Appendix M: DAGMAR – Simulation Program

Simulation Programs: Example: DAGMAR

Inception of DAGMAR Model

• Founded in 1961 with Russell Colley’s book, *Defining Advertising Goals for Measured Advertising Results*

• Like other models at the time (AIDA—attention, interest, desire, action), the DAGMAR Model was based on the cognitive responses of consumers and the sequence of psychological processes they would undergo to purchase a product
• Sequence: Unawareness, awareness, comprehension, conviction, and action

Elaboration on DAGMAR weaknesses
• The “Hierarchy of Response” weakness is that the model assumes a standard approach by which consumers will go about choosing what to buy.

• Furthermore, when the process by which consumers decide to carry out a purchase is difficult to pin, this complicates how much money should be spent in a specific advertising strategy.

Other Academic Models
• Use of Time Series or Cross-Sectional Data to postulate sales response function
“Sonking”—the scientification of non-knowledge” (695)

- This is because most mathematical models have nebulous empirical input.

Difficulties with DAGMAR

- The model does not always identify the means by which people associate with the commodity (“Response Hierarchy Problems”)

DAGMAR Model

- Introduced in order to set goals on communication
- Advertising planning becomes more effective
- Assumption that customers go through several stages before buying a product

Change in attitudes of consumers does not induce change in purchasing behavior.

Sources:
DAGMAR Model

- Goals specified by
  - Target market
  - Consumer base-line hierarchy levels
  - Changes from these baselines
  - Time Period for achievement


DAGMAR Model

- Problem that these requirements/goals are complex and time-consuming, as a lot of research is involved
- Second problem that model needs “preconceived notion of consumers’ hierarchy levels”


DAGMAR Model

- Furthermore fixed stages that customers go through, is not realistic
- Consumers also can take “action” without other stages


DAGMAR - Assumption

1) Advertisement must get attention
2) Consumer mentally consciously processes ad
3) Based on rational consumers has to be convinced
4) Consumer is convinced, switches to brand and buys product

Source: Pre-testing and monitoring the effectiveness of magazine advertising, Consterdine
DAGMAR Model
• Agreement today that promotion works different depending on product and situation

Source: Pre-testing and monitoring the effectiveness of magazine advertising, Consterdine

DAGMAR Model
• Defining the advertising goal
• Different to marketing goal, ads are more related to communication
• Goal in order to measure it afterwards

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model
• Before setting a goal, it is necessary to conduct research in order to have a clear picture of the status-quo

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model
• Example of a defined goal
• “To increase – from 10% to 40% in one year – among the 70 million homemakers who use automatic washers, the number who identify Brand “X” with ingredient “Y” as a low-sudsing detergent which cleans better and faster than others.”

Source: DAGMAR, Association of National Advertisers 1995
DAGMAR Model

• 2nd Example of a defined goal
• “To increase the number who get the message – “reduces overall drilling cost” – from 25% to 50% in the next year.”

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model

• 6 steps to define goal by ANA (Association of National Advertisers)
  1) Advertising goals are concise and succinct and only part of the marketing
  2) These goals are written down in measurable terms

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model

3) “Goals are agreed upon by those concerned at both creative and approval levels.”
4) These goals are based on insights into markets and buyers

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model

5) “Benchmarks are set up against which accomplishments can be measured.”
6) Evaluation methods are determined before the advertising campaign is launched

Source: DAGMAR, Association of National Advertisers 1995
DAGMAR Model
• Furthermore:
  • Goals should be agreed upon by advertiser and agency before the launch of the campaign

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model
• 2nd part MAR: Measured Advertising Results
  • “systematic evaluation of the degree to which the advertising succeeded in accomplishing predetermined advertising goals”

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model
• Getting information about
  • “How many more people are more acutely aware of the brand”
  • “How many more people comprehend the features, advantages and benefits of the products/service”

Source: DAGMAR, Association of National Advertisers 1995

DAGMAR Model
• Getting information about
  • “How many more people are favorably disposed toward the purchase of the product/service”
  • “How many people have taken action”

Source: DAGMAR, Association of National Advertisers 1995
DAGMAR Model
• Ultimate goal is that consumer buy product
• DAGMAR uses 4 phases awareness, comprehension, conviction and action
• Each stage has a probability of purchase

Source: DAGMAR, Association of National Advertisers 1995