

CANADIAN
OUT-OF-HOME
MARKETING AND
MEASUREMENT
BUREAU

COMMB

THE PERCEPTION STUDY

COMMB.CA

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In this modern world of advertising, data-driven decision-making is essential. Advertisers can access a wealth of information while booking campaigns, such as detailed audience profiles and the environmental context in which their advertisements appear. However, information gaps must be addressed when making important advertising decisions. Some critical elements of business and campaign success are based on the personal beliefs and experiences of the audiences advertisers are looking to reach.

Advertisers need to understand how their target audience thinks, feels, and behaves to create messages that resonate with them. They also need to be aware of cultural, social, and economic trends that may affect how people perceive their products or services. They must use their judgment to discern signals from noise and tune into an audience that will aid in their decision-making processes. To achieve that and build accurate impressions, advertisers must stay up to date with market trends and relevant intelligence in their industry. Market research and data publishing can effectively keep the industry well-informed. Organizations like COMMB (Canadian Out-of-home Marketing & Measurement Bureau) are crucial in providing curated data resources to help close the information gaps.

WE PROPOSE A NEW METHOD OF MEASURING PERCEPTION



To date, there has been no study of the impact data published by associations like COMMB exerts on the out-of-home industry and how that data assists in influencing better decision-making. In this white paper, we propose a new method of measuring perception by surveying media buyers and showing them ground-truth data. We then uncover how access to verified information can provide deeper insight and guide audiences into making informed decisions.

Heuristics in advertising

Decision-making is a complex cognitive process that has been the subject of extensive research in psychology for many decades. One aspect of decision-making that has been the focus of a multitude of studies is the use of heuristics, or “mental shortcuts,” to simplify complex tasks and aid individuals in making optimal decisions. Heuristics are mental strategies that allow people to quickly solve problems and make decisions based on their experiences and knowledge. They are particularly useful in dynamic and complex situations such as advertising, where there is a high volume of information to process simultaneously.

The efficacy of heuristics depends on the accuracy of the available information. If the information is misleading or incomplete, the heuristics that an individual develops may not be effective in driving well-informed decisions. In addition to heuristics, factors such as emotions, biases, and external factors influence decision-making. Emotions can affect how individuals recognize and evaluate different options; biases can influence judgments or preferences, and external factors such as social norms and the opinions of others can also play a role.

Understanding decision-making and heuristics can benefit advertisers as they navigate building their campaigns. Advertisers can make informed and thoughtful decisions that lead to successful outcomes by developing effective heuristics and considering various decision-making factors. It is vital to ensure that heuristics are based on accurate and complete information. By carefully evaluating the available data and conducting a thorough analysis, advertisers can cultivate heuristics that will aid prospects in choosing appropriate products and services.



Heuristics in OOH advertising

Heuristics play a crucial role in out-of-home (OOH) advertising, including billboards, transit ads, and other media that reach consumers outside their homes. However, OOH advertising presents unique challenges to measuring the accuracy of heuristics and, ultimately, the consequences of the decisions. There's limited opportunity to learn by making mistakes.

One of the challenges OOH advertising presents is the slow or non-existent feedback loop. Unlike digital advertising, where results can be measured quickly, and adjustments can be made in real-time, OOH advertising campaigns can take weeks or months to gather meaningful data. This can make it challenging to validate and test new ideas and improve on advertisers' appeals to heuristics, limiting opportunities to make changes or adjustments before the campaign ends.

Moreover, mistakes in the planning or execution of an OOH campaign can result in wasted resources and missed opportunities to reach the target audience. This, combined with the complexity of planning OOH advertising campaigns compared to other advertising forms, makes it crucial that advertisers exhibit a solid understanding of their audience and the market. The unique challenges of OOH advertising underscore the value of advertisers' perception in developing campaigns that will capture the attention of their target audience and achieve the desired return on

Methods

Our team at COMMB conducted a study in collaboration with Leger to gather market research on how Canadians approached returning to work and going about their day-to-day lives post-COVID. For example, we surveyed how often Canadians work from the office, eat out and meet with friends and family. We surveyed media agencies not only to understand their perception of the Canadian market but also to identify information gaps COMMB could fill by informing these agencies of actual ground truth data. The data was collected through market research with Leger ground truth data, while the media agency responses provided insight into their perception of the post-pandemic environment.

