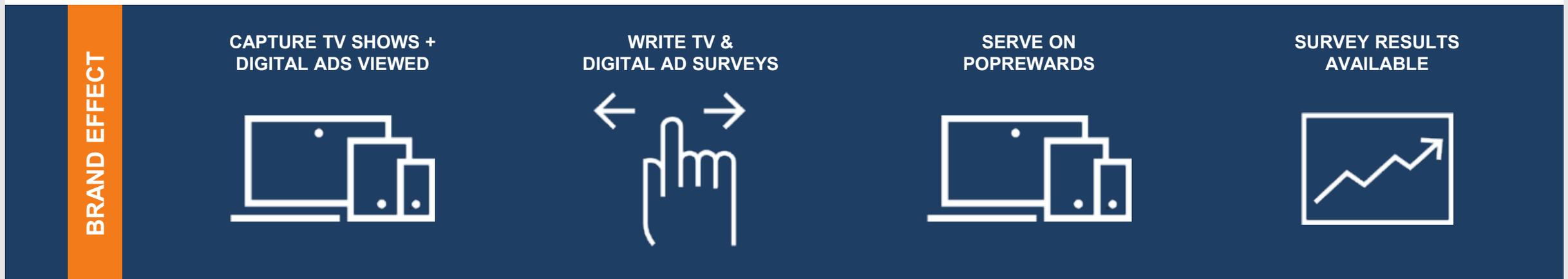
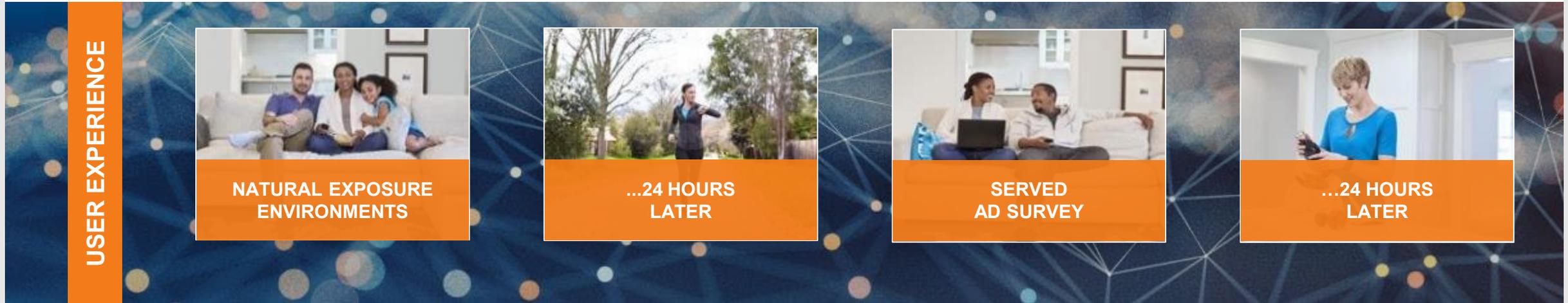
COMPETITIVE INSIGHTS

Syndicated database

Robust category and
historical brand norms

Competitive benchmarking

Brand Effect Uses Real World TV, Digital and Streaming Exposure to Measure Day After Advertising Memorability



Our Advertising Effectiveness Metrics

Campaign strength is determined by how last night's ad viewers answered **five** simple questions

Ad Memorability

What happened in the ad?



Brand Linkage

Who was being advertised?



Message Memorability

What was the intended message?



Likeability

Do I like the ad?

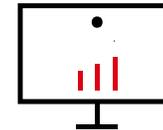
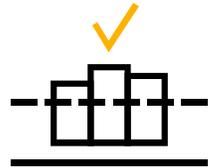


Purchase Intent

Am I more likely to buy the product?



Brand Effect measures **creative & media performance**, focusing on the “why” and showcases how to improve



CREATIVE PERFORMANCE	MEDIA WEIGHT	FLIGHTING	PROGRAM EFFECTIVENESS	COMPETITIVE ACTIVITY
Assess creative performance to make changes in-flight & inform future campaigns	Track how media weight is influencing campaign wear-in & wear-out	Monitor campaign flighting for ad rotation optimization	Understand the impact of program effectiveness & inform media inventory	Track competitor activity & misattribution to inform strategic positioning

