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Survive and Thrive in a New Media World



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Jumpstart Automotive Media's CEO shares tips to help automotive advertisers find media partners that are more consultative, knowledgeable and in tune with relevant market intelligence.

The publishing and advertising industries are going through a period of fundamental change, driven primarily by the proliferation of digital media platforms-- and the speed in which they have been adapted to deliver advertising messages more measurably than any media that came before.

There was a time that with a single Big Three network-buy, advertisers could reach the vast majority of American consumers; before that, a single network radio buy could do that same thing. This made for a relatively uncomplicated relationship between media companies and buyers, and in the process, the media leaders became household names: ABC, Time Inc., Conde Nast, et cetera.

But we live in a new world now, and the media /publishing companies that will emerge as the new leaders will look very different than they do today-- as defined by their two primary characteristics. First, these companies will not be just sellers of advertising; rather, they will serve as "marketing partners" to their advertisers. Second, they will bring significant digital scale and reach, but will accomplish this reach in a different way than in the past. To accomplish both these goals will involve some original thinking, so here's how I envision the game playing out:

Becoming a partner

Marketers at every level no longer want ad sellers who are "vendors." You can't simply walk in the door with a pocketful of fixed proprietary inventory and say, "Here's what I have and why you should buy it." Nobody has the time or staff to see endless self-serving presentations by a hundred different cable channels or a thousand magazines-- not to mention hundreds of websites, mobile providers, event media, outdoor, direct mail, newspapers and MSOs. Thanks largely to media fragmentation, marketing is becoming more and more complex. Furthermore, commissions are becoming so low that agencies are massively under-resourced, and often have a 24-year-old controlling a \$100 million budget. Marketers want partners that help them sort through the complexities of our new media world, and publishers that bring more to the table than ad inventory will have a very real advantage

Being a marketing partner means being more consultative, more knowledgeable, more of a problem solver and a deliverer of "market intelligence" (data, insights, best practices) to advertisers. For example, in automotive, this can mean using proprietary data to help media planners be more effective. Car manufacturers depend on knowing the "competitive set" to help target their media (a competitive set is the other car models that are believed to be most shopped against the specific model a carmaker is selling). However, this data is hard to come by; it is often outdated by the time it becomes available, or it differs from publisher to publisher. A true marketing partner is one that will mine its site(s) for data and present this information to help the advertiser achieve better results.

Another trait to look for in a publisher is that it is willing to create a custom ad program specific to the needs of the advertiser. Recently, Honda was looking for a way to cut through the clutter for the new Accord campaign. We worked closely with Honda and its creative agency, RPA, to understand their needs, and then involved Vehix.com and Comcast to create the industry's first "cross platform" media campaign that spanned television, video-on-demand and the web.

Publishers that act like partners will have stronger access and rapport up and down the lines -- both with the client and their agencies -- and will therefore earn a seat at the table when they discuss business goals and solutions. This potential for collaboration can also result in additional business opportunities that, as a vendor, a publisher would never be exposed to.

Reach and scale

The second requirement for success in the new media landscape is the ability to deliver solutions with scale and reach. Where will that scale come from? Not from where it used to, that's for sure.

For example, the phrase "owned and operated" will continue to mean less and less. Owning inventory and content is important, and this ownership can be grown organically or via acquisition. But partnering for inventory is going to be increasingly more important. For example, 40 percent of Google's revenue and ad inventory comes as an aggregator and re-seller rather than via its own site. Google expects that in the future more than half of its inventory and revenue will come from selling inventory on other publishers. Yahoo! and AOL are also growing the amount of inventory they sell on content they don't "own," and Yahoo's recent re-organization shows just how important the "publisher ad network" is to their future plans. For all major media companies, partnering for inventory is the new model for substantial growth.

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