

**THOUGHTS OF A MEDIA FUTURIST
MALAYSIAN MEDIA CONGRESS**

-Sam Balsara

March 29,2006

Thank you, Ham for inviting me to your beautiful, green and modern country and asking me to share my views with this eclectic audience.

Thank you also for calling **me** a **FUTURIST**! I know in today's rapidly changing world this is meant to be a compliment but let me surprise you by saying that I believe whatever limited success I have achieved is by being a **REALIST**, by assessing current realities and by exploiting them to my client's benefit. Advertising people are often blamed for being good talkers and dreamers with very little to show for themselves on the ground, so in that climate the positioning of a **REALIST** suits me quite well. Perhaps you call me a **FUTURIST** because I was the first to lead the **charge on UNBUNDLING** of Media in my country, of **running highly specialized units** in the area of Communication, **remaining independent**, and because of my strong belief that in Media anyone can buy 'proven performance' but you need to **buy** 'anticipated performance' because that is when your client hits the jackpot.

I must say I was rudely surprised to find that the Malaysia Mass media market grew in 2005 by a **meagre 3%**. A rough and ready parameter that I would use as a barometer of health of the mass media market would be to **compare** the growth rate of the market with the growth rate of the country's GDP. It should be atleast 2-3 times in young and growing economies, which have a lot of

catching up to do. In India the relevant figures for 2005 would be 15% advertising market growth Vs. 8% GDP growth , resulting in a factor of 2. India just makes the grade. The other country that does, is Indonesia at 2.8.

Or we compare the mass media advertising spend to the total GDP of the country. In India this works out to a measly 0.3%. I don't know what the figure is for Malaysia, but the figure for USA is 2.5%, and for many smaller economies in Western Europe it is almost 3%. After all, we do believe, that advertising is the real engine of growth of an economy. Don't we? And that it revs the economy by creating desire, aspiration for a higher standard of living and in turn education, hard work, high earning and high consumption.

Why is mass media advertising not growing as fast as it should or certainly as fast as we want it to? In my view it is because the ROI that the advertiser gets from mass media advertising is sharply decreasing. It is decreasing for 2 reasons. On the one hand there is increasing competition for the advertiser in his market, resulting in difficulty in increasing output, and on the other there is increasing fragmentation of viewership, thanks to multiplicity of channels and decreasing viewership, thanks to technology, lower technology costs, and Cable and Satellite channels and the rapidly emerging DTH and IPTV; all this resulting in poor quality input or diluted input.

I want to show you 2 charts from the Indian Television market. The first (SLIDE) shows you the increase in TV channels, now, hold your breath-277 at last count and the next slide shows you its impact on advertising noise. The total advertising time beamed out to us as consumers has moved up over 5 years

from 51 to 214 million seconds in a year and as a double whammy, the average duration of commercials has come down from 22 to 16. Imagine the clutter in the viewer's mind that you have to cut through. And yet, our Media group CEO, Punitha tells me that India is only the 14th most cluttered market.

For a large client of Madison Media, I recently saw an exercise which aggressively put media inflation at just 5%, but an average drop in TVRs of 18% resulting in a double whammy of 23% on CPRP. How many advertisers can generate additional contributions from additional sales to absorb such an increase and grow on top of that to meet the corporation's own corporate profit objective.

The challenge before the media agency professional is clear.

So what is the solution? What do we do?

I think we need to rethink our approach in media, the way we develop the plan and the measurement metrics we use for reaching audiences and the currency we use for paying for them. I am delighted that experiments are right now being conducted in some parts of the world to measure not just exposure but ENGAGEMENT. But all that is going to take a long time. In the meanwhile what can we do, that is within our total control? Is there something that we can do? I believe there is.

EVOLUTION OF MEDIA CONCEPT

First, let us see how our media concepts that we now use have evolved and for a better appreciation of this evolution, let us draw from the much older and experienced advertising industry.

