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**Chapter Twelve** 

## Chapter Fourteen Media Planning and Buying



**Chapter Seven** 

M is Motivation. M is Momentum.

M is Moving Forward.

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**Chapter Thirteen** 

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#### **Learning Objectives**

- **14-1** Describe how media planning has changed and what has caused these changes.
- **14-2** Discuss the types of media objectives and identify the strategies for achieving these objectives.
- **14-3** Articulate what is meant by "the art of media planning."
- **14-4** Identify the factors that influence media strategy and tactics.
- **14-5** Describe different types of advertising schedules and the purpose for each.
- **14-6** Explain the role of the media buyer.

#### **Media Planning**

Conceiving, analyzing, and selecting channels of communication that will direct advertising messages to the right people in the right place at the right time.

Considerations for the media planner:

- Place of advertising.
- Media vehicles.
- Time, period, and frequency for advertising.
- Opportunities for integrating advertising with other communication tools.

#### The Challenge

Difficulty reaching a big audience due to increasing media options:

- Television fragmentation.
- Magazine specialization.
- New options such in nontraditional media.
- Integration into IMC efforts.

The Challenge continued

Difficulty finding prospects for advertising due to audience fragmentation.

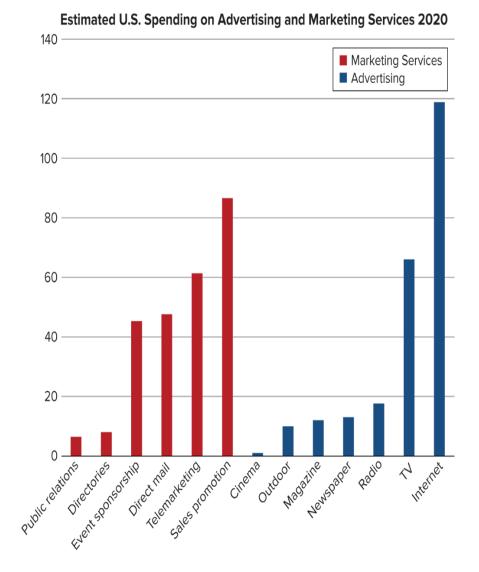
- Readers and viewers scattered across new media options.
- Audiences selectively and partially consuming media.
- Consumers spending more time with less traditional media.

The Challenge continued

Increasing costs due to the restriction by media on the number of ads sold.

- Number of messages to be communicated have outstripped the ability of consumers to process them.
- Limited ad space and growing number of messages means rising costs.

## Exhibit 14-1 2020 U.S. Advertising (Blue) and Marketing and Communications (Red) Spending By Channel (\$ billions)



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7

The Challenge continued

Increasing complexity in media buying and selling.

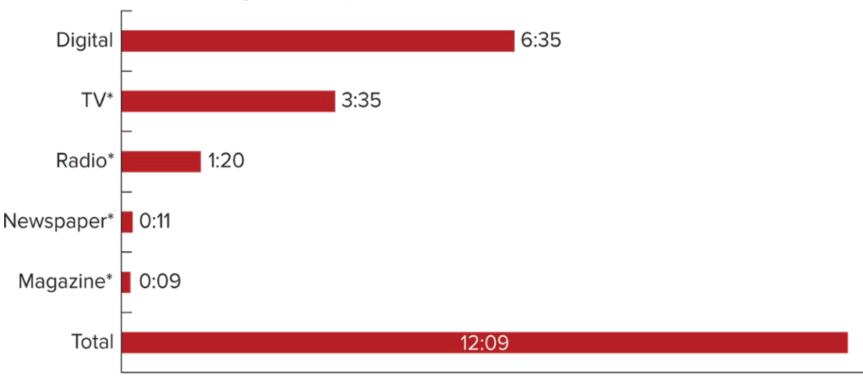
- Value added programs that provide extra benefits for additional sales have been developed.
- Fragmentation and diverse audiences make targeting audiences more difficult.

Increasing competition.

