Nielsen: Global Consumers' Trust in 'Earned' Advertising Grows in Importance

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NEW YORK CITY (rushPRnews) 04/12/12 — Ninety-two percent of consumers around the world say they trust earned media, such as word-of-mouth and recommendations from friends and family, above all other forms of advertising—an increase of 18 percent since 2007, according to a new study from Nielsen, a leading global provider of information and insights into what consumers watch and buy. Online consumer reviews are the second most trusted form of advertising with 70 percent of global consumers surveyed online indicating they trust this platform, an increase of 15 percent in four years.

Nielsen's Global Trust in Advertising Survey of more than 28,000 Internet respondents in 56 countries shows that while nearly half (47%) of consumers around the world say they trust paid television, magazine and newspaper ads, confidence declined by 24 percent, 20 percent and 25 percent respectively since

2009. Still, the majority of advertising
dollars are spent on traditional or paid media, such as television. In 2011, overall global ad spend saw a seven percent increase over 2010, according to Nielsen's most recent Global AdView Pulse. This growth in spend was driven by a nearly 10 percent increase in television advertising, with countries, including the U.S. and China, attracting more advertising dollars versus the year prior. While brand marketers increasingly seek to deploy more effective advertising strategies, Nielsen's survey shows that the continued proliferation of media messages may be impacting how well they resonate with their intended audiences on various platforms," said Randall Beard, global head, Advertiser Solutions at Nielsen. "Although television advertising will remain a primary way marketers connect with audiences due to its unmatched reach compared to other media, consumers around the world continue to see recommendations from friends and online consumer opinions as by far the most credible. As a result, successful brand advertisers will seek ways to better connect with consumers and leverage their goodwill in the form of consumer feedback and experiences."

Nielsen's survey shows that 58 percent of global online consumers trust "owned media," such as messages on company websites, and 50 percent find content in emails they consented to receive to be credible.

Forty percent of global respondents find product placements in TV programs to be credible, while 42 percent trust radio ads and 41 percent trust pre-movie cinema messages.

Trust in Online Ads

Thirty-six percent of global online consumers report trust in online video ads, and 33 percent believe messages in online banner ads, up from 26 percent

in 2007. Ads viewed in search engine results are trusted by 40 percent of global respondents in Nielsen's survey, up from 34 percent in 2007. Sponsored ads on social networking sites are deemed credible by 36 percent of global respondents.

"The growth in trust for online search and display ads over the past four years should give marketers increased confidence in putting more of their ad dollars into this medium," said Beard. "Many companies are already increasing their paid advertising activity on social networking sites, in part due to the high level of trust consumers place in friends' recommendations and online opinions. Brands should be watching this emerging ad channel closely as it continues to grow."

Trust in Mobile Ads

According to Nielsen's survey, one-third of global respondents trust video or banner display ads on mobile devices such as tablets or smartphones. Approximately one-third (29%) of global online consumers said they trust mobile phone text ads, an increase of 21 percent since 2009 and 61 percent since 2007.

Ad Relevance

When considering ad relevance, 50 percent of global online consumers find TV ads to be personally relevant when they are looking for information on products they want or need, particularly among consumers in the Middle East, Africa and Pakistan, where 65 percent find TV ads to be highly pertinent to their needs. By contrast, 30 percent of European respondents consider TV ads to be relevant.

One-third (33%) of global respondents find online banners ads to be relevant, compared to ads on social networks (36%) and online video ads (36%). Forty two percent of global consumers find ads in search engine results relevant.

“The high cost of advertising in today’s fragmented media world forces marketers to strive for the most effective and efficient ads,” said Beard. “In order to boost advertising ROI, marketers need to make sure an ad’s content and message is relevant to the consumer who sees it. While we expect to see high relevance levels in ads where the consumer is actively seeking information, such as on a brand’s own website or solicited emails, Nielsen’s survey shows that there is still much potential for marketers looking to reach the right audience through advertiser-driven messages.”

About the Nielsen Global Survey

The Nielsen Global Trust in Advertising Survey was conducted between August 31 and September 16, 2011 and polled more than 28,000 online consumers in 56 countries throughout Asia Pacific, Europe, Latin America,

the Middle East, Africa and North America.

The sample has quotas based on age and sex for each country based on their Internet users, and is weighted to be representative of Internet consumers and has a maximum margin of error of ±0.6%. This Nielsen survey is based on the behavior of respondents with online access only. Internet penetration rates vary by country. Nielsen uses a minimum reporting standard of 60 percent Internet penetration or 10M online population for survey inclusion. The Nielsen Global Survey was established in 2005.

About Nielsen

Nielsen Holdings N.V. (NYSE: NLSN) is a global information and measurement company with leading market positions in marketing and consumer information, television and other media measurement,

online intelligence, mobile measurement, trade shows and related properties. Nielsen has a presence in approximately 100 countries, with headquarters in New York, USA and Diemen, the Netherlands. For more information, visit www.nielsen.com.

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