Rosser Reeves, in the 60s first expounded on the concept of **USP- Unique Selling Proposition**. He said for advertising to succeed, you have to highlight that feature which no other brand in the market could offer. Rapid development in technology, increased travel and establishment of communication links across the world, soon led to neutralizing of product benefits and then came the concept of **POSITIONING** propounded by Jack Trout and Al Ries, which moved the focus from the product to the consumer's mind and talked about positioning the product in the consumer's mind with a single unitary, image, concept or proposition. In the last decade, the thinking has been that for your advertising to succeed you need to **have** an **INSIGHT**, which in my book is an uncommon observation about human behavior or the reason for it, which is not so obvious on the surface. A definition, we could well use in media, too. Against this backdrop, let us see how media thinking has evolved or how it needs to evolve in the current context of declining ROI on media investment. Going by the AIDA principle, the first step was creating awareness and because the sales process could start only with Awareness, the major focus of media **was** **to reach the maximum number of people with minimum cost**. The underlying principle being, that the larger the number of aware people, more would be converted or sold. Thus evolved the concept **of CPTs, duplication, and GRPs**. As more and more intellect and computing power became available, we refined the numbers game to a fine art, evolving the concept of reach and frequency.

Then abetted by the availability of media research data and thanks to John Philip Jones, some of us did all kinds of things to show how much to advertise, for what results. **Simultaneously** as media became more and more expensive, the concept of eliminating wastage gained ground, so we then did not just want large numbers to see our message but we wanted to reach the right people most likely to buy our product and evaluate the plan on the basis of CPT and CPRP. And some of us now evaluate the overall effectiveness of the media strategy by measuring its impact on scores like TOMA or ECT or BCT.

But all this is old hat now. With everyone using virtually the same techniques and tools, it is not helping us, cut through the clutter, only contributing to it. You cannot beat your competitor at his game if you use the same tools and techniques to arrive at your strategy, that he uses.

Just like how advertising began to become more effective when its creators discovered the concept of Consumer Insight, we in Media need to learn from this and unearth, what I call MEDIA INSIGHTS. Until the time that the industry comes to an acceptable metric of measuring ENGAGEMENT that is acceptable to both buyer and seller, we can aggressively use this concept to improve the effectiveness of our media plans. The Media discipline in Communications has come a long way, thanks to unbundling (contrary to what creative agency heads may say!) but to maintain our sterling record of the last decade, of adding genuine value to our clients, we will have to FIND FOR THEM USERS for THEIR BRANDS, **USING MEDIA INSIGHT**. As we all know finding an insight is probably the most difficult thing in the world to do.

Doing research with your consumers cannot guarantee that you will stumble upon it.

What is Media Insight? Just as we know that data is not knowledge, knowledge is not insight. Having a large amount of knowledge cannot guarantee insight. Just like how a brilliant Creative Director can go beyond the brief and the knowledge provided in it, through his own powers of observation and personal experience, the media man will have to delve deep into his past experiences as a child, student, mother, father, executive and what- not and use his powers of observation, apply dollops of creativity to it, to arrive at a Media Insight.

At an elementary level, media insight could define those moments or times or that environment at which if a stimulus (meaning the ad message) is delivered, it would result in a sale or at least a decision to buy in the prospect's mind. Media Insight could also mean to include an idea that on the face of it, does not appear to be an advertising idea, but one that leverages the media environment or rides on the need of a medium to provide news/entertainment or a wanna-be celebrity to be seen in media, thus resulting in an opportunity to expose the brand's message to a prospect in a conducive environment resulting in a substantial saving for the advertiser; let me clarify, not to diddle the Media out of its share of money, because the money will ultimately go back to media, in even greater measure, if the agency succeeds in increasing ROI for the advertiser.

What Media insight is not: It is not consumer insight based on which the communication content is created. It is an add-on to consumer insight to derive

for the advertiser the full value of that consumer insight by delivering the stimulus at a time and in and in a manner and in an environment when it is most likely to be acted upon, resulting in a sale or at least a mental decision to purchase.

