

# **MEDIA MANAGEMENT**

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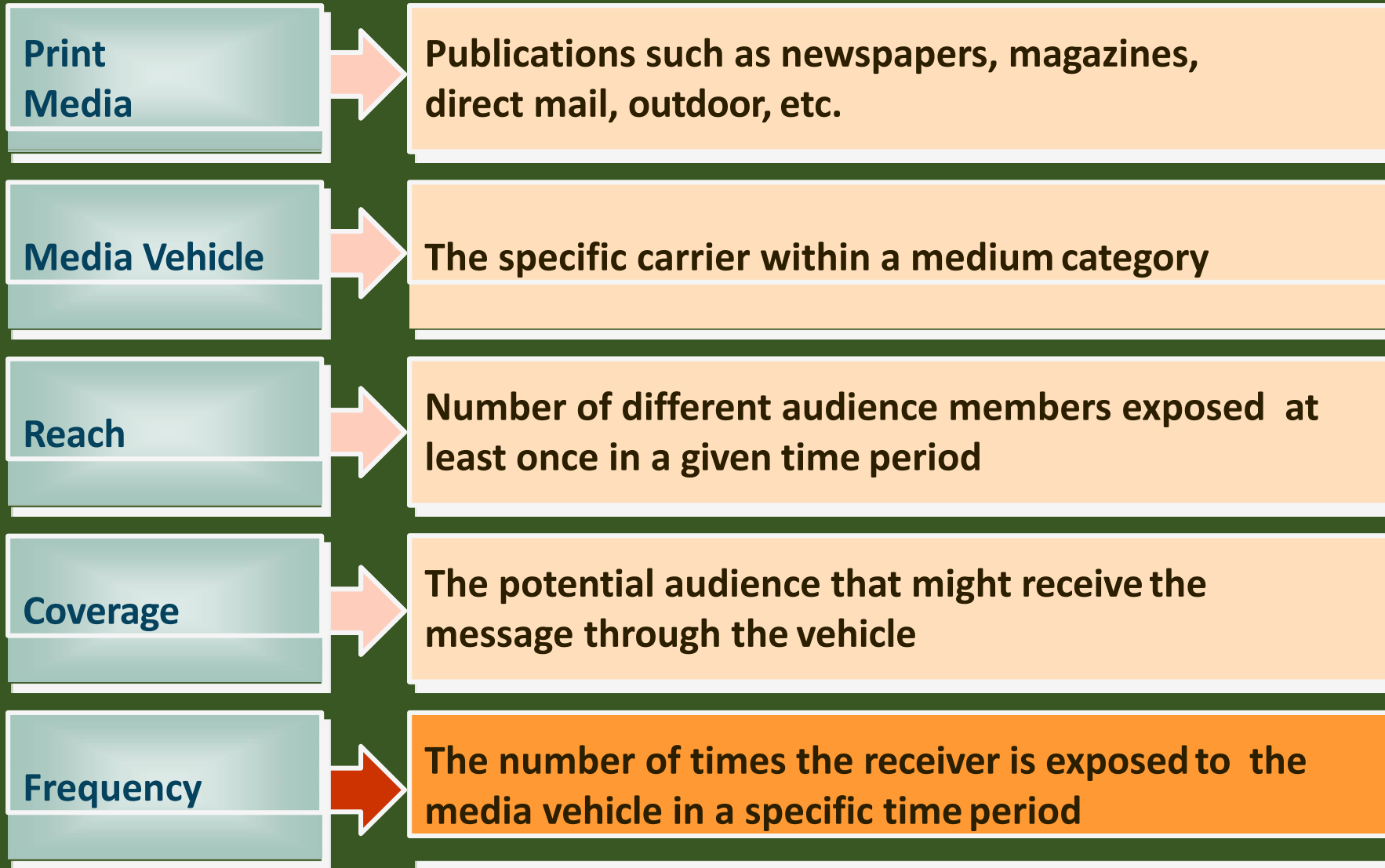
# Media Management

- **Media planning:** The series of decisions involved in delivering the message to the target audience.
- **Media plan:** The actual document detailing media planning decisions.
- **Media objectives:** Objectives of media plan.
- **Media strategies:** action plans to reach objectives.
- **Medium:** channel such as print, broadcast.
- **Media vehicle:** Specific carrier in a media category (television, magazines).