To compare the reality painted by market research data with the media agencies' perception, [we analyzed the results of both sets of data and looked for any discrepancies or disconnects.](#) These differences, known as the perception

gap, can highlight the importance of relying on accurate and complete information when making decisions. By understanding the perception gap and addressing discrepancies, agencies can develop more accurate heuristics on the OOH medium and its effectiveness so they can make informed and effective decisions while applying the channel to their clients' campaign plans.

After asking agency employees to describe their perceptions in this survey, we presented the results of the ground-truth market research to the media agency respondents. We asked them whether seeing these results altered their perception and decision-making processes. The answers to this question suggest that having access to accurate and complete data can indeed influence the decisions made by agencies and the way they plan and strategize their advertising campaigns.

7

questions on how Canadians go about their lives post-COVID

1500

Canadians

72

Agency Respondents

Better OOH planning

Finding 1

A total of 1,500 Canadians participated in the study with Leger, providing a foundation of data for analysis. Comparing these results to the secondary data gathered in regard to agencies' understanding of post-Covid Canada showed that, on average, the 72 agency employees who participated in the study harbored perceptions that closely aligned with the actual ground truth data gathered through market research with Leger. The error rate for the advertisers' responses averaged 9.9%, with a median of 9.7% and a range of 3.4% to 17.7%. Figure 1 presents the error distribution in the media agencies' responses compared to the market research conducted. This suggests that OOH advertisers generally maintain a strong understanding of Canadian day-to-day activities and are well-informed.

Additionally, 92% of the media agency respondents indicated that learning about the market research conducted by COMMB and Leger had influenced their perception. Two-thirds (65%) said this new information would guide their buying and planning processes. These results demonstrate the importance of having access to accurate and complete data in the decision-making process for advertisers.