- Independent media buying services and ad agencies compete over media buys.
- This has led to the development of new research tools.
- Growing dominance of digital media.

## Exhibit 14-2 Average Time Spent with Media, 2019

Average Time Spent With Media in the U.S., 2019



Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; for example, 1 hour of multitasking on TV while listning to radion is counted as 1 hour for TV and 1 hour radio; \*excludes digital

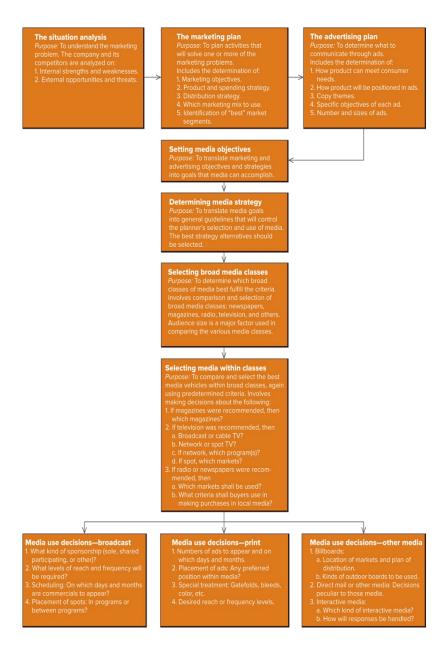
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- The Role of Media in the Marketing Framework
- Before media planning begins, companies must first establish their overall marketing and advertising plans.
- First, establish top-down marketing plan.
- Objectives and strategies of an advertising plan unfold from the marketing plan.
- Media objectives and strategies flow from the advertising plan.
- Media department's job is to make sure the advertising message (developed by the creative department) gets to the correct target audience (established by the marketing managers and account executives) in an effective manner (as measured by the research department).

#### **Marketing Framework for Media Planning**

- 1. Situation analysis.
- 2. Marketing plan.
- 3. Advertising plan.
- 4. Setting media objectives.
- 5. Determining media strategy.
- 6. Selecting broad media classes.
- 7. Selecting media within classes.
- 8. Media use decisions.

Exhibit 14-3 **Diagram Showing How Media Objectives**, Strategies, and **Plans Result from** the Marketing and **Advertising Plans** 



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#### Media Planning Framework

- 1. Review the marketing and advertising objectives and strategies.
- 2. Set relevant, measurable objectives that are realistic and achievable.
- 3. Devise a strategy for achieving the objectives.
- 4. Develop the specific tactical details of media selection and scheduling.

#### **Defining Media Objectives** 1

#### **Media Objectives**

• Translate advertising strategy into goals.

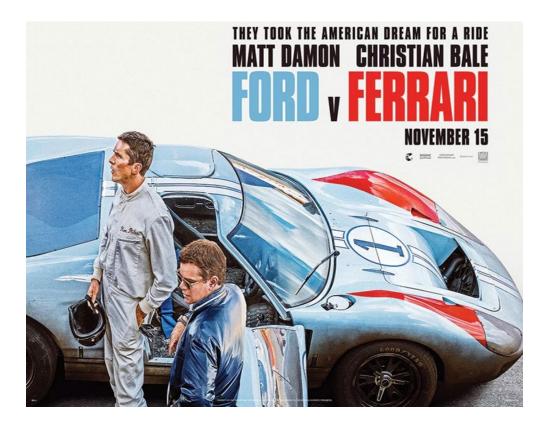
#### **Audience Objectives**

Defines the specific types of people the advertiser wants to reach.

- Secondary research sources provide basic demographic characteristics of media audiences.
- Other sources provide information based on purchase tendencies.

Planners select **media vehicles** according to how well they offer an audience that most closely resembles the desired target consumer.

#### **Using Product Placement**



Media planners must be more creative than ever. Sometimes that means purchasing a product placement rather than a traditional ad. The film Ford v *Ferrari* put the placements right in the title and featured long scenes of the cars from both companies. Concave, a brand tracking firm, estimates the movie generated almost \$56 million in advertising value. It didn't hurt that the film was nominated for a Best Picture Academy Award.

