



Media Management Needs a Makeover

blame it on the media. When your campaign does not pay out, do you blame it on rates being too high? Yes, there could be a problem here...maybe. Hear me out. Did you know, for instance, that approximately half of the \$900 million spent on infomercial avails on national cable is brokered? Why?

"It's convenient for the network to sell to experienced media brokers. In addition to being fast and cost-efficient, the brokers secure the airtime, process the paperwork [and] collect the money...it's one-stop shopping," comments an undisclosed network executive.

According to one media broker who chose to remain anonymous, "It has been a good way to make a living, although the increase in rates this past year has really put a squeeze on the bottom line."

Since 1985, infomercial and spot buying agencies have attempted to hoard the media, use it for their own campaigns and re-sell what they did not use.

One infomercial marketer says, "The campaign is not paying out...it must be the media. I'll fire my current agency and use someone else...I'm sure they will have lower rates."

Since 1985, infomercial and spot buying agencies have attempted to hoard the media, use it for their own campaigns and re-sell what they did not use. Cable networks and broadcast stations soon caught on and as many of these large companies went bankrupt the stations decided it was

not a good idea to sell large blocks of airtime to any one company. Spreading the risk and allocating a small package to a larger number of clients soon became the MO of most national cable networks and broadcast stations.

There was a time when some agencies served as the exclusive rep firms for a network; however, almost all of the big cable networks and broadcast stations have now established their own in-house staff. In regard to better rates, the stations cannot afford to have a big variance in their rate structure, as it would definitely come back to bite them. For the most part, everyone is paying the same rate. The stations simply take care of good agencies with no charges and firesales.

MOTIVES FOR MEDIA

How should one makeover the media? The first thing is to look at the following six reasons:

Convenience. Networks only have eight hours in any given day to sell millions of dollars in media avails. Many stations can meet their annual increase by selling to brokers.

Profitable campaigns. Infomercial marketers want to work directly with the network in hopes of better rates or better time periods.

Just making a living. A broker usually has the knowledge of all media players and can reach a variety of clients in a fast and efficient manner. It's all about moving the airtime.

It's worked before and will work again. Agencies and brokers are happy with their schedules, as month after month, quarter after quarter they have the rights to pick up the same time periods over and over again if they pay the rate increase.

I want to make a million. Marketers are not happy with the repetitive media schedules...same time same station, etc.

Who is to blame...brokers, networks or agencies?

Volume discounts. "I'm sure other agencies have much cheaper rates, because they buy in volume." (my personal favorite)

Whatever your theory is, it may serve your purpose but may not be all things to all people. Media experts have cited high rates and too many brokers as a problem with this business. Do you have a problem? I would like to hear about it. Send me an e-mail at nancy@marcummedia.com, and I hope to address a solution in a future column.

THERE IS ONE THING FOR CERTAIN

It is still very possible for a broker, agency and/or marketer to place a cost-effective media budget of at least \$500,000 a week on the cable networks and broadcast stations. It takes

time, patience and due diligence to dig up the right rates and time periods because of the issues above. However, it can be done. As an agency and broker, I have thought about the issue of taking on airtime for re-sale and whether it will make or break a campaign.

Actually, the percentage that most brokers make for managing these monumental amounts of airtime is minimal. The system seems to be working. The problem is reaching the TV audience with the right message and with the right product to make the phones ring off the hook. Did you know that in any given quarter hour, less than 1 percent of the viewing audience responds to the 800 number? Just think if your creative or product could stir an interest in 3 percent or 5 percent of that viewing audience. Recently a

small town newspaper in Illinois polled its readers and found the glaring problems with infomercials and spots was not the media. It was the message—false and misleading.

ONE MORE THING FOR CERTAIN

As ERA self-regulation gets into full swing, the "crooks will come off the air" and the cream will rise to the top; more airtime will become available and your campaign will be a smashing success. Last but not least, hire the experts in your quest to conquer the problem of "managing the media." It's a jungle out there. 🐼

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