DID SEX SELL FOR CARL’S JR.? TV BRAND EFFECT UNCOVERS SURPRISING INSIGHTS

CARL’S JR. CASE STUDY: USING SEX TO SELL

For years, Carl’s Jr./Hardee’s creative strategy has included incorporating sex appeal into a number of their ad campaigns. While their sexual advertising, presumably targeting male audiences, catches viewers’ attention in high-profile events such as the Super Bowl, analysis via TV Brand Effect identified the polarizing effects that these ads have on women that could impact the brand’s overall equity in the long run.

While we can’t infer industry-wide implications on the effectiveness of sex appeal in advertising, Carl’s Jr’s data provides valuable insights into how components of a creative can resonate with different consumer groups in different ways.

REMEMBERED FOR THE WRONG REASON

Every advertiser wants their creative to be remembered, and associated back to their brand. But what if an ad is remembered for the wrong reasons? Ads that have strong memorability and branding but resonate negatively with consumers are at risk of hurting their long-term brand equity.

Emotive Power sees a positive correlation to brand favorability

r = 0.59

METHODOLOGY & MEASURES

- Code 5 years of Carl’s Jr. ads into ‘Sex Appeal’ and ‘Non Sex Appeal’ groups
- Deep-dive analysis into creative content for one ad from each group
- Compared across genders & against burger category norm

TV Brand Effect

Memorability – was the ad remembered the day after exposure in-market?

Branding – was the ad identified as belonging to the brand?

Emotive Power – did the ad connect emotionally with consumers?

Information Power – did the ad convey valuable information to consumers?
CARL’S JR. CASE STUDY FINDINGS:

FINDING #1:
CONTRARY TO POPULAR BELIEF, THE USE OF SEX MAY NOT HELP YOUR BRAND BREAK THROUGH THE CLUTTER

Carls Jr./Hardee's Ad Memorability: January 1, 2010 – April 30, 2015

<table>
<thead>
<tr>
<th></th>
<th>Non-Sex Appeal + Mild Innuendo</th>
<th>Sex Appeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ad Memorability</td>
<td>43%</td>
<td>43%</td>
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The differences in memorability & branding of sexual ads vs. non-sexual ads existed for both males and females.

Carl’s Jr. ads featuring sex appeal are not any more memorable than their ads without sex appeal – even across genders.

FINDING #2:
BUT IN A CATEGORY UNACCUSTOMED TO SEXUAL ADS, THE USE OF SEX APPEAL CAN HELP DISTINGUISH YOUR BRAND

Carl’s Jr./Hardee’s Brand Linkage: January 1, 2010 – April 30, 2015

<table>
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<tr>
<th></th>
<th>Non-Sex Appeal + Mild Innuendo</th>
<th>Sex Appeal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brand Linkage</td>
<td>51%</td>
<td>57%</td>
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Both men and women were more likely to connect the sexual ads to the Carl’s Jr. brand than their non-sexual ads.

FINDING #3:
POLARIZING ADS ARE RISKY - TURNING OFF CERTAIN AUDIENCES CAN LEAD TO OVERALL BRAND EQUITY DAMAGE

Women not only disliked the sex appeal ad but found it highly irritating compared to other ads in the category. This distaste may have impacted female perceptions of the value of the information communicated in the ad.

Poor resonance among females drove down the ad’s overall Information Power and Emotive Power scores, as reception among men was only average.

HOW CAN NIELSEN HELP MEASURE YOUR AD EFFECTIVENESS?

OPTIMIZE MEDIA & CREATIVE VARIABLES
Real-time measurement of creative elements and media environment allows for in-market optimization

UNDERSTAND EMOTIVE STRENGTH OF AD
The best survey-based measure of emotion gives insight into how well your ad is connecting with consumers

BENCHMARK YOUR PERFORMANCE
Syndicated cross-category data provides industry norms and historical trends for benchmarking

LEVERAGE BEST PRACTICES
Gain insight into what drives ad performance based on findings from 10+ years of measurement