

"What contextual targeting can teach traditional media"



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Advertising as we know it is dead. Or at least it should be. This argument is one you might hear in conversation with a new media evangelist, social media guru or Web 3.0 Jedi (not sure what they're calling themselves this week).

In truth though, above-the-line advertising, and traditional media are not dead. And they probably never will die. However, if they are to remain relevant, there must be evolution.

The rules for advertising have been turned upside-down... There are more mediums carrying an ever-increasing amount of messages to a public that has become sawier, price conscious and less receptive to advertising.

The gap between brand awareness, mind share - and ultimately customer acquisition - has widened into a vast chasm of uncertainty.

'Matchless' performance

So what advertising does work? Let us consider the example below:

The use of Lion Matches by the JD Group reads like a fairy tale - it's almost too good to be true!

Lion Matches distributes tens of millions of matchboxes into the marketplace each month. The JD Group has owned this platform since October 2011. That's almost two years of repeat bookings on one platform. This is practically unheard of in our industry.

Yet, their formula for success was so simple - Identify our customers, understand their needs, and communicate our offering in the most effective manner. It's no small wonder that they have not needed to advertise their financial products anywhere else but on this platform.

And this is why contextual advertising, as exemplified by Google Ads, has become renowned. Matching information about customers with the right messages, on the right web properties, apps or devices. (Don't be fooled though, it still takes considerable foresight and planning to make the best use of contextual advertising)



But I digress... back to the JD Group... The retail sector is the first to feel the knock of a slowing economy, and JD Group's retail division did indeed take a large hit - but read this excerpt from Business Day - and you will see why the group came out smiling:

"What growth there was is attributed to JD's finance division, which lifted revenue 19%, to R2,2bn, and operating profit 17%, to R334m."

Beware of the 'group-think trap'

Speak to any (knowledgeable) media planner and they will be moan the state of above-the-line media in South Africa. By and large, it is ludicrously expensive, it's not measurable and it's un-reliable (think flighting of material in incorrect time-bands, newspapers not being delivered and so on)

So, why do we still see so much of it in South Africa? There are a few reasons, but I think the most dangerous is due to the

"group-think trap". Advertisers see their competitors on a certain platform and think "Hey, it must be working for them! Why aren't we there too?" And so we create an industry that stifles originality, authenticity.

Remember when social media first broke ground in SA a few years ago? Brands saw their competition on Facebook, and the scramble began. No strategies, no end goal; just "They're on Facebook, so we need to be on Facebook too!" It's the same as when Out of Home media owners started making things pop out of their billboards in a bid to remain relevant; all of a sudden everyone had to do it - but did it change anything?

If you have read what is going on with NAB and SAARF, you will know that Media Owners are going to have to be a lot more honest about their audience ratings and/or readership figures, and the results their clients can expect.

Results speak for themselves

So, will Lion Matches help Breitling Watches build brand equity or win mind share? Absolutely not.

Will it deliver amazing results for an advertiser that offers cash loans or funeral cover or life cover. YES! The results from the JD Group case-study speak for themselves!

At the end of the day, brand managers and marketers need to break free from the illusion that the biggest, or most expensive medium, is the most effective.

The best medium is one that takes your product, idea or service to the greatest number of potential customers, with the greatest impact and least wastage. And this can vary quite drastically from one brand to another.

That's advertising in its purest form. That is what builds brands and grows businesses. And its time we get back to it!

So, don't get fooled by smart-talk, or "3D" billboards. Find out which mediums and messages will work best for your brand.

Lion Matches offers the greatest penetration into the mass market, with the lowest CPM and least wastage.

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