

Offline TV ads prompt online purchases by multitaskers

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Many television advertisers voice fears that distracted viewers—those increasingly frenetic multitaskers using smartphones, laptops and tablets while viewing TV - are becoming less receptive to advertisers' messages. A new study published in the online Articles in Advance section of *Marketing Science*, a journal of the Institute for Operations Research and the Management Sciences (INFORMS), refutes this conventional wisdom and concludes that the "second screen" puts a virtual store in every consumer's pocket. Multitasking viewers now visit, browse, and even buy advertised products within moments of seeing a commercial.

'Television Advertising and Online Shopping' is written by professors Jura Liaukonyte of the Cornell University Dyson School of Applied Economics and Management, Thales Teixeira of Harvard Business School, and Kenneth C. Wilbur of the University of California, San Diego, Rady School of Management.

The paper asks two questions: Do TV [ads](#) drive web traffic and sales? If so, how does it work?

The authors conclude that TV ads indeed prompt viewers to browse. The researchers matched a large panel dataset of Internet browsing and shopping with data about \$3.4 billion of TV advertising spent by twenty large brands, including Amazon, AT&T, Target and Domino's.

"Moments after a brand advertisement airs on TV, there tends to be a spike in traffic to the brand webpage," Liaukonyte observes.

Whether this increase in traffic results in an increase in sales depends on the ad content. To investigate the effect, the researchers employed a small army of research assistants to code the content of over a thousand different TV ads. The researchers found that different types of ads elicit different patterns of online activity. Action-focused ads - those commercials that seek to prompt a specific action like a phone call or a web visit—increase both the chance that a viewer visits the brand website and the probability of purchase after visitation.

"We wondered if ads that use direct-response tactics - like flashing URLs repeatedly or offering a short-term price promotion—would increase brand website traffic or sales by multitaskers," Liaukonyte says. "It turns out, they did both.

"We also found some surprising results. Ads that use a lot of emotional or informative arguments produce two seemingly contradictory effects: they actually reduce traffic to the website while simultaneously increasing purchases among those who did visit. The overall impact on sales was positive."

The professors hypothesize that these type of ads help resolve consumer uncertainty about whether the advertised product matches their preferences, making consumers' online search more efficient.

"The second screen—the one on your phone or computer—is feared by television advertisers," Liaukonyte says. "They think the second screen is distracting TV viewers and thereby decreasing the effectiveness of [television advertising](#). However, this point of view misses the upside of second screening—the TV viewer now has a virtual store in front of her. Multitasking viewers now rapidly respond online to price promotions and other information communicated through TV ads."

And here, say the authors, is something additionally important: The well-

known Achilles' heel of traditional TV advertising is determining how and when an ad is effective. This new study shows that by making it easier to react to advertising, the second screen is actually increasing the measurability of ad effectiveness.

More information: [pubsonline.informs.org/doi/abs ...
.1287/mksc.2014.0899](https://pubsonline.informs.org/doi/abs/.../1287/mksc.2014.0899)

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