ECI
HIGHER MEDIA VALUE

# Top 10 considerations for…

# …media pricing performance

**In an increasingly complex, fragmented media landscape, it's more important than ever for advertisers to actively manage media performance while negotiating with vendors. Media spend is a critical investment for brand growth, so all relevant stakeholders should be involved: client marketing, media and procurement teams as well as agency trading and media strategy experts. Balance is key: the agency will bring valuable expertise and clout, but the advertiser needs to have ultimate ownership of the process and KPIs.**

**As a significant share of pricing today is dynamic, advertisers should leverage auction-based buying wherever possible to secure the most efficient pricing.**

1. **An unprecedented number of agency pitches has led to even greater variation in media pricing performance.**

    - Ensure your agency rewards loyalty over new business so that your pricing stands strong. Work with them to define KPIs and measurements for savings and value gains targets, detailing definitions for like-for-like, potential exclusions and baselines.

2. **An increasing number of direct deals between advertisers and media suppliers have fixed/guaranteed programmatic CPMs.**

    - Consider whether your transparency delivers value, or just transparency. Confirm that contract language allows for the right level of transparency to ensure that you get the value that has been promised, and that your brand's strategic goals are being met.

3. **A major issue in media pricing performance is a lack of target-setting and evaluation.**

    - Work with price targets to set goals for improvement and motivate your agency by implementing performance-related fee models to secure a future-proof, mutually beneficial relationship.

4. **While TV remains a high-reach medium, fragmentation is contributing to a ratings decline, as impressions are spread across multiple platforms and channels.**

    - Focus on targeting multiple channels that will help increase reach and limit frequency: cast a wide net rather than focusing on a narrow channel list.

5. **With TV viewers flocking to ad-free streaming platforms, the most effective TV channels are likely to become more expensive.**

    - Lead your negotiations and implement a process to identify under-priced opportunities in the market. Instruct your agency to provide recommendations about inflation mitigation approaches and to prioritise cost per reach rather than basic cost per contact in channel mix reviews.

6. **Connected TV is gaining momentum as different parties attempt cross-platform measurements.**

    - Evaluate each component of proposed deals separately, for example TV components versus VOD components, to ensure that each delivers the required efficiencies.

7. **All impressions are not created equal: as there are more opportunities for your ad to be seen, definitions of 'view' can differ and this has a direct effect on pricing per quality KPI.**

    - Decide on your quality KPIs and negotiate accordingly; provide clear direction on channels, dayparts and programming without being too restrictive. For digital, make sure that there are viewability standards in place, following a clear definition of a viewable impression.

8. **Tracking capabilities on digital spends are changing constantly while platforms adjust their focus towards user privacy.**

    - Re-evaluate digital outputs, including pricing, on a constant basis.

9. **It's easier than ever to reach narrow target groups, but that means it's also easier to pay for the wrong target group or lose out on sub-groups – both expensive mistakes.**

    - Understand your primary and secondary target groups, and plan for price efficiency in both – make an active choice about whether it's worth paying for 'waste' or not.

10. **Seasonality is less pronounced for digital than for traditional media, but it is a factor and is driven mainly by demand, such as Black Friday and Christmas.**

    - Ensure your agency reviews seasonal price differences, as savings can be made by being smart with digital allocation.

These are examples of approaches that will deliver significant value. However, it is always important to remember that there is nothing more expensive than buying the wrong strategy, so ensure that all value levers are considered, from CPMs to qualitative dimensions, to ensure allocation is based on your specific business and marketing targets.

# About ECI

### ECI: HIGHER MEDIA VALUE

Technology is transforming the media landscape at an unprecedented pace. But in the right hands, change can be a force for good. ECI, the market's fastest growing global media management company, leverages these changes to help you drive **higher media value** from your advertising investment.

### A modern, forensic approach

Ever since our formation we have championed a modern approach to media and financial auditing. As pioneers in the field of digital auditing, we include sophisticated analysis of programmatic activity in our audit model, and we pride ourselves on a forensic, fact-based approach which harnesses the power of our world-class talent and proprietary technology. Along with our innovative benchmarking capabilities, we are confident in our ability to empower our clients to drive **higher media value** and media-led impact on business performance.

### Cutting-edge services

Capitalizing on today's dynamic, fast-paced media landscape to drive **higher media value** requires data-driven decision-making, global experience and a deep understanding of the latest technologies. At ECI we are proud to be able to offer these and so much more, including TV auditing, financial compliance auditing, pitch management, KPI setting and management and contract consultancy.

### Global experience, local expertise

We are proud of our client portfolio, which contains some of the world's largest and leading advertisers. Our network of owned offices and leading affiliates supports them where they need us, across the Americas, Europe and Asia Pacific. We offer them high-level media intelligence and rigorous benchmarking and, ultimately, the insight, experience and savvy to ensure that their advertising investment and agency relationships drive **higher media value**.

## CONTACTS

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