IPA Social Works

Lysol

Measuring the effectiveness of social media for FMCG

Agency: OHAL

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Market context

Lysol is one of Reckitt Benckiser's (RB) power brands in the USA, with a range of cleaning and disinfecting products. Its USP is a strong heritage on disinfection dating from almost 100 years. The brand's media spend is in the tens of millions, with a need to support many products within the range it plays in different categories with different competitors. The majority of spend is on TV and Online Video, but other channels – such as Print, Display, Search, Facebook – are used to support specific messages.

Across all channels, Lysol isolates key parts of the year as seasonally optimal times, and targets its media accordingly. For example, in January, TV and Facebook will both show Cold & Flu messages; in August this will change to Back to School.

Cold & Flu   Back to School
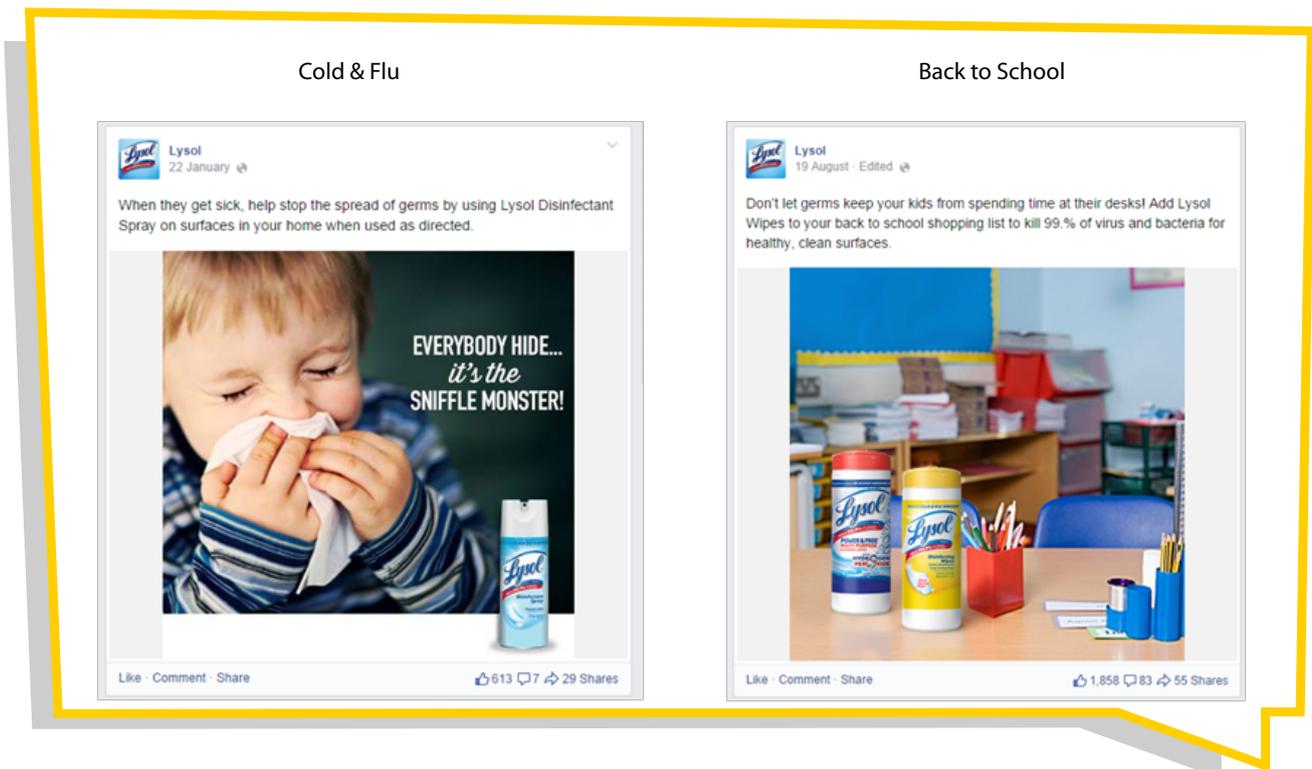
Fig 1: Sample Lysol creative on Facebook.

