

Company News

The Elliott Co. has assumed responsibility for advertising representation for **MarketFolly.com**, a website popular with hedge fund managers because of its analysis and tracking of hedge performance. Market Folly also publishes an original quarterly newsletter, Hedge Fund Wisdom.

Steven Kinzler has joined the Elliott Co. as Western Account Manager following many years at *The Wall Street Journal* and *Los Angeles Daily News*.

MinOnline Sales Workshop
Jim Elliott will be one of four speakers at the Workshop to be held **March 12, 2014** at the **Yale Club, NYC**. Details available at http://www.minonline.com/salesworkshop_March2014/

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How Agencies Plan and Buy Today

Kantar Media SRDS & James G. Elliott Study: First in a Series

President's Letter

by Jim Elliott

We are very excited to introduce the results of market research designed to help people with responsibilities for advertising sales better understand and meet the information needs of media planners and buyers at agencies today. The first study was conducted jointly by Kantar Media SRDS & the James G. Elliott Co., Inc. in the fourth quarter of 2013, and follow-up studies are in progress. We believe that the insights gained will have a big impact on sellers and buyers alike, as well as advertisers.

SRDS was a perfect partner to conduct this research, because their online services and printed books provide basic media rate and data service for all major magazines. All major agencies use SRDS when they begin to evaluate magazines. To our knowledge, it is the first study to approach media planners and buyers directly, through their own individual email addresses. The questionnaire and methodology were designed by Susan Weiss, Research Director of the Elliott Co., and Angie Wright, Research & Analytics Director, SRDS.

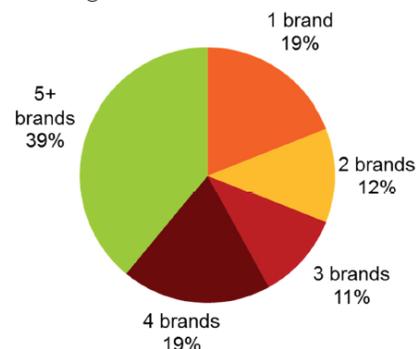
Having served more than 250 publications in a wide variety of markets over 30 years, Elliott Co. salespeople have observed a sea change in the way planners and buyers work, which has affected how sales are made. Historically, leisurely relationship-building entertainment and thoughtful deliberation were customary. Today, buyers are so frazzled and frantic that sellers are often required on very short notice to provide major proposals to planners and buyers the sellers may have met only once or twice, if ever.

These days it is very tough for a salesperson to get a planner or buyer out to lunch more than once a year. Why? The workload carried by media planners and buyers is staggering. In



NUMBER OF BRANDS WORKED ON

On average, respondents work on 5 brands with over half (58%) working on 4 or more.



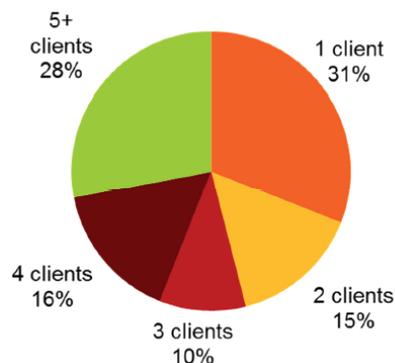
the 1970s and '80s, there were armies of media people. Most were available to discuss good ideas whenever they arose. Media people cultivated relationships with salespeople because they were essential links in the information supply chain. Lunches and dinners were welcome diversions; opportunities to build knowledge, foster connections, and enjoy getting away from the office.

Now, there is no time to develop more than the most casual relationships. Far fewer people have far more responsibility to evaluate, recommend and buy media. Very few people are available to evaluate and buy print, television and radio, not to mention new digital, social and mobile media. Here's what the study found:

- No longer limited to broadcast and print, planners and buyers are faced with a dizzying array of media choices, incorporating emerging technologies in tandem with traditional media, even as their responsibilities increase: on average, respondents recommended or purchased \$19.4 million dollars of advertising.

NUMBER OF CLIENTS WORKED ON

On average, respondents work on 4 clients with over half of respondents (54%) working on 3 or more.



- More than half (54%) have media planning and buying responsibilities for three or more clients.
- On average, planners and buyers work on 5 brands.
- Half of respondents always use RFPs: 82% use them always or often in the planning/buying process and 78% rate their importance as extremely or very important.
- The majority who use RFPs (90%) typically allow 10 workdays or less for completion, with 40% allowing only 1 to 5 workdays.

This is the first in a series of articles to present our findings. We look forward to sharing more findings in upcoming issues of *Ads & Ideas*. You may request a copy of the report at www.jamesgelliott.com/news.