### **Defining Media Objectives** <sup>2</sup>

#### Message-Distribution Objectives

**Distribution objectives:** where, when, and how advertising should appear.

Audience size measurements:

- **Circulation:** statistical measure of a print medium's audience; includes subscription and vendor sales and primary and secondary readership.
- **Readers per copy (RPC):** variable used to determine the total reach of a given print medium and, when multiplied by the number of vendor and subscription sales, to determine total audience size.
- **Pass-along rate:** the number of people who read a magazine or newspaper without buying it.

#### **Defining Media Objectives** <sup>3</sup>

Message-Distribution Objectives continued

**Message weight:** total size of the audience for a set of ads or an entire campaign.

**Advertising impression:** possible exposure of the advertising message to one audience member.

- Known as **opportunity to see (OTS)**.
- **Gross impressions:** total of all the audiences delivered by a media plan.

#### **Defining Media Objectives** <sup>4</sup>

Message-Distribution Objectives continued

With large media schedules, gross impressions can run into the millions and become difficult to comprehend.

**Rating:** percentage of homes or individuals exposed to an advertising medium.

- **Television households** or **TVHH:** households with TV sets.
- **Gross rating points (GRPs):** total audience delivery or weight of a media schedule; one rating point equals 1 percent of a particular market's population.

### Exhibit 14-5 Gross Impressions Analysis for Alpha Brand in the Second Quarter

Media Vehicles	Target Audience*	Messages Used	Gross Impressions
TV–Ch. 6 News	140,000	15	2,100,000
Daily newspaper	250,000	7	1,750,000
Spot radio	10,000	55	550,000
Total gross impressions			4,400,000

\*Average.

## Exhibit 14-6 Gross Rating Points Analysis for Alpha Brand in the Second Quarter

Media Vehicle	Adult Audience*	Messages Used	Gross Rating Points
TV–Ch. 6 News	10	15	150
Daily newspaper	25	10	250
Spot radio	1	35	<u>    35</u>
Total gross rating points			435

\*Assumes market size of 1 million people.

#### **Defining Media Objectives** 5

Message-Distribution Objectives continued

**Reach:** total number of different people or households exposed to an advertising schedule during a given time.

• Accumulated by using a single media vehicle repeatedly or by combining two or more media vehicles.

**Frequency** measures the intensity of a media schedule, based on repeated exposures to the vehicle or the program.

**Continuity** refers to the duration of an advertising message or campaign over a given period of time.

## Optimizing Reach, Frequency, and Continuity: The Art of Media Planning

#### **Effective Reach**

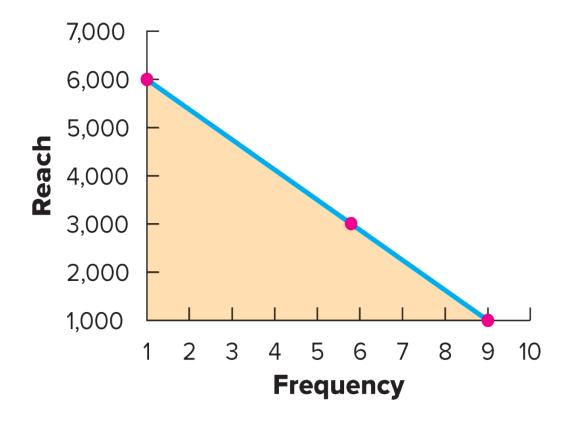
• Describes the quality of exposure by measuring the number or percentage of the audience who receive enough exposures for the message to truly be received.

#### **Effective Frequency**

Average number of times a person must see or hear a message before it becomes effective.

