

The reality check on 2020

Guest Column: Vikram Sakhuja, Group CEO Madison Media & OOH at Madison World, shares the biggest take-outs of this extraordinary year



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For me, the biggest take-outs of this truly extraordinary year are four: Shrinking of AdEx, collapse of measurement, growth of through-the-funnel marketing, and changing the way we work.

In 2020, the Indian AdEx is estimated to have shrunk to what it was over two years ago. The landscape has changed. Watch this space for that. What has also been a validation, is the high elasticity that media has with downturns. Past downturns, the dotcom bust at the start of the century and the 2009 financial meltdown, have been followed, after a short lag, by a sharp decline in ad spend followed by an equally sharp rise. What has been understandably different in the 2020 Covid pandemic has been the speed of reaction. The April-May lockdown was immediately accompanied with an AdEx lockdown. Subsequently, it started picking up post July, and OND 2020 has shown great recovery, though some mediums like OOH, Cinema, Radio and Print remain affected. The speed and sustenance of recovery will depend on how consumption and the overall economy grows, but I expect 2021 and 2022 to rebound aggressively.

Apart from AdEx, media measurement was the other casualty. Because of the pandemic, ABC halted circulation audits, MRUC halted IRS fieldwork; a media circus halted news channel TV ratings, and Digital continued to not have third party industry measurement. Interestingly, the only refreshing piece of measurement that emerged (though not an industry currency) was OOH traffic count data based on mobility reports. I am hugely concerned that the weakening of industry data on media measurement threatens to take our media industry into the wild west.

The third highlight was the increasing conversation around branding and performance and specifically the rise of e-commerce marketing. Loosely generalizing, till now, traditional companies focused on brand building and online companies focused on performance media. The pandemic catalyzed online transactions leading to FMCG companies, the paragon of consumer marketing, embrace e-commerce marketing and performance. Same time, more online companies realized that they need to move spends from bottom of the funnel to the top. As media agencies, our through-the-funnel marketing skills got honed, and our confidence to approach a brand at different stages of the consumer journey has increased.

Not the least was a metamorphosis in the way we work. In the media agency world, we realized that it is possible to run an agency and service clients from home. We saved countless hours on commute and squeezed many more meetings in a day. We automated several time-intensive processes and flawlessly transacted and billed several million transactions from home. A huge validation for our tools & systems, and the human spirit. We however lost out on social capital and the spirit of being together. The withdrawal symptoms of that continue. The jury is out on work-life balance. At one end, we were at home with family more than ever before, but equally, the line between work and home blurred. There will be some lessons on the way we work that should endure.

For me 2020, has been a reality check on the foundations of our business. I'm glad to say, that even with a seismic movement as big as the pandemic, the resilience, infrastructure, innovation and collaboration shown by the industry shows that (measurement hiccup notwithstanding) the bedrock is strong for India to be a marketing superpower of the future.

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