Out of Sight, Out of Mind

by Craig Miller

In an interview conducted by James Fallows of *The Atlantic*, productivity expert David Allen of GTD fame made a comment that has broad implications for all of us in the magazine world. Speaking of his reasons for keeping real, on-paper notes, he says, “The problem with all this digital stuff is ‘out of sight, out of mind.’ That’s the bad news about the computer and why low-tech is oftentimes better—because it’s in your face. I know quite a number of people, high-tech people, who have gone back to paper-based planners and lists because it’s much more evident, and it doesn’t sort of go away and you [don’t] go numb to it, which you can very easily do on the computer.”

I think this is analogous to magazines. Magazines we want to read are a lot like a “to-do” list. The easier they are to file away, the easier they will be to ignore. That’s the great thing about a physical object like a printed magazine. It’s right there, in the

way, until we take action and either read it, file it, or decide to throw it away.

Printed pages have a way of raising the psychological cost of discarding. I am probably not the only person who has kept a magazine to read later because something caught my eye as I was in the process of pitching it out. An image, an ad, a headline: something snared my attention. That’s usually not the case with digital files. If the subject line or the title doesn’t grab me, it’s gone.

The persistence of printed material can be a huge advantage to advertisers, especially advertisers in enthusiast publications where readers are likely to linger over images that interest them: boats, horses, fashion, food, exotic locations. Those images don’t need to be approached through a device that must be powered up, because print is always “on.”

Magazine Strengths What is the Job To Be Done?

by Jim Elliott

Talking with publishing executives, I keep hearing encouraging comments about their businesses. Many have remarked that magazines don’t seem to be under a cloud, as they were not so long ago. Remember “print is dead?” We almost never hear this anymore. To be sure, some individual magazines are sick, for a variety of reasons, and some categories are in trouble, but everyone realizes now that there are bright spots. Whole categories are thriving.

Less often now, critics of magazines find a weakness in one publishing segment and generalize it to all magazines, or attribute problems caused by changing conditions in one market to the printed format. The format may have nothing to do with current business problems if the market has dried up.

There are some things that magazines can do better than any other product. It’s a long list, pick your favorites. Magazines are trusted. Printed magazines have physical presence that cannot be ignored. They often look great, and print can be read without any technological devices but a little light.

I believe that Prof. Clayton Christensen of Harvard University has the right idea. His powerful method for analyzing products is based on the simple concept that we need to understand what job a buyer is trying to do by “hiring” a product before we can really understand the purchase. He quotes Peter Drucker’s remark that “the customer rarely buys what the company thinks it is selling him.” It is very easy to misunderstand the motivation.

For example, take news. A reader whose “job to be done” is to ensure he or she doesn’t miss important news used to

follow a predictable pattern. The reader would scan the daily newspaper or watch television news every day, and read at least one weekly newsmagazine. But today, with news instantly available not only through Internet newsfeeds but also Google Alerts and other sources including social media, nobody needs to wait for the daily paper. They certainly do not need to wait for a newsweekly. Now, most people consume newspapers, television news and newsweeklies for very different reasons than just a few years ago. Some papers are making a comeback by emphasizing their unique role as the voice of a community.

But magazine buyers have many more reasons to devote time and money to magazines than just to find out the news. They may love to peruse the luxuriously printed pages of gorgeous fashion magazines, or enjoy in-depth stories of life-changing adventures. Some want to see the latest in mountain-climbing gear. Others look forward to sharing motorcycle rides into the sunset. The point is that the “job to be done” is defined by each reader, and some magazines are still the very best way a particular reader can scratch a very specific itch.

With the unique advantages of magazines, it is crucial that publishers do not throw obstacles in the way of the readers. Because of the financial morass of the past few years, many publishers have turned to digital distribution to cut costs. Some put their financial interests above the interests and preferences of their readers.

Bill Lane, who was the publisher of *Sunset*, one of the best magazines ever published in my opinion, once commented that peace and quiet may be one of our competitive advantages for magazines as long as we show this quality as a springboard for action. Mr. Lane wrote that in the 1960s, before anyone foresaw the frenetic development of digital media. I believe that printed magazines provide the tranquil respite we need for thoughtful preparation for action better than most of the alternatives, most of the time. At least, they do for me and my “jobs to be done.”

Sync Your Analog and Digital Workspaces

Moleskine has introduced an interesting new product that works with the Evernote mobile app for iOS. This combines the convenience of analog handwriting with the versatility of digital. The user fills a special Moleskine Evernote Smart Ruled Notebook with ideas and sketches, and then takes a photo of any page with Evernote’s Page Camera feature. Everything on the page instantly becomes digital so the user can save it, search it, and share it. Your notes, with you forever! Voilà! <http://bit.ly/1iTBaDY>