Business and marketing objectives

Our brief was to measure the impact of each channel on sales and on the path to purchase. Rather than measure at a campaign-specific level, RB were looking to measure the effectiveness of each part of the marketing mix overall, across all activity carried out for the Lysol brand over a period of 18 months, in order to draw our high-level strategic insights on marketing mix optimisation.

The path to purchase was defined by RB and its media agency, Zenith Optimedia. It follows the route of: know, feel, compare, buy, use, bond, recommend.
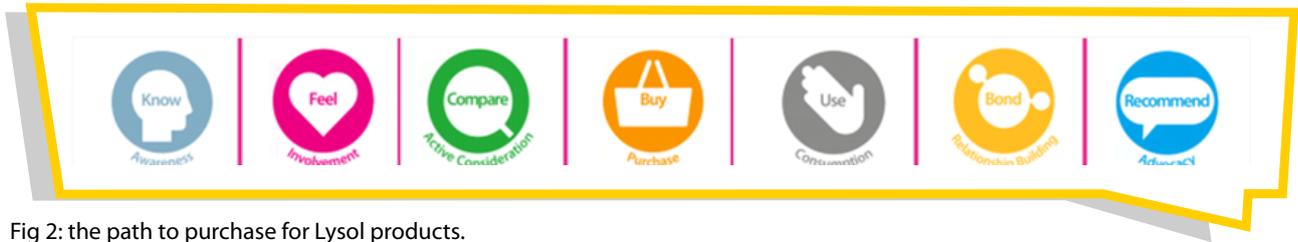
Fig 2: the path to purchase for Lysol products.

By measuring the impact of media on each of these stages we were able to provide new and actionable insight for RB. For example, where one channel is proven to support the 'know', but not the 'feel' or 'compare', RB were able to use this insight to adjust spend, targeting and copy in line with the objectives of its upcoming campaign.

The approach was particularly significant for the measurement of social media, a channel typically more difficult to ascribe value to for established FMCG brands where there is no evident direct impact on sales. The findings helped to support the brand's continued investment in Facebook, which is further reinforced today by the strategic partnership RB has developed with Facebook.

Measurement

We built a system of market mix models in order to isolate the impact of Facebook (and other parts of the media mix) on the 'know', 'feel', 'compare', and 'buy' aspects of the path to purchase. Within this we separately modeled Facebook paid, owned and earned activity to provide more detailed and actionable insight for RB, in order to optimize across all Facebook activity and gain a deeper understanding of the respective roles of paid, owned and earned media.

For 'know', 'feel', and 'compare', we used Millward Brown surveys of awareness, consideration, and involvement, respectively, to build a time series of sentiment. For 'buy', we used Nielsen data with sales by account.

We nested each model within the other to account for the fact that 'know' was an explanatory factor within the 'feel' model, 'feel' within the 'compare', and 'compare' within the 'buy'. This allowed us to track the influence of individual channels over the path to purchase. For example, Channel A could cause a 1% uplift on 'know'. If 'know' caused a 20% uplift on 'feel', then Channel A caused a 0.2% uplift on 'feel'.

This was particularly powerful when it came to 'buy'. We proved that for every 10% driven in 'compare', sales increased by 1.3%. There were clear examples of media that would not have been measured in a 'buy' model alone, but had a clear impact through the path to purchase.

One of these was Facebook.

Results/business benefits

Both Facebook paid and earned activity had a significant direct impact on the path the purchase (represented by the blue and yellow bars in the chart below). Earned proved to have a greater impact on 'know', with viral activity bringing awareness amongst a broader audience. Paid had the greatest impact on 'compare', by reinforcing the brand message to those core target audiences already aware of the brand and further along the path to purchase.