# Media Terminology



# Media Terminology



# Types of Media

# Newspaper

## Advantages

- High readership
- Relatively cheap
- Timely
- Easily changed

## Disadvantages

- Wasted circulation
- Short life span
- Less appealing format

# Magazine

## Advantages

- Know your audience
- Higher print quality
- Longer life span
- Variety of formats

## Disadvantages

- More expensive
- Longer deadlines

# Direct Mail

## Advantages

- Selective about receivers
- Control timing
- Wide variety of formats

## Disadvantages

- Low level of response
- “junk mail”
- Dated customer lists
- Higher costs

# Directory

- Relatively inexpensive
- Found in 98% of households
- Kept
- Can't adjust or change until next year

# Outdoor

- Nonstandardized
  - Used by local firms at their place or in other locations
  - Pay rent to owners
- Standardized (*posters, painted bulletins, and spectaculars*)
  - Billboards
  - Placed near highly travels roads
  - Owned by an ad company

# Transit

- Uses public transportation
- Includes
  - Business and commuter trains
  - Taxis and buses
  - Located in railroad, bus, or airplane terminals



# Broadcast Media

- TV
- Radio

People spend:

- 10 years watching TV
- 6 years listening to radio

There are:

- Approximately 10,000 radio stations
- 11,600 Cable channels

# TV Advertising

- Communicate with sound, action, and color
- Prime time 8-11
- 30 or 60 second spots

## Advantages

- Directed at an audience
- Can be adapted

## Disadvantages

- high costs
- many leave room

# Radio Advertisement

- Reaches 96% of people over 12
- Wide audience
- Best during “Drive Time”
- 15,30, or 60 second ads

- | • Adv            | Disadv                  |
|------------------|-------------------------|
| • Wide audience  | lack visual involvement |
| • Easily changed | short life span         |
| • mobile         |                         |

# Online Advertisements

- Small part of advertisement budget but growing up
- Types
  - Banner
  - Pop Ups

## Advantages

- Easily counted

## Disadvantages

considered annoying



## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Types	Unit of Sale	Factors Affecting Rates
<b>Newspaper</b>	Morning Evening Sunday Sunday supplement Weekly Special	Agate lines Column inches Counted words Printed lines	Volume and frequency discounts Number of colors Position charges for preferred and guaranteed positions Circulation level Ad size
<b>Magazine</b>	Consumer Business Farm Regional	Pages Partial pages Column inches	Circulation level; Cost of publishing Type of audience; Volume discounts Frequency discounts Size of advertisement Position of advertisement (covers) Number of colors; Regional issues
<b>Direct mail</b>	Letters; catalogs; price lists; calendars; brochures; coupons; circulars; newsletters; postcards; booklets; broadsides; samplers	Not applicable	Cost of mailing lists Postage Production costs

## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Cost Comparison Indicator	Advantages	Disadvantages
<b>Newspaper</b>	Milline rate = Cost per agate line $\times$ 1,000,000 divided by circulation	Reaches large audience; purchased to be read; national geographic flexibility; short lead time; frequent publication; favorable for cooperative advertising; merchandising services	Not selective for socioeconomic groups; short life; limited reproduction capabilities; large advertising volume limits exposure to any one advertisement
<b>Magazine</b>	Cost per thousand (CPM) = Cost per page $\times$ 1,000 divided by circulation	Demographic selectivity; good reproduction; long life; prestige; geographic selectivity when regional issues are available; read in leisurely manner	High absolute dollar cost; long lead time
<b>Direct mail</b>	Cost per contact	Little wasted circulation; highly selective; circulation controlled by advertiser; few distractions; personal; stimulates actions; use of novelty; relatively easy to measure performance; hidden from competitors	Expensive; no editorial matter to attract readers; considered junk mail by many; criticized as invasion of privacy

## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Types	Unit of Sale	Factors Affecting Rates
<b>Radio</b>	AM FM	Programs: sole sponsor, co-sponsor, participative sponsor Spots: 5, 10, 20, 30, 60 seconds	Time of day Audience size Length of spot or program Volume and frequency discounts
<b>Television</b>	Network Local Cable	Programs: sole sponsor, co-sponsor, participative sponsor Spots: 5, 10, 15, 30, 60 seconds	Time of day Length of program Length of spot Volume and frequency discounts Audience size
<b>Internet</b>	Websites Banners; Buttons Sponsorships Pop-ups; Interstitials Classified ads	Not applicable	Length of time Complexity Type of audience Keywords Continuity



## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Cost Comparison Indicator	Advantages	Disadvantages
<b>Radio</b>	Cost per thousand (CPM) = Cost per minute × 1,000 divided by audience size	Reaches 95% of consumers age 12 and older; highly mobile; low-cost broadcast medium; message can be quickly changed; geo- graphic selectivity; demographic selectivity	Provides only audio message; short life of message; listeners' attention limited because of other activities while listening
<b>Television</b>	Cost per thousand (CPM) = Cost per minute × 1,000 divided by audience size	Reaches large audience; low cost per exposure; uses audio and video; highly visible; high prestige; geographic and demographic selectivity	High dollar costs; highly perishable message; size of audience not guaran- teed; amount of prime time limited
<b>Internet</b>	Cost per thousand or by the number of click-throughs	Immediate response; potential to reach a precisely targeted audience; ability to track customers and build databases; very interactive medium	Costs of precise targeting are high; inappropriate ad placement; effects difficult to measure; concerns about security and privacy



## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Types	Unit of Sale	Factors Affecting Rates
<b>Inside transit</b>	Buses Subways	Full, half, and quarter showings sold on monthly basis	Number of riders Multiple-month discounts Production costs Position
<b>Outside transit</b>	Buses Taxicabs	Full, half, and quarter showings; space also rented on per-unit basis	Number of advertisements Position; Size
<b>Outdoor</b>	Papered posters Painted displays Spectaculars	Papered posters; sold on monthly basis in multiples called "showings" Painted displays and spectaculars; sold on per-unit basis	Length of time purchased Land rental Cost of production Intensity of traffic Frequency and continuity discounts Location

## Characteristics, Advantages, and Disadvantages of Major Advertising Media

Medium	Cost Comparison Indicator	Advantages	Disadvantages
Inside transit	Cost per thousand riders	Low cost; "captive" audience; geographic selectivity	Does not reach many professional persons; does not secure quick results
Outside transit	Cost per thousand exposures	Low cost; geographic selectivity; reaches broad, diverse audience	Lacks demographic selectivity; does not have high impact on readers
Outdoor	No standard indicator	Allows for repetition; low cost; message can be placed close to point of sale; geographic selectivity; operable 24 hours a day	Message must be short and simple; no demographic selectivity; seldom attracts readers' full attention; criticized as traffic hazard and blight on countryside

Sources: William F. Arens, *Contemporary Advertising* (Burr Ridge, IL: Irwin/McGraw-Hill, 2002); George E. Belch and Michael Belch, *Advertising and Promotion* (Burr Ridge, IL: Irwin/McGraw-Hill, 2001).

## Specialty Media

Specialty media are relatively inexpensive, useful items with an advertiser's name printed on them. Successful specialty media include bottle openers, calendars, magnets, pens and pencils, memo pads, and key chains.

