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Commentary

# Bad Economy Could Be Good For Big Media (And Marketers)

**Debbie Reichig, Feb 05, 2009 08:15 AM**

The trick in a down economy is to enable your company to not only survive the bad times but position itself to thrive when better times arrive.

Instead of hand-wringing and cost-cutting to the bone, savvy marketers and media execs should look for ways to turn the situation around, seeking out opportunities to enhance the way they do business. The best strategy is not to wait out the economic downturn and hope for a return to business as usual. Progressive companies should take this time to evolve their organizations to run more efficiently. They will be optimally positioned for the inevitable economic rebound.

Due to the recession, there is increased pressure to cut costs while maintaining, if not growing, revenues. Therefore, advertisers, agencies and media companies want to perform more efficiently and effectively, with fewer resources. Such increased pressure does not usually encourage investment in change and experimentation.

Most survival instincts lead us to seek safe harbor and wait for the storm to pass. However, companies that have the will to explore new strategies to achieve their goals should be better-positioned competitively in the long-term. There are actions that marketers, agencies and media can take now to ensure stability and prepare for success in future.

Not surprisingly, these actions should have been taken before the global economic collapse. Before the downturn, advertisers, agencies and media were on a solid course for positive change. But as we all know, evolution in the media/advertising business tends to be slow. Those companies that maintain their course of change, by doing little more than continuing the path of evolution they were already on, will be well-positioned now and into the future.

We are all required to do more with less; the more progressive among us that move faster to achieve immediate efficiencies and economies. **Trends advertisers and agencies should pursue include**:

1. Consolidating television and online buying

This enables advertisers to surround their target consumers with consistent messaging without the friction that results from competition between television and online agencies. It eases the coordination and implementation of cross-platform campaigns. 2. Working with fewer, bigger partners

The current average of 45 considered media brands is overwhelming, and taxes manpower resources--especially after downsizing--but it's unnecessary to reach a target audience with scale.<> 3. Advertisers and agencies working more closely with media

Openness and the sharing of marketing objectives will encourage creativity and facilitate custom solutions to better address the needs of marketers. It also permits the formations of true partnerships and long-term coordination between media companies and marketers.

4. Include new technologies, emerging media and advanced advertising in the media mix

Media companies have arsenals of new and exciting ways to message consumers. In hard times, they may be more amenable to adding them to a buy at bargain rates. Although these technologies are unproven to varying degrees, now is the time for marketers and advertisers to take advantage of these new tools. When the leverage swings back to the sellers, advertisers have a better idea of the value of these technologies.

5. Merge creative agencies and media buying

Although it may be ideal for messages to follow the consumer across media and platforms, research shows that it may not be effective for the ad format to travel. Creative needs to be customized to fit the environment, medium and platform for it to be effective. In order to accomplish this, creatives, planners and buyers need to be coordinated, not competitive.

6.Greater demand for accountability and ROI metrics

It is always important to require media companies to demonstrate effectiveness, but it's essential under financial strain. Effectiveness research should be negotiated into major cross-platform media buys.

In turn, media companies should develop services that are complementary to ones advertisers and agencies increasingly need. They, too, should follow the evolutionary path they were on to may reap the competitive benefits when the economy returns.

1. A single point of contact

This is becoming an increasingly important asset for media companies with multiple properties. It ensures optimal use of assets and greater coordination for both the buyer and seller. Currently, due to the increased limitations on resources, this service is even more valuable.

2. Custom, consistent marketing across brands and consumer touch points<> Media companies need to figure out how their various assets can work together to deliver an ad campaign across properties and platforms consistently. This way, the message is reinforced, and the marketers get more impact for their money.

3. Provide a one-stop shop. Produce quality content that reaches the target consumer with scale

Many media companies are beginning to produce custom content that is designed specifically for each screen and can include integrated ad messages. Media companies should also determine which content best reaches which target and which ad formats are most effective.

4. Get ad sales reps versed in marketing to work as consultative partners

As the competition for fewer dollars grows and there is greater demand for accountability, media companies should educate their sales reps in marketing, research and the client's business.

A financial crisis can be particularly hard on the faint of heart or risk-averse. The effects of recession may be most strongly felt among the marketers, agencies and media companies that resist necessary change and transformation. The winners will be the marketers and the media that continue, or accelerate efficiencies and follow a business model that will lead to competitive advantages in good economic times and bad.