

James G. Elliott Company

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MEDIA BUYING: PAST, PRESENT AND FUTURE

This year, the James G. Elliott Company celebrates its 20th anniversary, and we thought it would be interesting to take a look at the media industry today in the context of the evolution that has occurred over these past two decades.

The previous edition of Ads & Ideas was dedicated to advertising sales. This edition takes up the topic of media buying—the challenges buyers face today as compared to 20 years ago, as well as the direction in which the discipline is headed. A lot has changed during this time, and much has stayed the same.

To explore this topic, we spoke with three experienced and respected media buyers: Richard Anderson, Senior Vice President, Managing Director, Universal McCann; Pam McNeely, Senior Vice President and Group Media Director, Dailey & Associates; and Kevin Brown, Managing Director, Ford Motor Media.

More Options...Less Time

Q: *Let's start with a wide open question: How has media buying changed over the past 20 years, and have these changes made the process better or worse?*

Brown: When I came into the business, you took a look at Nielsen and did your HUTS and PUTS ("Households Using Television" and "People Using Television") manually. Today, it's all programmed into the system. You punch the numbers into the computer, and the computer says here's the solution. Back then, you were forced to understand the underpinnings in planning and buying, and how to position the information you found. It was a lot more visceral then, with more negotiation, more dialogue between the buyer and seller, and collaboration on the end result. Now an RFP goes out and the ideas come back by e-mail. You funnel it into the system,

and there's not as much give and take. Of course, today's speed of decision-making couldn't live within the old system. There is no luxury of time.

McNeely: In "the old days" we did our flow charts by hand, and you had more time to think and compose yourself and your strategy, and now you just don't have the time to sit and talk about your business for an hour. It is much more difficult now to keep abreast of changes in the media world. That's a full-time job in itself. The client cannot always get the thought process they deserve. But we still benefit from the way we did business in the past. We built trust and partnerships that were phenomenal, and there are friendships that have lasted 20 years.

Anderson: There is more diversity now and a fragmentation of choices. The day-to-day business of planning and buying is more complicated because it takes so much more to surround the target than when there were three networks and cable hit less than 50% of the households. Online is now a formidable medium—especially with the arrival of broadband, which gives advertisers greater opportunity to really use it to the fullest. It is very different today than five years ago, not to mention 20 years ago.

Multimedia and Micro-Targeting

Q: *How has the emergence of multimedia buying opportunities affected purchasing decisions?*

Anderson: What separates great buyers from good buyers is their understanding of the media landscape and where their client fits in—not just to be a good negotiator but to understand the market strategy of the client. Today, buyers need to think holistically without falling into the "silos" trap. Multimedia has led to micro-targeting. Once you get past the Super Bowl and *American Idol* and a few season finales, there are fewer mass plays out there. Today,

we have more integrated packages. It's really the sum of the parts that gets the true impact of the plan.

McNeely: So few multimedia deals are done well. ABC and ESPN do it well. They work hard to centralize their reps so they are nimble and only bring what resonates with the client. The placemat approach with the logos all over the mat and the salesperson pointing and saying, "What would you like?", just doesn't work any more. We like to feel the presentations are custom done for us. From this perspective, it's not a disadvantage to be a lone book. We bought *Yoga Journal* because, in the end, it all comes down to this: just bring us valuable vehicles.

Brown: In the context of multimedia, which is really all about big brands, if you are a single print product you just have to work a little more to make the brand bigger. It can be harder to get resonance with a planner and from this comes the importance of relationship.

Name Game vs. Numbers Game

Q: *In this numbers-driven world, are relationships as important as they were in the past? From the seller's perspective, is it better for buyers to know your numbers or your name?*

Brown: To me, what makes a shop stand out is its ability to work relationships. You compete for ideas, inventory, and all kinds of brand integration; and unless you have deep relations with the vendors, you won't be able to work these out. We are searching for an edge, and we need to create rapport wherever we can. From the seller's side, they are trying to generate business and want to make it work; so they need someone who is receptive to their message. This receptivity is something that sometimes has to be cultivated over time.

Anderson: The old school principles still apply. You need good listeners on your

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staff; excellent negotiators with solid people skills. Value-added is critical. The deal comes down to a healthy rate negotiation, plus value-added. We usually have enough information to know what a good rate is. So that puts more attention on value-added. What is their unique deliverable? We need access to that unique deliverable.

