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statistical studies for onboard advertising

CNN Money - Aug. 8, 2008

"It's a captive audience, literally - and sometimes involuntarily - for an extended period of time, so there are certainly opportunities to make contact [with potential consumers] in-flight," said Michael Derchin, an airline analyst for FTN Midwest Securities.

Derchin said in-flight advertising has "been kind of a low-key effort up until now." But with soaring fuel prices and falling ticket sales, he said airlines are "going to be a lot more creative and aggressive in this regard."

David Castelveter, spokesman for the industry trade group Air Transport Association, said that an increase in in-flight advertising is the inevitable result in an industry that's reeling from "outrageously high" fuel costs, which are expected to skyrocket by nearly 50% this year to \$61.2 billion.

QMedia Ambient Research 2007

- 85% of longhaul respondents recalled some kind of ad/promotional format in-flight. This was higher amongst business class and high frequency travellers.
- 86% of in-flight customers are in a positive frame of mind; hence they will be receptive to advertising messages.

Sky Europe

- The aircraft is one of the most effective media for your advertising. The recall rate of advertising seen in the aircraft is statistically over 70%.

Triad Consulting Group

On flights longer than one hour, 9 out of 10 airline passengers use tray tables for 15 minutes or longer. On flights shorter than one hour, 82% use tray tables.

92% of airline passengers were able to recall ads and some content hours after the flight.

About 79% of consumers are able to recall tray table ads on an unaided basis, according to a study released last month by Triad Consulting. That same study showed the ads generated a 26% positive shift in intent to purchase.

About 43 percent of frequent flyers--people who fly four times a year or more--have household incomes over \$100,000, and they are two-and-a-half times more likely than the average person to buy a luxury car in a given year, according to an Arbitron study.

2004 Arbitron Airport Study

Airline Travelers are more likely to have a propensity for designer clothes, luxury cars and cutting-edge personal digital devices. They also shop more often online and spend more when they do shop.

This acute involvement with media consumed on the plane is reflected in strong advertiser recall levels. Three-quarters of frequent flyers who read the current month's airline magazine could recognize a specific ad from the issue, and half of those who watched the in-flight television programming could remember seeing the commercials tested.

Taken as a whole, the research makes a sound case for advertisers, looking to reach affluent business professionals, to include in-flight media in their regular media mix.

Journal of Advertising, Spring 2008, 37(1), pgs 59-72.

Effectiveness of airport advertising

Sample Population:

Randomly selected airline passengers at NYC's LaGuardia Airport in May 2005. There were 50 participants in the recognition study and 58 participants in the recall study. More participants were female than male. Ages ranged from 18-55+ with the largest age group being 35-54. All participants had flown out of LaGuardia at least once in the past month. More were flying for leisure than for business.

Methodology:

Recognition survey: an 11-page survey included with a booklet of color photographs of the 28 concourse advertisements, as well as 7 filler ads to test for false positives.

Recall survey: a four-page questionnaire that asked participants to list any ads they remembered seeing inside the concourse (unaided recall). Later in the questionnaire, participants were asked to do the same but this time but were given 13 product categories to help prompt their memory (aided recall).

Metrics:

Participants' ability to recognize and recall the advertisements in the airport's concourse.

Recognition study:

- Passengers, on average, recognized about 4.4 ads. The overall recognition of all ads (excluding fillers) was over 16%.
- Participants who had flown two or more times in the past month, thus spending more time on the concourse, recognized almost twice as many advertisements as those who had flown fewer times.
- Advertisements placed in the corridor of the concourse were noticed more frequently than those near security or at the gate. The mean percent recognition in the corridor was 21%, near security was 14%, while at the gate was 9.6% recognition.
- Advertisements located near retail outlets were also more recognizable at 20.6% compared to ads not near a retail store at 12.5%.
- Advertisements with multiple appearances in the concourse were noticed more than twice as often (28.6%) versus ads appearing only once (13.6%).

Recall study:

- Brand name recall (aided and unaided) was low. Overall, unaided brand recall was 1.3% and overall aided recall was nearly 2%.
- Unlike recognition, overall recall was not closely related to time spent in the terminal, frequency of travel, or the location of the advertisements. However there were elements of ads that were significantly related to increased recall: uniquely sized ads, nonstandard shape ads (e.g., double diorama, ad wrapped around a desk), and ads with fewer words (12 or less) were more memorable.
- Ads including an airport/destination-related theme (such as the image of an airplane) or referring to an airport activity (Verizon Wireless ad -- "Making Your Connection has Never Been Easier") aided in the recall of the advertisement.

Take-Away:

Transit advertising is a growing category of out-of-home advertising and an area that has received little academic attention. This study keys in to elements of effective airport advertising (and is applicable to other transit locations):

- Placement of ads: location, location, location.
- Recognizing the effect of passenger activity on the ability to process an ad; Passengers coming out of security or boarding their plane are focused on that activity and less likely to notice ads than passengers visiting airport retail outlets.
- Repetition of ads increases consumer recognition of a brand and/or ad.
- Uniquely sized and shaped ads are most memorable, as are ads with fewer words.