The challenge before us is to develop media insight relevant to the brands and categories that we handle.

(1853words)

I want to share with you some examples from my book, which I believe, arguably are good examples of discovery of a good media insight based on which an effective media decision was made.

The first example that I have is of Cadbury Dairy Milk from India, the land where traditionally Indian sweets and mithai even today hold sway on all festive, happy and celebratory occasions. Chocolates, whilst its penetration has sharply increased is still on the periphery. In this climate Cadbury Dairy Milk came out with a campaign based on the theme “KUCH MITHA HO JAYE” meaning, “let’s have some sweets”. (PLAY CLIP) The media agency used the occasion of ‘passing out of school final exams called S.S.C. to deliver the message which itself was developed based on consumer insight. A brilliant example, based on what I call a Media Insight. Every year 40 million children appear for S.S.C. exams and out of them 20 million pass out. Combining the power of mobile telephony and the net, Cadbury tied up with a leading mobile operator- Reliance and if you entered your exam id number, you could get your

result in terms of whether you have passed or failed and your full mark sheet. **And here comes the winner** of an idea. For all those who passed, the marks came with an accompanying message, **which says** “Pappu Pass Ho Gaya”, borrowing from the theme of the Cadbury ad and persuaded the candidate to have some ‘meetha’ in terms of Cadbury Dairy Milk. Conventionally when a student passes his final exams parents distribute mithai or Indian sweets. The idea of providing the stimuli at the exact moment when the student and the parents is delivered the news of passing, is in my view a brilliant piece of media thinking, which comes about by pursuing the concept of ‘media insight’.

Another example that I would like to share with you is that of **a cooking oil called “Saffola”** that was conventionally promoted on the Heart platform and whose position had moved from the curative to a preventive platform. The media planner in this case identified a talk-cum-music show that was very popular amongst the target audience of Saffola and got the RJ’s co-host to provoke him to get into a healthy and disciplined lifestyle of exercise, proper eating and what not and the entire programme was talked on radio for a period of 3 months and in popular columns of newspapers was sponsored and laced with a message from Saffola Healthy Heart Foundation. **Take a look.**(**Play 2 clips**)

Again a brilliant piece of work arrived at, by pursuing the concept of media insight and **resulting** in not just media **exposure** for the brand but also in serious media **engagement** of the target audience, hopefully resulting in adoption of Saffola as a cooking oil in the family.

Here's another example that I want to talk about that focuses on or rather capitalizes on the ethnicity of a chosen narrow target audience. The brand is Godrej Hair Colour. Muslims account for 13.4% of the Indian population and we know that they use hair dye and hair colours a lot more than the rest of the Indian population. However, that is no media insight. The insight brought to bear here is that a minority population responds better to stimuli when it is presented in a medium that they consider their very own and in an environment they feel comfortable and can relate to- Community events.

Here's another example that capitalizes on the insight that a mother or father is thinking most about their child's future and is willing to make an expensive and important decision related to the child is when they are spending quality time with the child. Based on this insight, a media planner in India targeted an insurance campaign for child insurance at mothers on a cartoon programme, and achieved great results.

I do not know if my next example is a good example of media insight or just a case of good opportunistic media planning. Several years ago Procter & Gamble in India had Teens as their focus. We simultaneously knew, that the country's number one publication was getting worried about its aging readership and decline in readership amongst teenagers. A clever media person approached the newspaper with a proposal to brand 52 full pages as 'P&G Teen Times' and an entire editorial environment was set up in which Procter & Gamble's brand messages were delivered. It is not insignificant to note that since the newspaper wanted to promote readership among teens and client was a known TV client the deal was struck at a surprising price!