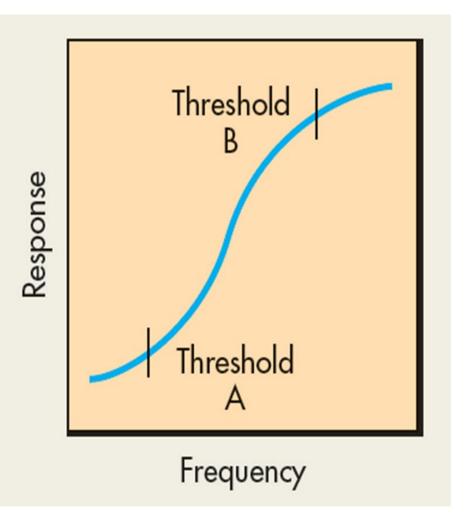
- The S-shaped **advertising response curve** suggests that at a low frequency there is little response.
- But are all exposures equal?

#### **Exhibit 14-8 Reach and Frequency**



Reach and frequency have an inverse relationship to each other. For instance, in this example, an advertiser can reach 6,000 people once, 3,000 people approximately 6 times, or 1,000 people 9 times for the same budget.

#### **Exhibit 14-9 S-shaped Response Curve**



The S-shaped response curve suggests that a minimum threshold (A) of advertising frequency must be crossed before a meaningful response is achieved. At some level of frequency, another threshold (B) is crossed and the response begins to level off or even decline due to overexposure.

#### Developing a Media Strategy: The Media Mix 1

Factors in the Media Strategy: The Five Ms

- Markets: various targets of a media planner.
- **Money:** how much to budget and where to allocate it.
- Media: communications vehicles available to a marketer.
- **Mechanics:** dealing creatively with the available advertising media options.
- Methodology: overall strategy of selecting and scheduling media vehicles.

## Developing a Media Strategy: The Media Mix 2

Factors That Influence Media Strategy Decisions

Scope of the media plan:

- Local.
- Regional.
- National.

Sales potential of different markets:

- **Brand development index (BDI):** percentage of a brand's total sales in an area divided by that area's percentage of the total U.S. population, multiplied by 100.
- **Category development index (CDI):** percentage of a product category's total U.S. sales in an area divided by the percentage of the total U.S. population in the area, multiplied by 100.

#### Exhibit 14-10 Comparing the BDI with the CDI

	Low BDI	High BDI
High CDI	Low market share <i>but</i> Good market potential	High market share <i>and</i> Good market potential
Low CDI	Low market share <i>and</i> Poor market potential	High market share <i>but</i> Poor market potential

Media buyers compare the brand development index with the category development index for their products to better understand which markets will respond best to advertising. Advertising can be expected to work well when BDI and CDI are both high, but probably not when both are low.

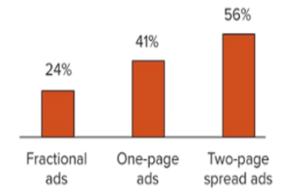
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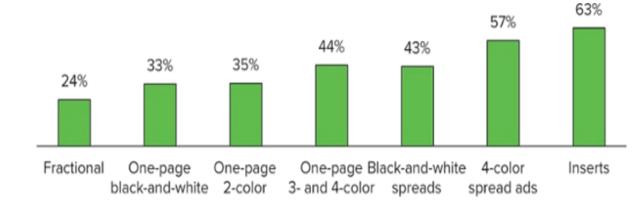
#### Developing a Media Strategy: The Media Mix 3

Factors That Influence Media Strategy Decisions continued

- Competitive strategies and budget considerations.
- Nature of the medium and mood of the message.
- Message size, length, and position considerations.
- Buyer purchase patterns.

## Exhibit 14-11 Effect of Size and Color on Ad Readership (total ads studied = 107,506)





a. Size—as size increases so does readership.

#### b. Size and color—advertising readership increases with size and the use of color.

#### Developing a Media Strategy: The Media Mix 4

#### Stating the Media Strategy

Written rationale for the media strategy is integral part of media plan.

- Definition of target audience and priorities for weighting.
- Nature of message and which media types will be used and why.
- Outlines specific reach, frequency, and continuity goals and methods.
- Budget for each medium.
- Intended size of message units and position or timing considerations.