Deliverable Recommendation & Sample Data Slides

BRAND EFFECT

Our Proposed Deliverable

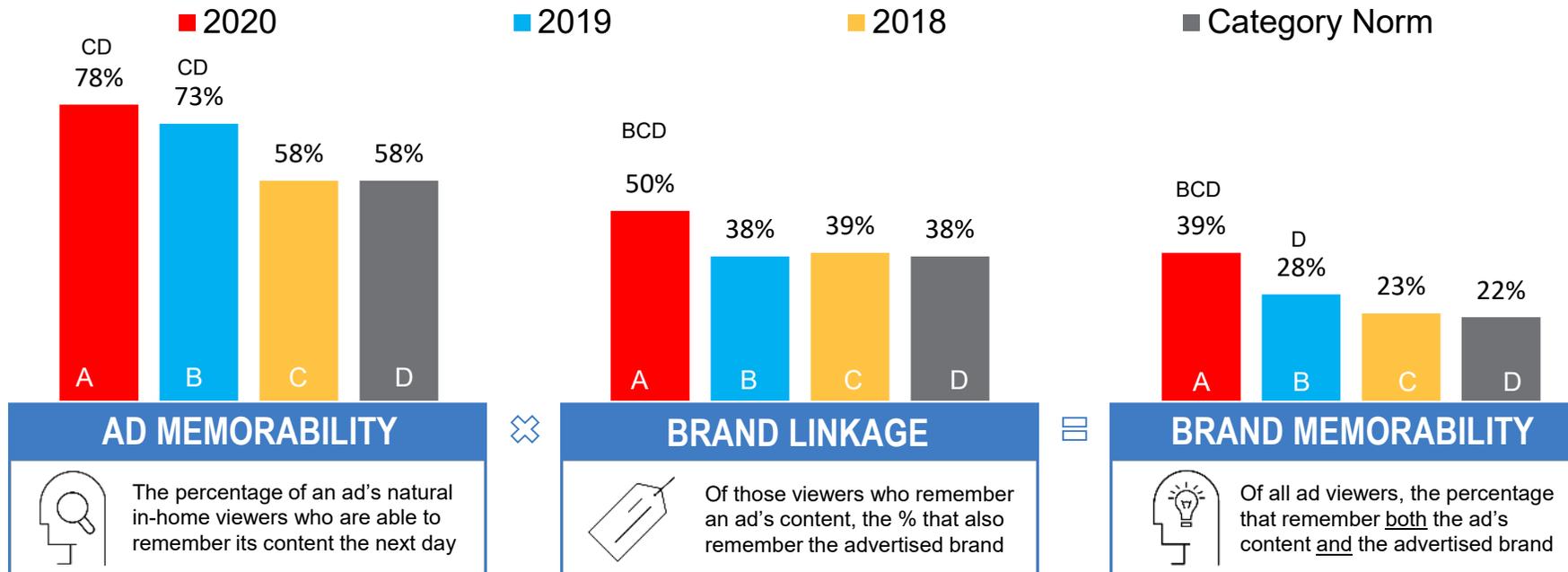
- **One (1) PowerPoint analysis of Dairy Category advertising that has aired over the past 3 years**
 - What ads have been best and why? Which have landed at the bottom of the rankings and what can we learn from them?
 - What messages have been best recalled? Do certain message themes seem to resonate better than others? (i.e. Health vs Indulgence)
 - How has Dairy Alternative advertising performed? What can we learn from Oat, Almond and Soy Beverage advertising that has become commonplace?
 - How do different Health Conscious segments receive Dairy and Dairy Alternative advertising? Are there certain segments that are particularly receptive to Dairy ads?
 - How well has America's Milk Processors done? Since resurrecting "Got Milk?" as a tagline, has memorability and persuasion improved?

- **Cost = \$35,000**

Example Slides:

Advertiser X has seen its most memorable advertising air in 2020, driven by a change in creative concept that is proving highly engaging with viewers

