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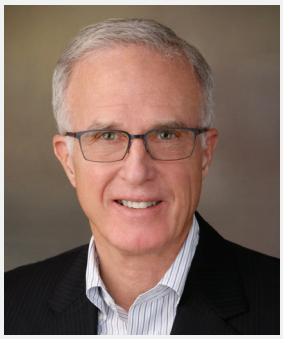
Media Buyers are Busier Than Ever, and Their Focus on Digital is Increasing

THE 2019 SURVEY OF MEDIA PLANNING & BUYING

PRESENTED BY: KANTAR MEDIA SRDS Media Planning Platform | JAMES G. ELLIOTT CO.,INC. MEDIA SALES • MARKETING • RESEARCH | ADWANTED.COM

President's Note



The advertising industry has experienced unprecedented disruption. Search and social platforms are valuable distribution channels, but they've concentrated massive amounts of ad revenue in the hands of just a few companies. The Facebook/Google duopoly alone accounts for close to 60% of digital ad spend.

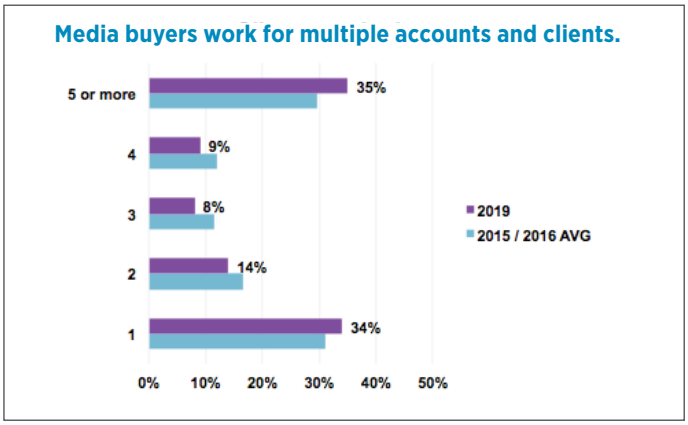
Social media and news-aggregation apps have transformed the content consumption patterns that long sustained media brands. Now, instead of fully engaging one-on-one with their favorite magazines and newspapers, people snack on stories from among clusters of media brands via Apple News, Google News, Twitter and the like. Or they follow their favorite brands via social platforms—once removed, effectively—and the platforms gain much of the behavioral intelligence that's gathered, along with the ad revenue.

Here's the good news. We've just completed our third survey of advertising buyers and one thing remains crystal clear: Media brands are still essential to agency buyers. Opportunity abounds for media companies that adjust to the new ecosystem. We're pleased to share these findings with the Ads&IDEAS audience.

The ad sales business is rapidly evolving, with media platforms proliferating and campaigns getting more complex and more automated, a comprehensive new survey indicates. For sellers—especially magazine-company sales professionals—there's a widening divergence between how they see the process and how agency planners and buyers see the same things.

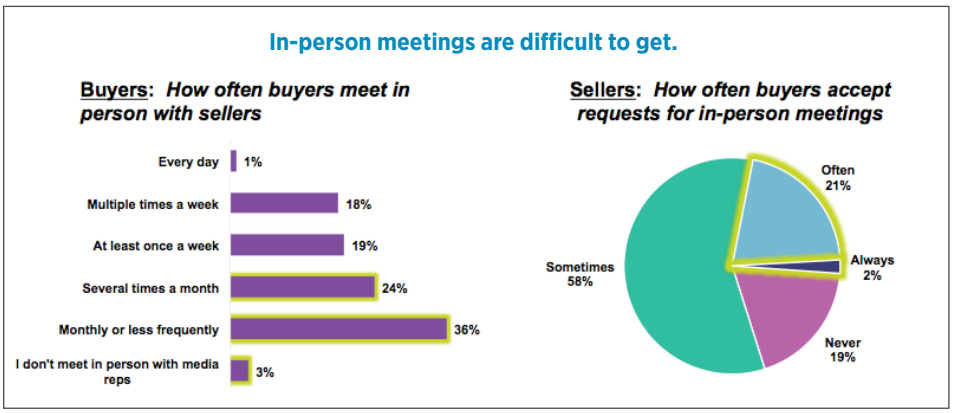
This pattern has existed at least a half decade, but it has accelerated over the last four years, according to research conducted this year by Kantar SRDS and the James G. Elliott Co. The 2019 research builds on similar studies from 2015 and 2016. The two firms were joined this year by the Adwanted Group.

One major finding from this year's survey that's consistent with the two prior ones is that media buyers are increasingly busy, with many working on five or more accounts simultaneously. Thirty-five percent of respondents work for five or more clients, and 42% work for five or more brands. This extends and slightly intensifies a pattern that was also present in 2016 and 2015. The takeaway is that sellers looking to spend quality time with an experienced planner or buyer might be in for a rude awakening.