## Media Tactics: Selecting and Scheduling Media Vehicles 1

Criteria for Selecting Individual Media Vehicles

Overall campaign objectives and strategy.

Characteristics of media audiences:

- Audience: total number of people or households exposed to a vehicle.
- Content of the vehicle determines the audience.

#### **Exhibit 14-12 Media Selection Advantages**

Medium	Advantages					
Newspapers	Quick placement. Local targeting. Audience interest. Current.					
Magazines	High-quality graphics/reproduction. Prestige factor. Color. Selective targeting.					
TV	Combines sight, sound, movement. A single message. Demonstration. Social dominance.					
Radio	Intimacy. Loyal following. Ability to change message quickly. Repetition and frequency.					
Digital interactive	Immediate response. Interactive. Highly selective targeting. Global. Fastest-growing medium. Relevance of ads.					
Direct mail	Measurable. Graphics, color. 3-D. Highly personal. Adaptable message length.					
Outdoor/Transit	Local targeting. Graphics, color. Simple message. Larger than life. Repetition.					

## Media Tactics: Selecting and Scheduling Media Vehicles <sup>2</sup>

Criteria for Selecting Individual Media Vehicles continued

- **Exposure value:** value of a medium determined by how well it exposes an ad to the target audience.
- Attention value: determined by the degree of attention paid to ads in particular media by those exposed to them.
- **Motivation value:** a medium's ability to motivate people to act, based on factors such as prestige, good-quality reproduction, timeliness, and editorial relevance.

#### Media Tactics: Selecting and Scheduling Media Vehicles <sub>3</sub>

#### Factors Affecting the Probability of Ad Exposure:

- 1. Senses used to perceive messages.
- 2. Quantity and type of attention required by the vehicle.
- 3. Vehicle's role—information source or diversion.
- 4. Vehicle's focus—general or specialized audience.
- 5. Intrusiveness of the ad in the vehicle.

#### Factors that Increase Attention Value:

- 1. Audience involvement with editorial content or program material.
- 2. Specialization of audience interest or identification.
- 3. Number of competitive advertisers.
- 4. Audience familiarity with the advertiser's campaign.
- 5. Quality of advertising reproduction.
- 6. Timeliness of advertising exposure.

# Media Tactics: Selecting and Scheduling Media Vehicles 4

- Criteria for Selecting Individual Media Vehicles continued
- **Cost per thousand (CPM):** cost of reaching 1,000 people in a medium's audience.
- **Cost-efficiency:** cost of reaching a target audience through a particular medium as opposed to the cost of reaching the medium's total circulation.
- **Target CPM (TCPM):** cost per thousand to expose a message to the target audience rather than the total circulation.



# Media Tactics: Selecting and Scheduling Media Vehicles 5

**Buyer Purchase Patterns** 

• Customer's product purchasing behavior affects every element of the media mix.

#### Stating the Media Strategy

Written rationale for the media strategy helps management analyze the logic and consistency of the recommended media schedule.

**Cost per point (CPP):** cost of an ad divided by the rating of the broadcast program in which it airs.

• Helps determine which broadcast programs are the most efficient in relation to a target audience.

## Media Tactics: Selecting and Scheduling Media Vehicles 6

#### The Synergy of Mixed Media

#### Use a mixed-media approach to:

- Reach people who are unavailable through only one medium.
- Provide repeat exposure in a less expensive secondary medium after attaining optimum reach in the first.
- Use the intrinsic value of an additional medium to extend the creative effectiveness of the ad campaign.
- Deliver coupons in print media when the primary vehicle is broadcast.
- Produce **synergy**, where the total effect is greater than the sum of its parts.