BRAND Ad Memorability & Branding: Target Demo



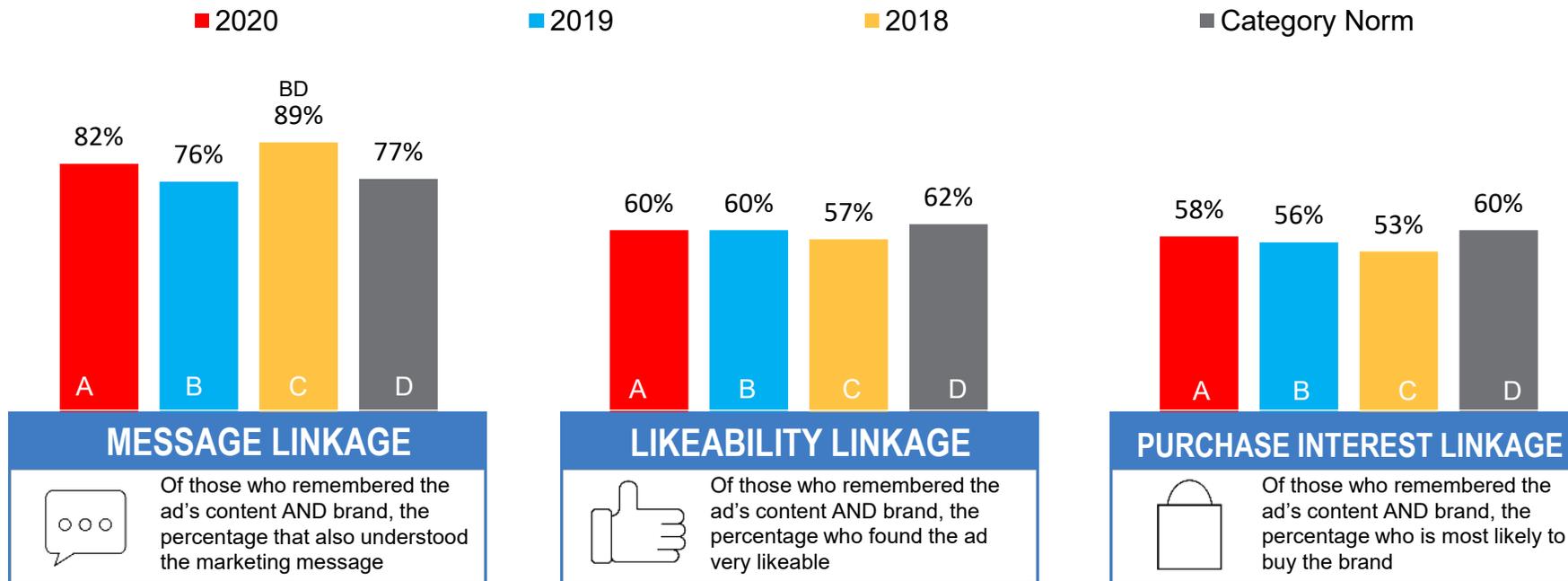
Source: PMI Brand Effect, MM/DD/YY – MM/DD/YY. Norm: YYYY - YYYY; DEMO.

Sample: A = XX; B = XX; C = XX; D = XX.

Upper-case letters above bars indicate statistically significant advantage at 90% confidence level.

Messaging, appeal and persuasion are all at parity with previous years, likely due to a consistent messaging strategy and execution

BRAND Diagnostic Metrics: Target Demo



Source: PMI Brand Effect, MM/DD/YY – MM/DD/YY. Norm: YYYY - YYYY; DEMO.

ML/LL/PIL Sample: A = XX; B = XX; C = XX; D = XX.

Upper-case letters above bars indicate statistically significant advantage at 90% confidence level.

A high 82% chose the correct message; the message appears to be clear and memorable

BRAND Ad 1 (2020) Message Response Distribution: Target Demo

“Correct Response”

82%

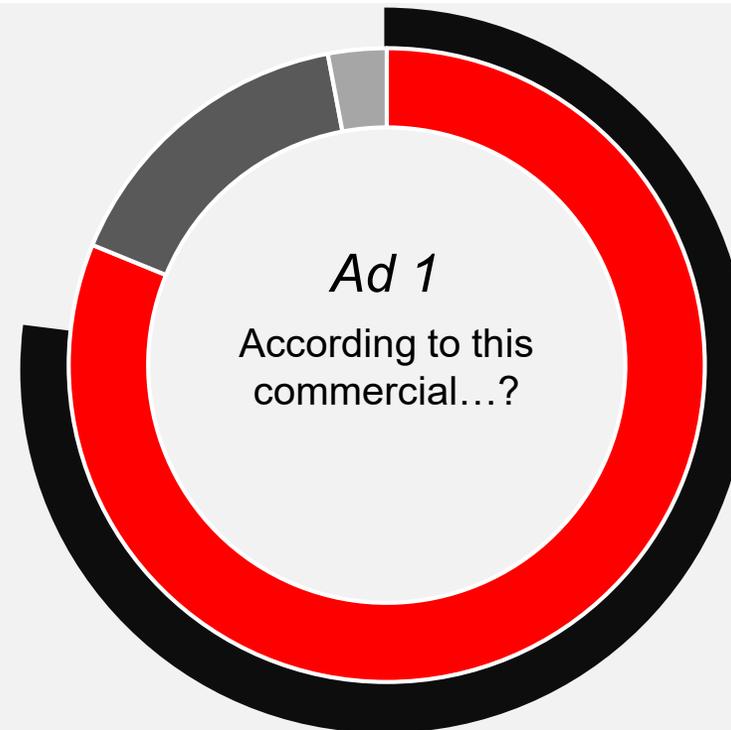
“Incorrect Response 1”

16%

“Incorrect Response 2”

3%

Message Linkage
Category Norm = 77%



Source: PMI Brand Effect, MM/DD/YY – MM/DD/YY. Norm: YYYY - YYYY; DEMO.
Message Linkage Sample: Ad 1 = XX; Category Norm = XX.

