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Buckle up for the media ride of your life!

By Harry Herber

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The next TV tsunami is on its way. We know that the implementation of digital terrestrial television will significantly change the landscape of television in South Africa in many ways.

First off, there will be a confusing roll-out of technology and a need for a massive education drive to enable the majority of South Africans to get a signal. Then, the immensity of the choice facing those without DStv will be something that the average Joe will take some time to comprehend. And that will set the cat among the pigeons!

Obviously there will be great benefits to the TV industry as a whole, with TV channels having to generate a massive amount of new content. I so hope we don't have to watch reruns of 'Baywatch' *ad nauseum*! (After all, the hunky David Hasselhoff is now a grandpa of 61, and the curvaceous Pamela Anderson is a middle-aged woman of 46.) But obviously my interest is more in the area of how it will affect advertisers, audiences and rates.

Unpredictable

Audiences? Give it a while to settle down. Then the viewer is going to become savvy and comfortable with the smorgasbord of television options available to them. And the result will be huge but, at this stage, still unpredictable. With the average viewer going from four options to 30 or even 50, this has to change the landscape forever. Audiences will logically fragment and big-hitting shows, like 'Generations', delivering massive ratings, will be a thing of the past. The trick for the SABC will be how to protect the total cash received through rebroadcasts and optimising other potential revenue streams around the 'Generations' platform.

We'll see product placements, story-line integration and the creation of new, exciting and different sponsorship opportunities. Then there will be a renewed focus on seriously leveraging merchandising opportunities and any other partnerships that can be created.

If ratings and audiences are going to be spread far and wide, what does this mean to the marketer and media agency? As much as the SABC and e.tv are going to have to adapt their sales and inventory packaging in a major way, the clients and their agencies will also have to approach television advertising differently.

A fine balancing act

Seriously, the days of cherry-picking big-hitting spots and choosing the shoulder and off-peak support time is rapidly reaching an end.

Inventory management and the surplus of commercial space means the stations will have to do a fine balancing act to maximise revenues and ensure they extract maximum yield on the big-hitting spots. You can certainly expect a huge increase in what you pay for big audience spots. This will be tempered by really attractive deals on the rest of the inventory. More than likely, deals will start to be done on a guaranteed audience basis at a generous negotiated rate. The 'planning', however, will become scheduling, and eventually 90% of it will be done by the media owner.

Media agencies will adopt a new role. They will become quality controllers of either accepting or not accepting what the machine spits out. But their most crucial role will be to set up favourable parameters upfront. What will the client pay per thousand or per audience rating? What will be the guaranteed average rating? In this way you are assured of some peaktime exposure. What will be the agreed ratio of peak to off-peak flighting? What else can you chuck into the pot? Guaranteed days, channels, breaks, place in break, weightings and so on? All the time, having to be conscious of the fact that the more controls you place on the campaign, the higher the price is likely to be.

The potential downside?

Still, I really believe that perhaps more important will be the media agency's role in generating better, smarter ways for clients to get their product into the psyche of consumers. There will be bucket loads of commercial time available for exploitation. Better ideas, with more consumer involvement and interaction, will surely result in the media's true strength being harnessed by marketers and agencies. We'll move far beyond the 30-second solution.

But what is the potential downside? Well, I expect that overall rates will increase. This could, however, be tempered by how the deal is constructed. However, if clients get exactly what they want - what they believe will achieve optimum results, guaranteed - surely it will be worth it.

Phew! There are interesting times ahead. Convergence is upon us, options are exploding, new media is integrating, and the world of communications is evolving at breakneck speed. Best we buckle our seatbelts because the ride could be rather bumpy...

ABOUT HARRY HERBER

Harry Herber has a passion for delivering on promises and an attitude that demands that The MediaShop 'goes the extra mile'. With a BA in Classics and Anthropology behind him, Harry plunged into the media industry in 1975. Under Harry's leadership, The MediaShop has earned numerous client awards. He believes in added value for clients. Contact details: email: harry.herber@mediashop.co.za. Are we on the same planet? - 21 Aug 2014

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