McNeely: We have solid relationships with the reps. We return all calls, send “thank-you’s” for all gifts, and for anyone who doesn’t get on the schedule, we give them three business reasons why not. They have to tell their publisher why they didn’t make it, and we give them our reasons. Also, everyone in our group then has the same answer, and the reps aren’t hearing different things from different people. As far as numbers, it depends on what you’re advertising. If it’s more of a commodity product, and you need to go for reach, then that is a numbers game and a CPM game. But for the high-end luxury or image products, we throw the numbers out. We figure who is in play and then we look at the whole package—the positioning, the added-value and any cool ideas.

Value-Added—How to Get ‘The Big Idea’ in the Mix

Q: *What makes value-added valuable, and how do the ‘Big Ideas’ get done?*

McNeely: Value-added is a conundrum. The reps often don’t realize how important it is, and then, on the other side, the clients will leave it on the table. The clients don’t have people to implement the ideas. “Turnkey” is a worn-out word, but unless the idea is so good—and most ideas are middling—a client isn’t going to dedicate the resources to get it done. A good salesperson knows when to call. If an idea or issue is appropriate to my strategies—not cookie cutter—we’ll pursue it. We need to work proactively for client interests. To get started, send me a short e-mail. Sometimes I get a ten-minute voice mail. That’s not good. Summarize your idea first, sell me later.

Anderson: In my job, at my level, I am looking for emerging ideas, working with major partners on marketing synergies. A good salesperson needs to understand my client and category, and figure out where they can do better for us. For example,

Esquire has an apartment in L.A. where I can place upscale electronics and get great PR. But, getting back to relationships, I need to have a relationship with *Esquire* to get this done. So it all comes full circle.

Brown: The value-added concept alone has significantly changed the magazine world. If added-value isn’t good enough, you might not get on the schedule in the magazine world. Value-added has taken the eye off editorial and the ability to sell editorial and audience, and put the focus on extended media opportunities brought to the buyer. Then there is the “Big Idea” thing, trying to find a breakthrough idea between the client and the agency. Magazines are worried about “How do I make my brand bigger?” Often, value-added has to answer that question.

What Works?

Q: *What’s going on out there that you like—what works for you?*

Anderson: I like the current MPA campaign on the value of print and think it is long overdue. For the print industry, that is the one area of differentiation—the relationship of the reader with the magazine and the level of engagement. The MPA ads speak to my own thoughts on the rationale for including print on the schedule.

Brown: For me, what works is a person who has taken an interest in what we’re doing, shows a genuine interest in how they can solve problems for me. Someone who will roll up their sleeves and work it through on their end like I am on my end.

McNeely: I think the association magazine networks are a good idea. It’s all about creating a critical mass of the professional class, and it lets you target qualified prospects you wouldn’t have thought of otherwise—like doctors, lawyers or accountants.

This interview was conducted by Celia Currin and Stephen Strager of BenchStrength Marketing.

ELLIOTT COMPANY NEWSWIRE

The New York office of the Elliott Company has moved to a larger space at the same address—135 E. 55th St., New York, NY 10022. Formerly on the 7th floor, the new offices are now on the 5th. The phone number remains the same: 212-588-9200.

ACCOUNTS

The Reserve Officers Association of the United States has retained the Elliott Company to handle national advertising sales for *The Officer* magazine.

Hammock Publishing Company has hired the Elliott Company to represent *Ride PWC Magazine* for ad sales throughout the U.S. Hammock publishes the magazine on behalf of the American Watercraft Association. Hammock had previously appointed the Elliott Company to represent another of its magazines, *MyBusiness*, the member publication of the National Federation of Independent Business.

PEOPLE

Kristen Weber has joined the staff of the Chicago office as a marketing assistant. She previously worked in marketing and research for Adams Business Media. Kristen is a graduate of Western Michigan University and earned her Masters degree at Guildhall University, London, England.

Melissa Martinez has joined the New York staff as a sales assistant. She is a graduate of St. John’s University. Previously, Melissa held a similar position at the Fox Network.

Shane Redsar has taken the position of sales assistant/customer service rep in the Los Angeles office. He was previously in the accounting department at iPowerWeb. Shane is a graduate of the University of Southern California.

Elliot Gluskin is the new head of the research department at the Elliott Company. Over the years, he’s held research management positions with Meredith, Playboy Enterprises and Rodale. Elliot is a past President of the Media Research Directors Association, and has been a member of the MPA Research Committee.

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