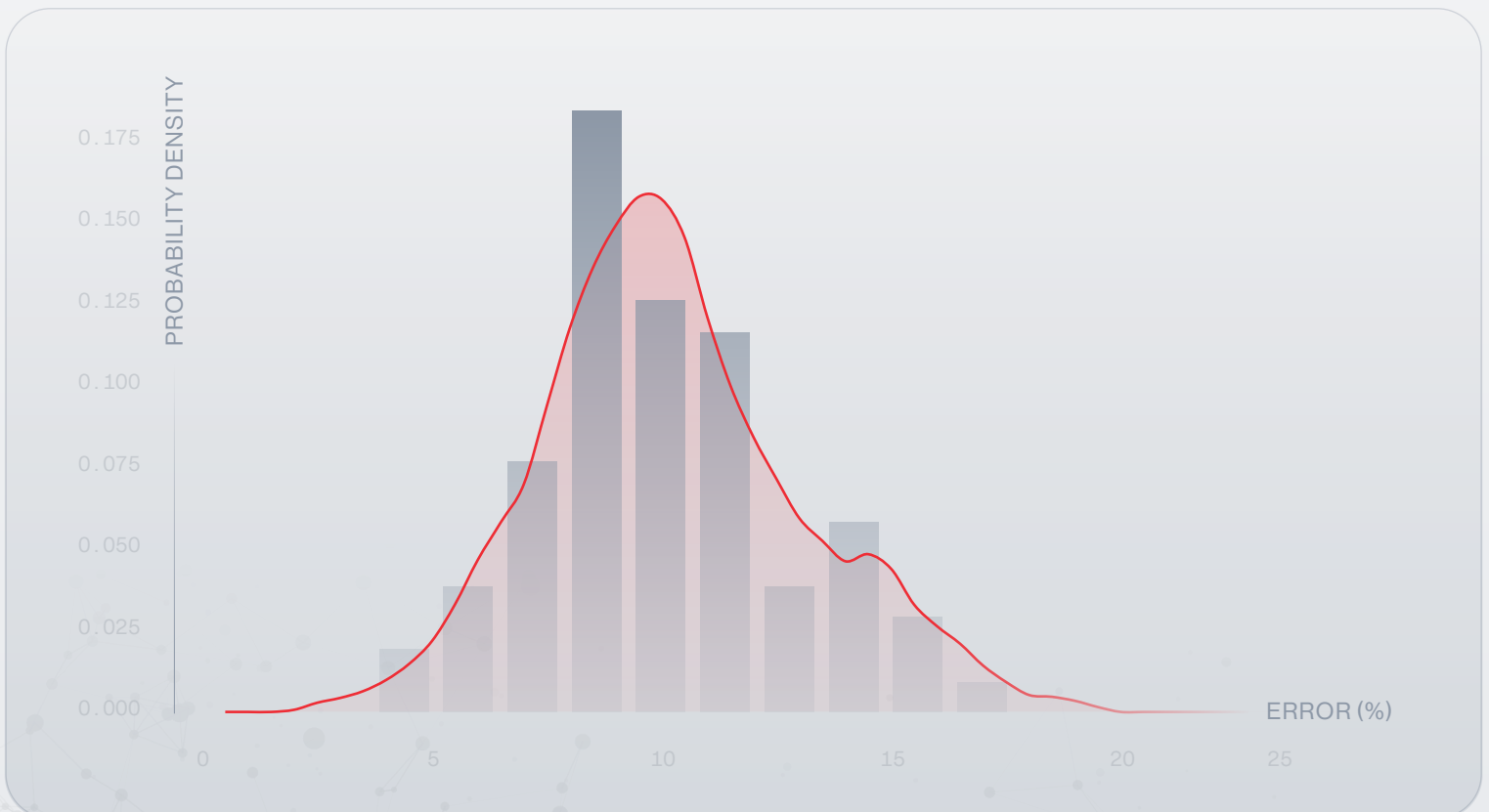


Figure 1. The error in the agencies' perceptions compared to the market research conducted.

Finding 2

A probability analysis determined the likelihood that each agency respondent would change their perception in relation to the degree of error in their responses. Advertisers with larger errors were more likely to reshape their perception when presented with market research. The linear trend reached 100% at around a 12% error rate. 100% of advertisers with errors larger than 12% indicated that seeing the market research affected their perception, as shown in Figure 2 (left).

When analyzing the probability of decision changes in relation to the errors in agencies' responses, a similar trend emerged. Agency respondents with larger errors were more likely to indicate that seeing the market research with Leger directed their media planning and purchasing decisions. This result is depicted in Figure 2 (right).

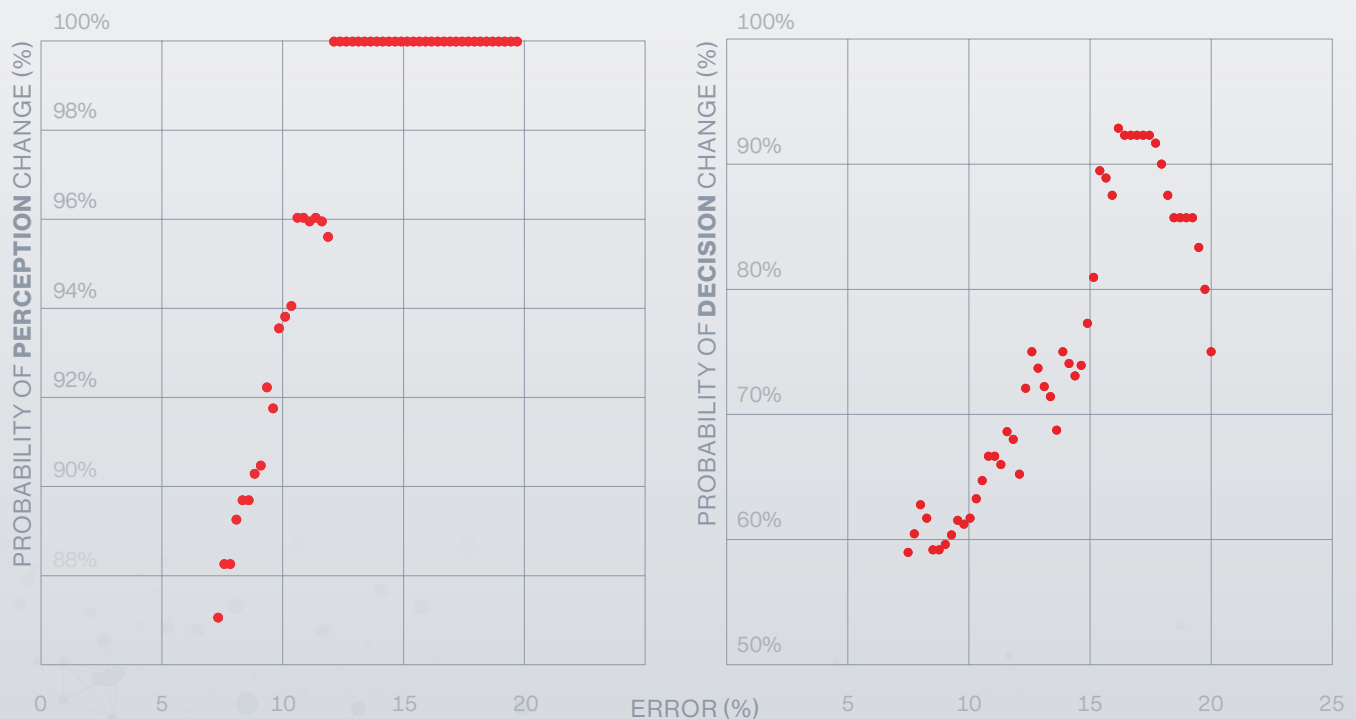


Figure 2. The probability of perception (left) and decision (right) change in relation to the error in the responses.