"The days of relationship selling and personal interaction with planners and buyers are largely over," says Jim Elliott, president of the James G. Elliott Co., Inc. and Ads&IDEAS. "Media companies have to adapt, and there are effective ways to do that."

Meanwhile (and not surprisingly) the survey quantifies that agency planners and buyers function in an



increasingly complex ecosystem, and are focused on channels far beyond print, including digital, radio, TV, newspapers, direct marketing and more.

The Rise of Digital Advertising

In the context of this fast-moving ecosystem, the shift from print to digital is apparent. An average of the 2015-2016 results shows that planners and buyers were more focused on consumer and B2B magazines than they are now, even as digital was the main focus of planners and buyers from among nine distinct channels. While digital remains the main concentration, the focus on consumer magazines has declined from nearly 75% of respondents in 2015-2016 to just above 60% this year. B2B has seen a similar slide—from slightly more than 50% four years ago to the mid-30% range this in 2019.

The survey quantifies another critical point. Everyone, both buyer and seller, has a hand in digital on a daily basis. On the buyer side, according to the survey, 85% of respondents are planning or buying digital media. Even more, 96% are buying at least some programmatic. And 93% rely on trading desks or digital teams. On the seller side, 74% of the sales executives said digital is part of their sales responsibility. And 72% of them say RFPs they've received include some digital component.

"Digital isn't just an essential part of the product lineup for a media brand, it's also a clear path to significant growth," Elliott says. "As print plateaus, the focus is on a vast array of digital marketing tools."

Where Programmatic Fits

One eye-opening data point is on programmatic advertising. Virtually all buyers spend some portion of their digital budget on programmatic, with the largest slice of respondents—33%—indicating that a quarter to half of their spend is purchased programmatically.

Seller-side respondents diverge dramatically. Nearly half—42%, don't sell programmatic advertising at all. Publishers mostly offer programmatic advertising as part of deals to preferred customers, the survey found.

The 2019 survey illustrates a pattern that was also prevalent in 2015 and 2016: It's tough to get in to see buyers. Two-thirds of the buyer-side respondents indicate that they meet with sellers monthly or less frequently, and less than a quarter of sales reps are regularly getting meetings.

So if face-to-face meetings are infrequent, what do buyers rely on? Email. Eighty percent of buyers say their preferred method of communication is through that channel, while only 7% use the phone and 11% favor face-to-face meetings.

Other critical findings from the 2019 survey:

- Buyers rely on a range of resources in the discovery process as they work to determine which media brands to include in their campaigns. Client input, research, and the previous plan are most important, but 73% and 76% of buyers said they rely on input from sellers and on SRDS, respectively. "These are two areas where sales/marketing can have an impact," Elliott says.
- RFPs have become a core part of the media planning/buying process. Over half of publishing-side respondents received a dozen or more RFPs in 2019, and sellers reported that they spend about 20% of their time responding to RFPs.
- Once a media brand is dropped from the RFP process, it's difficult to get on a schedule. From the publisher perspective, 83% said that once their proposal is rejected, they either "sometimes" or "never" get a chance to change their proposal. Buyers seem to be more receptive, with 68% saying they "sometimes" reconsider a modified proposal. "Agencies may be more open to this than publishers give them credit for," Elliott says.
- Some assets, it turns out, are significantly more important for buyers than others. For example, buyers view placement and adjacency as more important than any other characteristic. Bonus distribution, programmatic and native advertising are also significantly important. ■

Download the complete study at:
http://www.adsandideas.com/research

6 Essential Elements For Success in 2020 and Beyond

There are several ways sellers can move the needle in their favor. Here are six things that can help.

- A good product that delivers the right audience and is fairly priced will beat "value-added" any day.
- Price matters, but it's not the only factor. Discounts can be complicated.
- Interactive communication with planners and buyers (especially face-to-face) is going to be limited. So be sure to talk bigger picture ideas versus the basics.
- RFPs are important to the buying process. Are you set up to process them efficiently?
- Get aligned with how agencies are buying programmatically. Your digital-only competitors already are.
- Are you telling your story effectively outside of formal meetings? Figuring this out helps lay a foundation salespeople can build on.

METHODOLOGY

The online survey was conducted in the third and fourth quarters of 2019. There were 207 agency respondents, defined as media buyers and planners with at least some involvement in magazine and digital media.

On the publishing side, there were 145 respondents, including ad sales, sales management and publishers from B2B and B2C magazine companies. Invitees were Kantar SRDS users and publishers. All respondents received an e-mail invitation to participate, and received a monetary incentive.