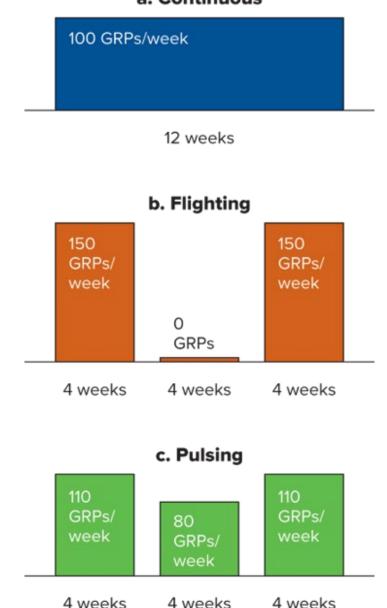
## Media Tactics: Selecting and Scheduling Media Vehicles 7

Methods for Scheduling Media

- **Continuous schedule:** advertising runs steadily with little variation.
- **Flighting:** periods of advertising are alternated with periods of no advertising at all.
- **Pulsing:** mixing continuity and flighting strategies.

#### a. Continuous

## Exhibit 14-13 Three Ways to Schedule the Same Number of Total Gross Rating Points



Access the text alternative for slide images.

## Media Tactics: Selecting and Scheduling Media Vehicles 8

Methods for Scheduling Media continued

- **Bursting:** running the same commercial every half-hour on the same network during prime time.
- **Roadblocking:** buying simultaneous airtime on all three television networks.
- **Blinking:** advertiser floods the airwaves for one day on both cable and network channels to make it impossible to miss the ads.

## Media Tactics: Selecting and Scheduling Media Vehicles 9

Computers in Media Selection and Scheduling

Variety of desktop scheduling software available to media planners.

- Saves significant time and money.
- Telmar is leading supplier of computerized media planning software and support.

Media planners must still know the product, the market, and the media to make selection and scheduling decisions.

#### **Exhibit 14-14 Media Plan Flowchart**

My Flowchart																							
2021 Monday (Bdcst) Dates																							
Media		Febr		· ·	March				April				May				June				Cost (\$000)	Rating points	Cost/point
Media	27	3	10	17	24	3 10	17	24	31	7	14	21	28	5	12	19	26	2	9	23	Cost %	Rtg. point %	Total uses
						_			2	2	2	2			2	2	2	2					
Prime Time Television															a - 1						1,600,000.00	320.0	5000.0
30 Second sports														_							22.9	12.6	16
	2		2		2	2		2		2		2		2		2		2					
National Magazines																					1,000,000.00	20.0	50000.0
People	-				$\square$	_	-							_		_					14.3	0.8	20
National Radio	-		20	20	-	20	20	20		20		20	20	-	20		20	20			4,400,000.00	2200.0	2000.0
Afternoon drive	-	-												-		_					62.9	86.6	2000.0
Alternoon drive	+			-	$\vdash$	+	+	-		-		-		-	-	_		-			02.9	00.0	220
Total Media																				_	7,000,000.0	2540.0	27343.8
																					(100.0)	(100.0)	256
Cost (\$000):	1,0	00,0	000.	00	1,5			00	1,80			00	1,40	0,00	000.	00	1,3	00,0	000.	00	7,000,000.00		
Cost %:		14	.3			21	.4			25	5.7		20.0				18.6						
Rating points:		40	4.0			606				564	4.0	484.0				482.0					2540.0		
Rtg. point %:		16	.3			24			23.2				19.8				16.2						
Cost/point:		247	5.2	2 2475.2			3191.5				2892.6			8	2697.1						13731.6		
Total uses:	Total uses: 44 33			52					48			46						223					
										_					_		_	_					
TV		100,			20		000		20														
Mag	_	50,0		_	20	2	500	)	1														
Rad		20,0	000						10														

A media plan flowchart like this computerized printout of Telmar's FlowMaster gives a bird's-eye view of the major media purchases and where and when they will appear over a specified period of time.

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#### The Role of the Media Buyer

#### Media Buyer

- Responsible for negotiating and contracting the purchase of ad space and time in various media.
- Software programs have increased buyer productivity and efficiency.

Key skills needed in three areas:

- 1. Knowing the marketplace.
- 2. Negotiating the buy.
- 3. Monitoring performance.



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