It is commonsensical that a mother-daughter bonding increases substantially during the young girl's first few periods and it is the mother's responsibility to manage the process. In a country where until recently and even today by and large sanitary protection means cloth, there was an opportunity to project the brand as a pivot of the mother-daughter relationship and that use of modern sanitary protection made the young girl grow up career oriented and ultimately achieve success. This made a clever media planner conceive of an essay competition inviting mothers to write about the choices they would like to give to their daughters, culminating in a national award show telecast on a national terrestrial television channel, where besides felicitating the winners, successful and well-known daughters thanked their mothers. P&G brand Whisper was intricately linked at each stage of the exercise. Take a look. (CLIP)

You can't get bigger than cricket in India. And as cost of television time shot up, since that time is very limited, restricted to the time between the overs, about 10 years ago some clever media planners discovered, what I would qualify as media insight and put a moving logo on a critical moment – winning or loosing and when the critical scene was re-played. In the initial years this property came virtually free of cost, but today it is Indian Cricket's most expensive property. Take a look.

Taking the same insight but executed in a totally different manner is another example for Perfetti, a company that has become India's largest confectionery maker in less than 10 years. Building brand character at a time when the nation is involved, literally. (Clip)

Both these examples demonstrate that a clever media person can successfully exploit the media seller's limitations and compulsions for the advertiser's benefit.

Let me now move to some examples from around the world.

Last year I was a judge at Cannes on the Media Jury and I have picked 3 examples of what I believe are examples of good media insight. **The first** one is from **Salvation Army**, who were asking people to donate warm used clothes and its agency in Johannesburg came up with the idea of freezing the auditorium before the movie started and the first slide was of salvation army requesting donation of used warm clothes. Nothing like first hand experience to drive action and a clever media man in pursuit of media insight, can drive it.

Another campaign I particularly liked for the **media man's** thinking was from Columbia for Chevrolet who wanted to promote their new car as a taxi and instead of going all over the place, selectively caught the attention of only, but all taxi drivers by using for the first time, the medium of radio messaging system to which all taxi drivers in Columbia were connected.

What rate of success can you expect using mass media advertising to young people trying to persuade them to buy insurance to provide for them in their old age? In Sweden AMF Pension fund, sought to overcome the low interest of **young people** in this category, by showing them what they would

look like at the age of 65 and then sought to engage them with the benefits of having a pension fund, starting at a young age.

I hope the wide range of examples that I have given has helped to bring **alive** **the** concept of **media insight**, as I call it. I know a lot of media people from time to time come up with clever ideas which win the hearts of their clients and even some awards, but what I am proposing is a way of thinking using the concept of media insight to make our work more interesting, creative and more sure- fire.
(3255 words)

HOW DO WE STRENGTHEN THE MEDIA FUNCTION?

Before I end, I want to spend a few minutes sharing with you my thoughts on some related subjects that have been engaging my attention, with a view to **strengthening the media function** and to ensure for ourselves a perpetual position of ‘strong marketing ally’ to our advertiser friends.

1. People

Let us first start with the important **ingredient** **People**. There is no doubt in my mind that the only reason why we may fail in the future is because we have not taken adequate steps to ensure a steady stream of people with relevant talent and reasonable expectations into this discipline. What kind of people do we need to seek?

Obviously to start with, people **with** a **facility of numbers**. You’ve got to layer that with an ability **to** **understand business**, read the balance sheet, understand top line, bottom line and implications of ad spends on both these and CASH

FLOW. Otherwise you are not going to find favour with the media owners because of your payment record.

And you have to layer on top of that, people **who** are **bold, imaginative, who can generate ideas**, who can persuade both the client and the media owners. Can you expect to receive a steady and ready supply of people with such capabilities from the market? Without our doing anything about it. Obviously not? You need well-resourced Institutes of Learning, specializing in Communication and you need many of them to be run by industry people, perhaps as an adjunct to our agencies rather than getting businessmen to enter this area.

