

Real value in media

 By [Quinton Jones](#)

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In 2016, value is more important than ever. Clients are feeling the pressure of economic conditions and need to show ROI on their business decisions.

Often bonuses, promotions and the ability to secure future budgets depend on it. Procurement demands it.

When looking at the media agency, value is complex. What is it? Cheaper prices without a drop in quality? Yep, for most it's exactly that. Clients would immediately respond with - my agency gets me the best rates as a first response. Yes that's value, but is that enough? Is that the full measure of media agency value? Not by a long way!

The fact is, value can be measured across multiple deliverables and is a collective and not just about price.

1. Pricing: This is stretching the gap between what you pay vs what it's worth. It's the normal measure of media value and could include anything on offer that adds value to the client - not necessarily just a discount, or free space. It's about rate paid vs value of the audience to the brand. Another debate that would quickly come up is around full value - with AVBs and preferential media partnerships raising their ugly heads.

Like the fabled Loch Ness monster, many agencies and media owners swear it's just an urban legend and doesn't exist. Is there an open discussion between agency and client on the distribution of value received? The fact is, agency volume deals are part of the industry globally and are certainly very prominent in SA. Never an issue if dealt with openly and honestly, but the fact is also part of the collective value equation.

2. Optimisation: No point in having best pricing if you are not leveraging this to the full by sound thinking and the best decision making. As example - there is also no point in pressing the media owner for 2% more in an annual negotiation only to hand over the responsibility of media decision-making to a junior implementation planner who loses you 5% in efficiency by not selecting the best television spots. "Your agency might be cheap but are they working smart?"



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It's the typical leaking bucket scenario - it's much harder to keep it full if you are always filling it up and not plugging the holes. There's value everywhere - value in insights, value in ideas, value in response time, value in relationship and value in detail and effort, and the list goes on.

3. Results: If you're getting the best prices and your agency is optimising efficiently, is it actually achieving objectives and delivering on business results? Are you adjusting what is done against the results for the business? What is the contribution of media connections to sales or engagement? With digital this is easier to measure, but often this is only 10% to 20% of the budget allocation. Is any of this actually making any difference?

The value of the media agency needs to be measured across the collective. It is a long list of things for the agency to get right that determines real value. Yes, price is important, and is the most visible metric and easy to benchmark and track - but it certainly isn't the only thing. Everything a media agency does on a client's business has the potential to add or take away value. Some global clients do this really well, but for many they often don't get past the rates negotiated and agency fee.

Let's face it, clients are not always media experts - and why should they be, that's why they have an agency. Some of the larger ones have media managers, which adds a degree of rigour to the value equation. They are the lucky ones. The fact is, most clients rely on their media agency to define what value is and then also to rate that delivery. There is big money at stake and I've yet to meet a media person who wasn't able to polish a turd.

The most important cog in the value equation is people. If you do not have the best people working on your business, you are not maximising value. The people contribution makes the most difference in the contribution to value - many pairs of hands involved at different times, with different skill levels. People in agencies drive the collective value. But are they all really driving value? Is their contribution quantifiable? Do they understand what this contribution actually is? It's time more marketers and procurement looked at real value delivery with a broader perspective.

At Planit Media we have senior people at MD level, and a value model to ensure we leverage full value for clients with every touchpoint and every level and with every opportunity. We understand that real value is complex, and while important, price is just one of the measures.

ABOUT QUINTON JONES

Quinton Jones is director of TM Media, TM is future focused. Media of the future is predictive and data-led. It's about insights and bringing the cost of marketing down through intelligence. TM is a media agency that provides data driven media solutions using the analytics and insights that digital provides, and then matches this with a very creative approach to media solutions.

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