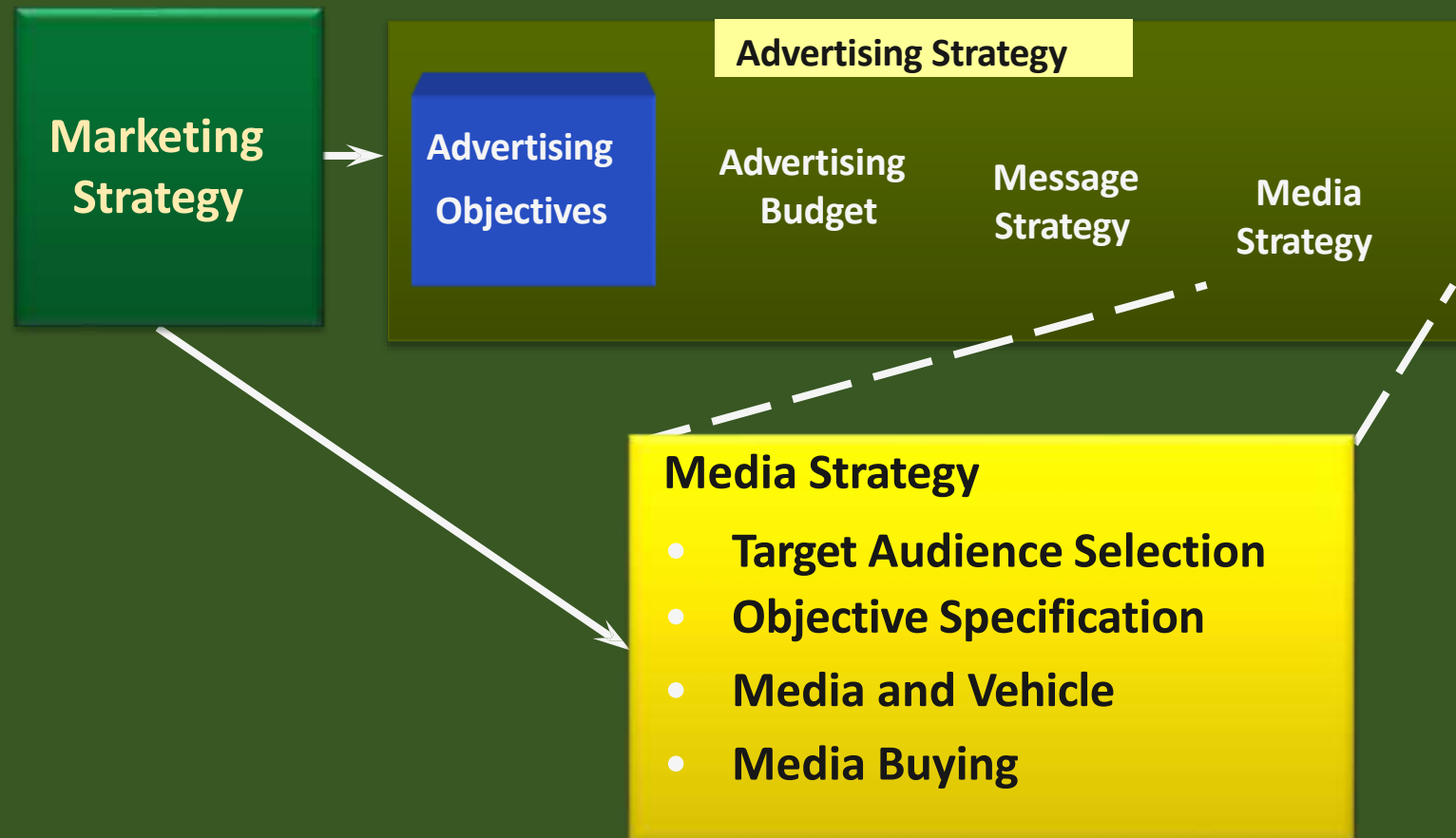
# Media Planning

# Media Planning Defined

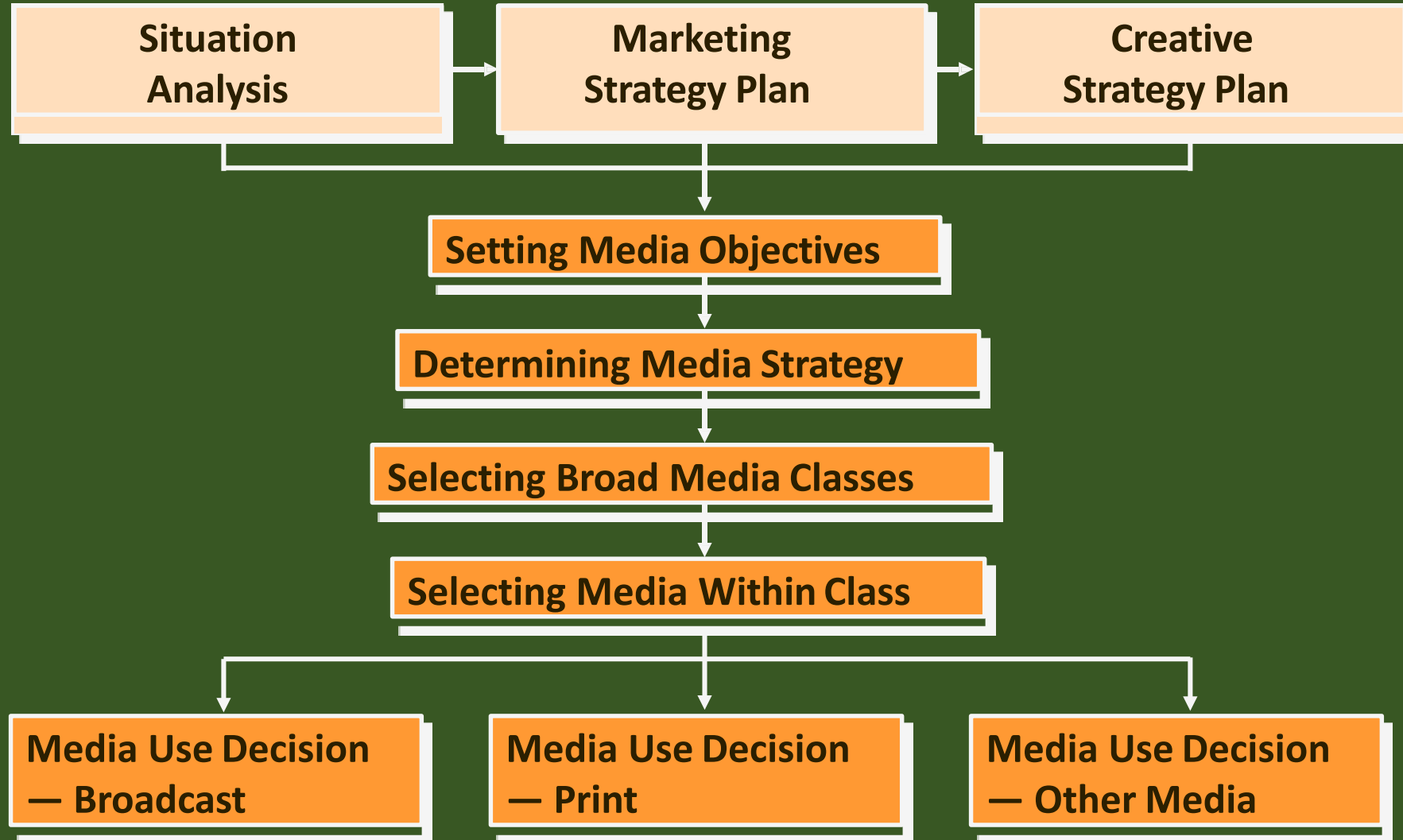
- Media planning can be defined as:
  - Finding ways of reaching the right number of appropriate people;
  - the right number of times;
  - at the best time and place;
  - with the right advertisement;
  - at minimum cost;
  - to achieve the brand's/service's objectives
- The role of media planning is crucial to the effective expenditure of approximately R6 billion in advertising annually