Although the direct impact was most significant for 'know' and 'compare', because 'know' also had a measured impact on 'feel', 'compare' and 'buy', there was an indirect impact from Facebook paid and earned throughout the path.
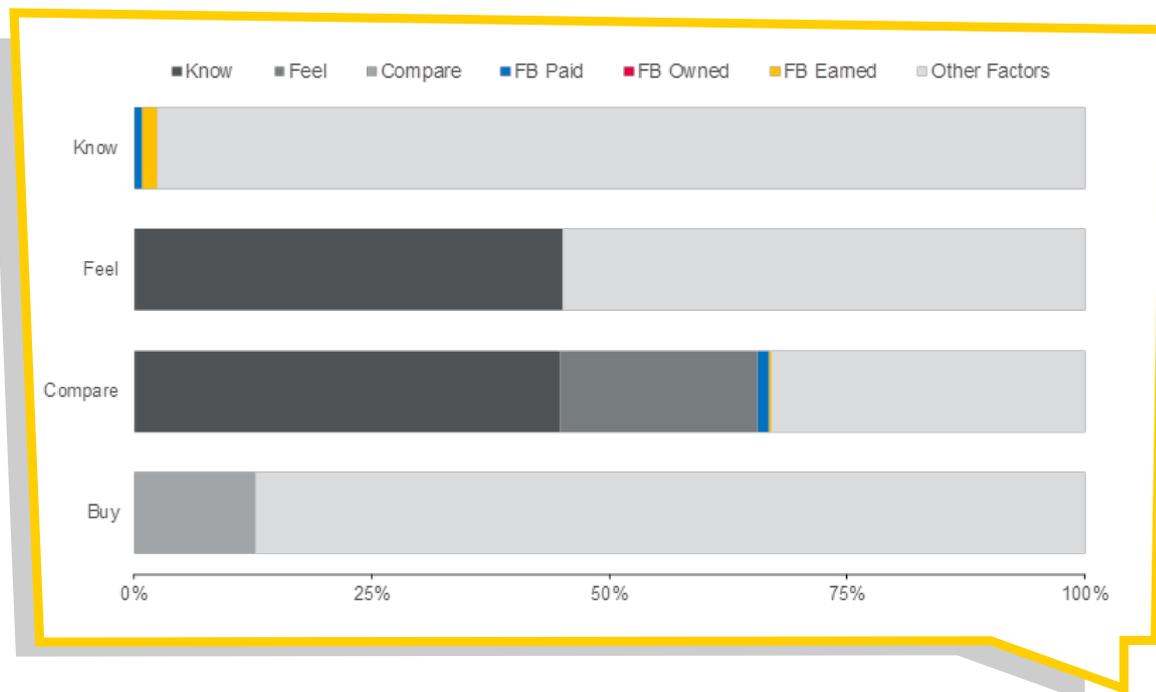
Fig 3: Analysis showed Facebook's influence in the "know" and "compare" stages of the consumer purchase process. The analysis was nested to show the impact of earlier stages on later ones e.g. how "know" and "feel" impacted on "compare" and "buy".

Facebook proved to not have a significant direct impact on sales for this brand; however, by analysing its role in prior stages and their impact on sales we were able to ascribe a more accurate total sales value and business ROI for the channel. In this study, the contribution was between 0.2 and 0.5% of total sales.

Key learnings

Results show that even though Facebook activity does not significantly impact sales directly for this brand, it has an impact on the path to purchase, so a clear link to sales can be found.

In addition to providing a deeper understanding of the value of social media and a business case for continued investment, the results gave RB insight into how to use Facebook more effectively within the marketing mix according to which part of the path to purchase the campaign is looking to influence.

This analysis shows that sometimes a slightly different approach to measurement can provide brands with sensible and robust results. It challenges measurement agencies to think outside the box when it comes to their measurement strategy.

Technical appendix

Ohal modelled 13 products in the Lysol range, accounting for 87% of total US sales. We utilised a pooled generalised least squares regression approach, analysing 140 weeks of sales and Millward Brown survey results, over 6 account level regions: grocery, drug, Wal-Mart, Target, BJs and Sams.

Facebook data modelling is paid, owned, and earned reach.

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