A few pandemic years won't count for much in a medium's life in the long term: Sam Balsara

TV share in the last decade stayed steady, only declining marginally due to digital emergence noted Balsara, Chairman, Madison World, at the e4m TV First Conference 2020

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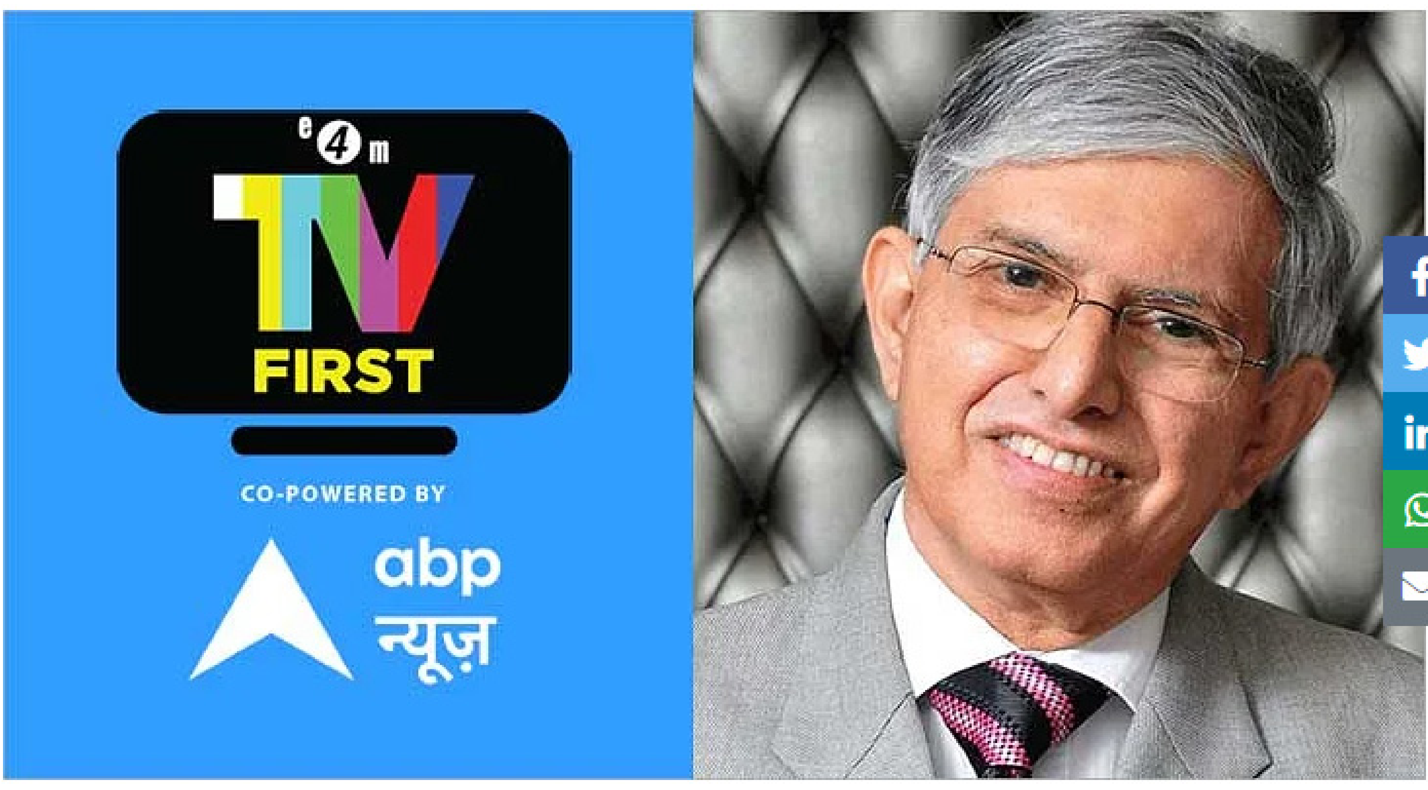

Talking at the third edition of e4m TV First and Prime Time Awards Sam Balsara, Chairman, Madison World, said that a few pandemic years don't count for much in a "Advertising money in India is going to sharply increase for the next decade. And why do I say so? The Indian economy is one of the top six of the world and is expected to grow at a healthy rate of 6% to 8%. The global average of advertising spends as per cent of GDP is close to 0.8%. In India today, they are just under around 0.3%, giving us a second dimension to grow. So there's a double whammy working for media," he said.

According to Balsara, the share of television in the last 10 years has remained steady, only marginally declining to 37.4% after 10 years, despite the emergence of digital that took away 31% of the market.

"During the pandemic in 2020, television was the first to bounce back by July or August and there is no doubt that television is the preferred medium of the big boys of advertising," he said.

TV remains the largest medium, especially for big advertisers, because of four main reasons according to him. First, TV boosts brand profitability. Second, it accelerates brand penetration, which is very important to grow a brand. Three, TV offers a halo effect for other media to perform and for TV, dials up trust.

Not just this, according to Balsara, the use of TV greatly increases digital's performance well. "Studies show that standalone digital could reduce ROI to an index of 82 and addition of TV increases ROI to index of 110. Every time there is a TV advertisement the search volume for the brand goes up and Google will confirm that you," he said.

He also spoke of the changing dynamics in the ecosystem. "Will those who can afford the minimum investments in making high quality and effective film invest just in TV? No, not really. This is not true anymore. It may have worked in the 90s. But it's not adequate or enough. Today, the media environment has changed and become a lot more complex and fragmented and in a noisy and fragmented environment getting audience attention is difficult but or a brand it is critical. Some study has shown that people today now lose concentration in as little as eight seconds. Three learnings based on our experience is that firstly, use multimedia because it works better than single media. Secondly, invest in impact. And thirdly, innovate whilst using media," he said.

He added: "Madison business and analytics conclude that generally speaking, all things being equal, if TV delivers an ROI of 100, TV plus digital can deliver an ROI of 150 and TV plus print or TV plus radio can deliver ROI of 120. Of course, budgets remaining the same. So multimedia as we have seen over and over again delivers better on whatever you're measuring. Why does what TV industry and the impact programs work better, despite the higher cost? First, they offer you lower ad avoidance. Secondly, they help create moments when entire family and friends watch together. And this I believe helps in creating brand preference. Thirdly, they are generally accompanied by promos, which are integrated with the sponsor's message and television channels offer the integration of your brand if you are the sponsor or the co-sponsor into the editorial content of such an impact program.," he said.

Summing it up Balsara said, "TV is the largest in AdEx not because of whim but for advertiser validated reasons. The winning formula today is to use multimedia with TV as a base and I must say it's TV first today, but in a few years now we will have to re-title this seminar AV first because I think combining TV with the video part of digital is going to be an unassailable combo that is going to dominate AdEx even more in the years to come."

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