Discussion and conclusion

In this study, we sought to explore how perception and heuristics influence the decision-making process in advertising. Through the collection and analysis of data from a market research study and responses from 72 agency respondents, we were able to draw several key conclusions.

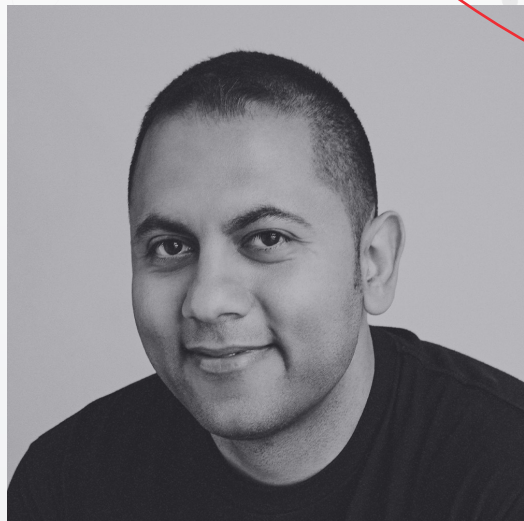
First, we found that providing **relevant information to media agencies can improve their perceptions and influence their decisions.** By presenting the results of our market research to the agencies and asking them to consider how this new information would impact their decision-making, we demonstrated the power of accurate data in shaping perception and guiding advertising campaign development.

Additionally, we observed that agencies exhibiting larger errors in their responses were more likely to be **influenced by the data provided,** a phenomenon known as perception shock. This finding highlights the importance of ensuring audiences can access complete and accurate information, as it can significantly impact their perception and strategy.

Overall, our results suggest that providing data on topics in which the industry operates under significant information gaps can exert a particularly significant impact. By targeting these areas and conducting research relevant to the OOH industry, we can help inform the industry and improve decision-making in the field. This work demonstrates the value of associations like COMMB in providing relevant data and insights to the industry. It guides us toward conducting research that targets more significant information gaps while remaining relevant to the needs of OOH advertisers.



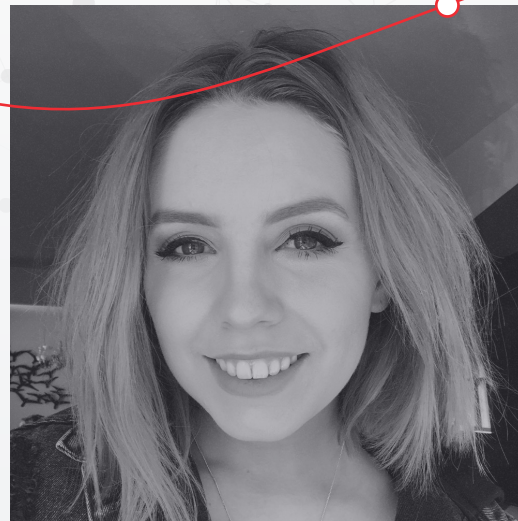
Authors



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Farrokh is the head of data science at COMMB, where he works on novel approaches to incorporate new data, analytics, and technologies for OOH measurements and marketing. Farrokh comes from a highly multidisciplinary background with experience applying data science, machine learning, and artificial intelligence in the fields of transit, medicine, climate science, and finance. He is an experienced leader, having previously built and managed technical teams in various startups and large companies. Farrokh holds a BAsC, MAsC and PhD in Engineering from the University of Toronto and has authored over 20 research papers that were published in prestigious scientific journals.



Jennifer Copeland

Director of Communication at COMMB

Jennifer is the Director of Communications at COMMB, where she creates and executes strategies by applying yesterday's findings, today's trends, and tomorrow's opportunities. Her decade of experience in ad agencies, start-ups, media, tech, and real estate has given her the knowledge to implement robust marketing campaigns that are driven by data and emerging trends.

At COMMB, she focuses her efforts on the ever-changing out-of-home media space by researching, conceptualizing and creating sales-focused marketing strategies and supporting documents that resonate with media buyers and target audiences. Her unique experience has given her the edge to rattle the traditional OOH media industry with a modern approach to B2B marketing.