2. Commercial

Let us now look at another area, COMMERCIAL

We need to make up our mind on how do we want to be counted. Do we want to be seen as businessmen or do we wish to be counted as professionals? We certainly started as being and wanting to be seen as professionals, but somewhere along the line we are getting the wires crossed. If you are in business, you have the right to perhaps squeeze the media and exploit the client relationship when an opportunity presents itself. And the advertiser then has to institute a set of systems and processes in place to safeguard his interest against such exploitation. In my book it would serve all constituents better, if we occupy the high pedestal of being and wanting to be seen as professionals with a set of skills, capabilities and value systems. Our actions, then must reflect that. This would better serve our objective of wanting to be treated like the management consultancy wings of the traditional big Four, who we all aspire to be, because we know, they get away by giving a lot less, but get paid a hell of a lot more, but from only one source, the client. Let us have the guts and the

courage to demand our price whether it be in the form of commission or a flat fee or a combination and reject those businesses who feel that the value we deliver is not worth the fee that we demand, rather than succumb to such clients and then quietly develop another source of income. Real Estate brokers today in Bombay earn from both buyer and seller, so do some second hand car dealers. But then do we want to throw our lot with them? I know, today the world seems to respect only growth and size and billings and profit and everyone wants to get there in a desperate hurry. The media industry is after all a young industry and if we have to lay the foundation, as early settlers we will have to bear the burden of establishing the industry on sound footing. As I see it, there is going to be plenty to go around, so there is no need to get desperate.

3. Media Agency Remuneration

I would urge large advertisers, to rethink their **media agency remuneration** plans and tie –in additional remuneration with additional innovative staffing, because I believe media calls for time- intensive work and even if the additional remuneration results in one good Media INSIGHT, the pay-off would be many times more.

Unfortunately we started off on a very low benchmark that we inherited from the West, where it works, probably well because the industry size is **upwards** of **200billion US**, that is 860,000 crores in Indian rupees and even that country's 100th largest advertiser, Kimberly Clark, in 2004 spent a hefty 342 million USD which in INR is about 1500 crore --- **and we** are applying the same percentages to a spend that is 100th of that (the 100th largest advertiser in India would spend between Indian Rupees 100 and 150 million) for a quality that is

on par with , if not above Western standards. **Compare** these figures to your figures in Malaysia and the comparison will appear even more ridiculous.

4. Its no good, if I can't measure it

As the science of media increases and as we become more data savvy and whilst both these are very good developments, what is not a good development is the increasing tendency **amongst both media planners and advertisers to shun those options**, which cannot be measured, using hard data. I think this is a grave error that we are making and letting wonderful opportunity pass by, merely because it cannot be measured. After all everything in life cannot be in black and white. If it were, then you would not need highly paid advisors and decision makers at agency and advertiser ends. Large advertisers are more guilty of this, than smaller advertisers. There's a life beyond numbers and whilst we need to grow our cubs on the rigid discipline and rigour of numbers, we need to also teach them, when to go beyond numbers.

5. Collaborate

Let us learn to actively **collaborate** without fear of somebody trampling over our shoes and worrying about whose turf it is, in the interest of doing a better job. Let us also develop a healthy respect and appreciation for those from other disciplines, related to communication and make a conscious attempt to understand the relative strengths of DM, PR, In-film, Rural. Giving respect and recognition begets respect and recognition and this will enrich our professional lives and make us better media advisors.

And we need to collaborate with each other, too within the industry to develop healthy business practices.

6. Media sellers must track the “pull” of a campaign in their medium

And if media planning and buying has developed as a media industry, the media –selling function too has rapidly developed. Media organizations today religiously track which advertiser’s ad is appearing in which publication and channel and are quick to make a case to both the planner and advertiser as to why a wrong decision has been made, **but having** got a campaign how many **analyze, track, get feedback on what has been the pull, impact or result of the** campaign that was carried in their medium. This is the next stage of evolution that media sellers need to get into and will sharpen their offerings.

CONCLUSION

Media is an idea, whose time has come. No power can stop it. Last week at an IAA World Congress, which had almost 2,000 delegates, over 90% of the house voted that separating media from creative has been a good thing! But that does not mean that every media professional will benefit from it. Only those who are ready for it, prepare for it, and are open to change, will. And the rest, **will** get..... **(Shooting Monkey)**