Ad 1 has been consistently memorable, as the ad follows key best practices for XX Category Engagement, such as showcasing families eating together and celebrating health in a humorous way

BRAND Ad-level Performance (Ranked on Brand Memorability): Target Demo

Creative	Sample	Ad Memorability	Brand Linkage	Brand Memorability	Message Linkage	Likeability Linkage	Purchase Int. Linkage
Ad 1 (2020)	XX	73%	58%	42%	82%	60%	58%
Ad 1 (2019)	XX	75%	38%	28%	77%	61%	58%
Ad 2 (2018)	XX	58%	39%	23%	89%	57%	53%
Category Norm	XX	58%	38%	22%	77%	62%	60%

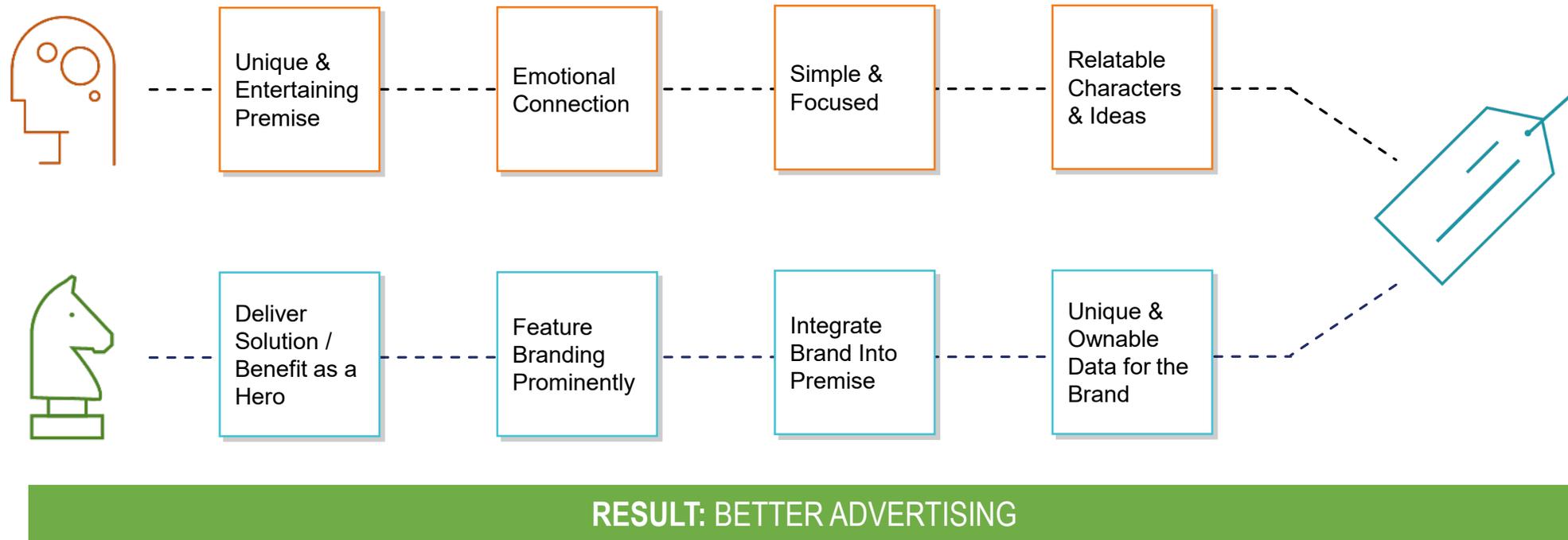
- Indicates value is significantly higher than benchmark at ≥ 90% confidence level
- Indicates value is significantly lower than benchmark at ≥ 90% confidence level

Source: PMI Brand Effect, MM/DD/YY – MM/DD/YY. Norm: YYYY - YYYY; DEMO.

BRAND EFFECT UNIVERSAL CREATIVE ENGAGEMENT & BRAND INTEGRATION BEST PRACTICES

Background: Best practices routinely found to be present in top ads and lacking from bottom ads in meta analyses of thousands of ads across major advertising industries.

The research we are proposing to NYS Department of Agriculture and Markets would provide category-specific examples and recommendations based on best-in-class Dairy ads.



Source: PMI Brand Effect, 2019