# The Media-Planning Process

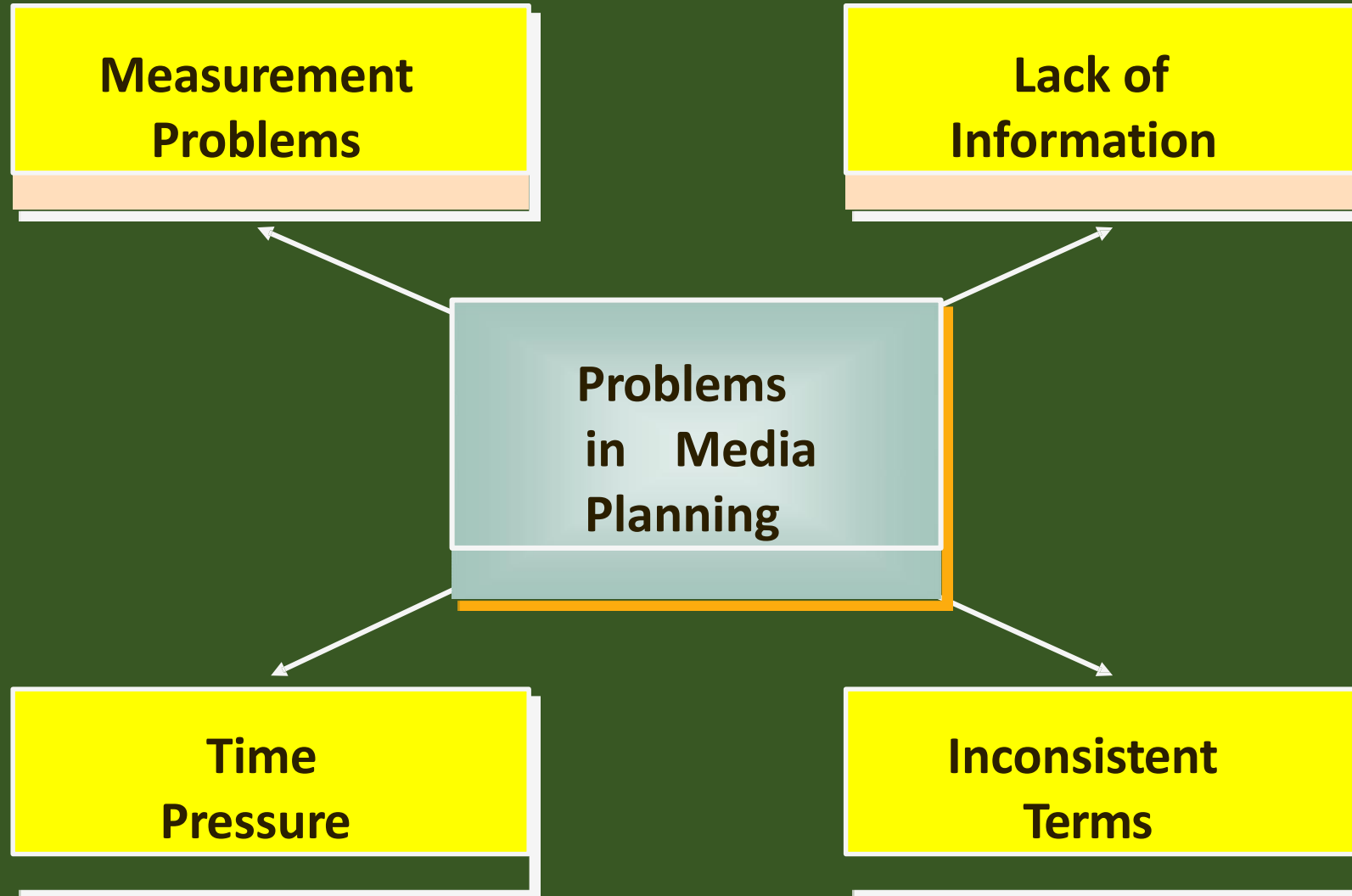
**Media planning:** The design of a strategy that shows how investments in advertising time and space will contribute to the achievement of marketing objectives.



# Developing the Media Plan



# Media Planning Difficulties



# Developing the Media Plan

Analyze the Market

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graph TD; A[Analyze the Market] --> B[Establish Media Objectives]; B --> C[Develop Media Strategy]; C --> D[Implement Media Strategy]; D --> E[Evaluate Performance];
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Establish Media Objectives

Develop Media Strategy

Implement Media Strategy

Evaluate Performance



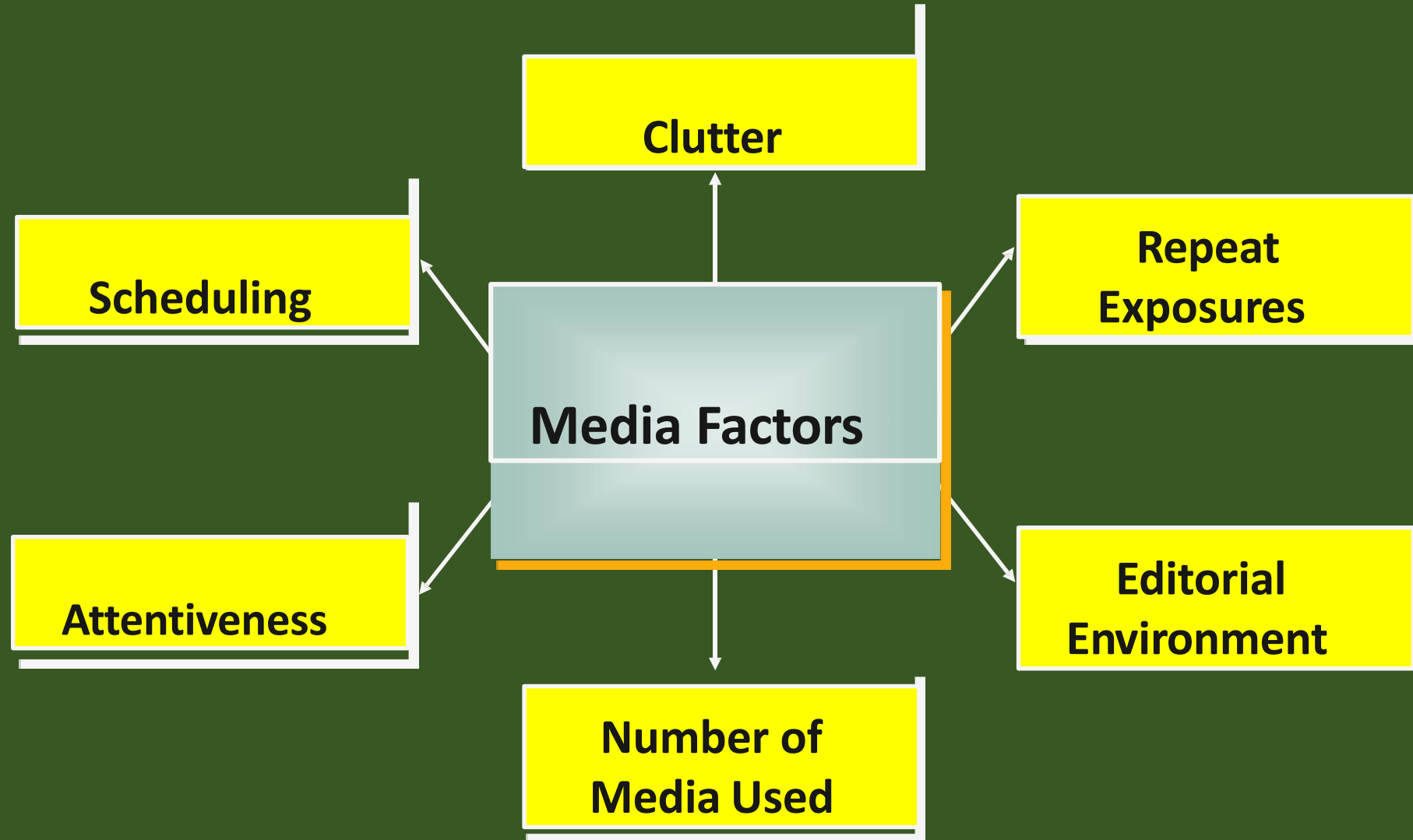
# Setting Media Objectives

# Setting Media Objectives

- The Media Target
- Media Coverage and Delivery
  - Media Coverage
  - Media Delivery
  - Optimization or Balance



# Media Factors Determining Frequency



# Media Strategy

# The Development of the Media Strategy

The media Strategy Contains five basic elements:

Target Audience

**WHO**

Geographic Spending

**WHERE**

Scheduling

**WHEN**

Creative Considerations

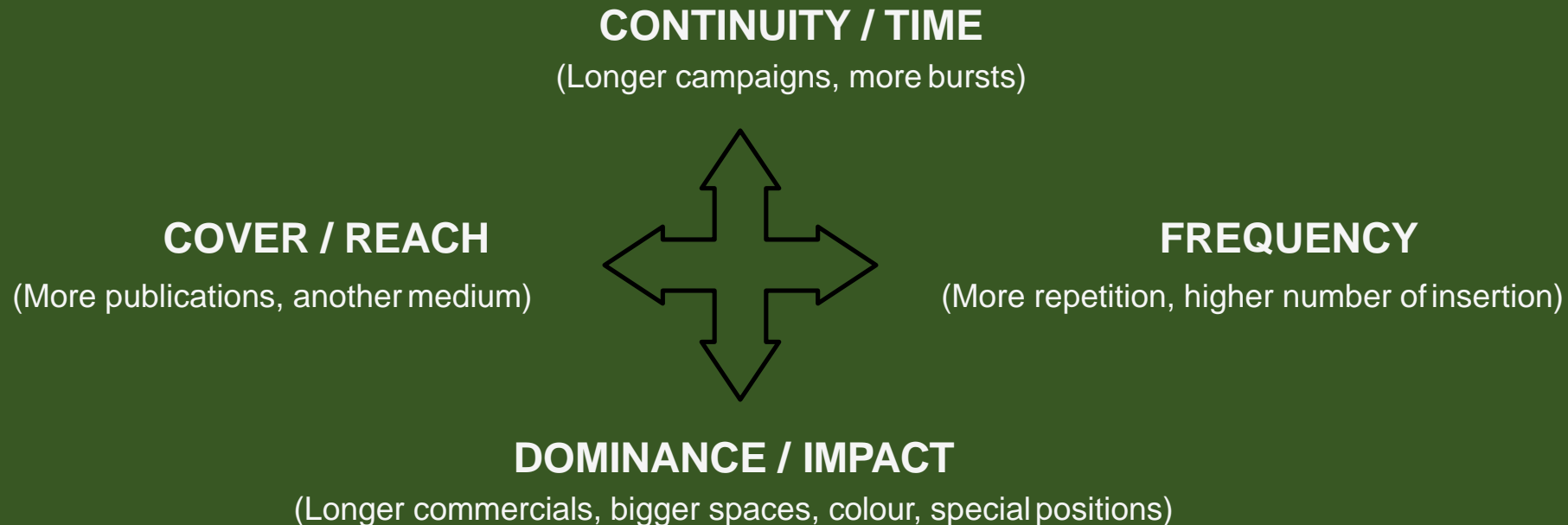
**WHAT HOW**

Media Weight / Delivery

**MUCH**

# The Development of the Media Strategy

- Always involves a series of trade-offs
- The decision made for each element has a “price tag”
- Trade-offs or compromises will be necessary
- The skill of media planning is to achieve the best balance of these dimensions relative to the campaign objectives



# Deciding Media Strategies

- Offensive or Defensive Approach
- Setting a Media Budget
- Strategies to Accomplish the Objective

## Offensive or Defensive Approach

- Defensive as in protection of the current business
- Offensive as in opportunistic
- In Reference to ALL strategic decisions

## Setting a Media Budget

- Objective/Task
- Affordability
- Percentage of Sales

# Strategies to Accomplish the Objective

- **Scheduling:** Continuity, Pulsing, Flighting
- **Specific Geography:** Where in the region
- **The Media Mix**
  - The Audience/Media Relationship
    - Media functionality
    - Consumer involvement
  - Availability of Resources
    - Time
      - Time to make the advertisement
      - Time to execute the placement
    - Money
      - Cost to make the advertisement
      - Cost to place the advertisement
  - Geographic Emphasis



# Choosing the Media Mix

## Discriminating Factors

- Effectiveness
  - Audience use of the media
  - Audience coverage of the media
- Efficiency
  - Costs per thousand audience
  - Costs per delivered rating point

# Charting the Tactical Plan

- The Media Flowchart Shows
  - Media used
  - Message/insertion timing
  - Costs by media
- You Can Make a Flowchart
  - Media planning software
  - Project planning software
  - Excel spreadsheet

# Media Research

# Market Research: How do you find this stuff?

- Primary Research
  - Store or customer research
  - Media research
- Secondary Research
  - Government reports
  - Industry reports
  - Syndicated research

## Primary Research Locally

- Surveys
- Focus Groups
- Mall Intercept questionnaires
- One-on-one Interviews

## Secondary Research Locally

- Government Reports
  - Chamber of Commerce research
  - Survey of Buying Power
  - US Census data
  - Government Studies
  - Statistical Abstract

# Secondary Research Locally

- Industry Reports
  - Trade magazines
  - Trade associations
  - Specialized reports
- Syndicated Research
  - Donnelly Demographics
  - Regional/Market studies by Nielsen, Arbitron, Scarborough
  - CD-ROM databases
  - Published media reports
    - Media associations
    - Media services like SRDS

# Media Buying

# Media Buying

- Buying is a complicated process
- The American Association of Advertising Agencies (AAAA) lists no fewer than 21 elements in the authorization for a media buy

## Selecting Media Vehicles

- Choose the best vehicles that fit the target audience's aperture
- The media planner lays out the direction; the buyer is responsible for choosing specific vehicles

## Providing inside info

- Media buyers are important information sources for media planners
- Close enough to day-to-day changes in media popularity and pricing to be a constant source of inside information

## Negotiation

- Media buyers pursue special advantages for clients
- Locate the desired vehicles and negotiate and maintain satisfactory schedule and rates



### Preferred Positions

- Locations in print media that offer readership advantages
- Preferred positions often carry a premium surcharge

### Billing and Payment

- It is the responsibility of the advertiser to make payments to various media
- The agency is contractually obligated to pay the invoice on behalf of the client

### Extra Support Offers

- Value-added media services
  - Contests
  - Special events
  - Merchandising space at stores
  - Displays
  - Trade-directed newsletters

### Monitoring the Buy

- The media buyer tracks the performance of the media plan as it is implemented, as well as afterward
- Poorly performing vehicles must be replaced or costs must be modified