News

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Media Planner: Trade-Offs Key to Plan Efficiency

Compromises Must Be Reached to Make the Most of Limited Resources

By Mark Dominiak Special to TelevisionWeek

Media planners earn their stripes by allocating the brand's resources to generate the maximum possible market impact.

In order to meet that challenge, planners must navigate their way through a process that at its heart is an exercise in balancing trade-offs. A variety of trade-off questions are always considered, whether planners do so as part of a formal planning process or instinctively in crafting the plan.

Should the plan strive for reach or frequency? Should the plan focus resources in a few key time periods or allocate presence more thinly across the entire planning time frame? Should there be heavy presence in one media type or less presence in many? Do we select large-impact units knowing we can run them infrequently or choose smaller, less intrusive units that can appear much more frequently? Are resources going to be distributed over a broad geographical area or focused in a small one?

In a recent planning exercise undertaken in partnership with the agency team at Chicago-based Paco Communications, a marketing agency specializing in the U.S. Hispanic market, we faced just such a trade-off situation.

There wasn't anything odd or unique about our client's situation. In fact, it mirrored one many planners face in addressing the needs of a small, local client: Resources were slim and the need to create substantive impact was great.

What made our situation noteworthy was the reawakening we experienced by diligently rolling up our sleeves in the trade-off process, particularly in the area of geography. A brief review of the client's limited resources and the lesser-known vehicles we chose to meet our communication needs can provide planners with helpful insights.

Our client is Norwegian American Hospital, located on the northwest side of Chicago. Norwegian has been serving its Chicago community for well over 100 years, providing excellence in family health care. Norwegian's status as a smaller community hospital and passion for directing resources into service excellence hasn't left much over the years to consistently devote to marketing communications.

For 2008, however, the hospital's board of trustees decided to commit what resources they could for a concerted communications effort for the next year, with an emphasis on the upcoming fourth quarter. They rightly wanted to let the surrounding community know what a wonderful health care resource and neighbor Norwegian really is. Even so, costs for local media in the Chicago market are high and the level of funding the hospital is able to commit is nominal.

As a planning team, we then were left with the challenge of generating a lot for a little in an expensive environment. The natural exercise was to think about trade-offs in developing a strategy. At first, our considerations focused on weighing media types and units, but we realized there was an obvious trade-off to which we needed to devote more consideration: geography.

We didn't need to think about the entire Chicagoland market. Norwegian American Hospital is a provider serving the needs of the immediate community around it. Those in need of medical services on the far north or south sides of the city would not journey to Norwegian when nearby hospitals would serve their needs. Norwegian messages reaching those people would have little relevance.

We therefore needed to amend our definition of target geography beyond the Chicago market to focus on the area immediately around the hospital. A radius of nine ZIP Codes, including Norwegian's home ZIP, was identified as key geography. Digging into our media options for the area, we realized we were not limited to regional editions of the newspapers, community Penny Savers or direct mail ads. We had a wealth of vibrant, relevant media we could use to deliver Norwegian's message.

Television Alternatives

At first blush, television seems unreachable on a small budget with limited geography. Inventory on affiliate stations is expensive and wasted impressions seem inevitable. However, there's a worthwhile alternative available: local cable.

Comcast is the major cable provider in Chicago. It can segment the marketplace geographically, and one of its zones conforms nicely to Norwegian's desired ZIP Code geography. Further, in comparison to affiliate unit costs on the order of hundreds or thousands of dollars, Comcast zones can be purchased for tens of dollars.

In addition, we were able to obtain media consumption research for our group of target ZIP Codes, enabling us to identify which cable networks performed best in our core geography. We then targeted those networks for our buy. To provide even more flexibility, Comcast offers a tiered cost structure for regionally delivered cable networks, so Norwegian's list balanced costs between mass reach and niche networks.

Finally, we were able to leverage Comcast's video-on-demand property in a way specifically tailored for local hospitals. The Health and Wellness on Demand feature provides for a user–accessed, two-minute vignette that allows Norwegian to tell far more about its existence as an excellent family-centered hospital. Monthly VOD ad costs are very affordable and the higher-tech feel of the environment adds validity to Norwegian's message.

Cinema

We also learned that the use of a carefully crafted 30 seconds didn't have to stop with television. National CineMedia also offered the ability to run our spots in movie theaters. It fortunately provided us the ability to target specific theater locations within the Chicago market.

The out-of-pocket cost to run on the 25 screens most frequented by our core geography is far less onerous than it would be for the entire market. Further, we were able to enjoy exposure not only on the pre-roll queue, but on the screens located in the lobby and above the concession stands as well. Moviegoers in our target geography are able to catch our spot whether they have found their seat or if they are still waiting to pick up their popcorn.

Retail

In an effort to meet our target geography prospects in a more everyday fashion, we also included a plan component delivering messages in the grocery store. News America offers tremendous and deep coverage market to market, but you may not know retailers can be targeted individually within markets.

For Norwegian, we focused in on a number of retail grocery and drug locations within our core ZIP Code area. We chose to use a combination of News America's product offerings across the retailers. We were able to take advantage of continuity in these programs. While upfront production costs are significant, the actual per-cycle media costs are quite affordable; once production is accounted for, it does not take a huge commitment to secure additional weeks.

Pizza Boxes

Not only did we find a vendor that could provide advertising on pizza boxes, we found one that could distribute them in a variety of fashions, including by ZIP Code area. KDNY Enterprise, headquartered out of New York, can reach more than 30 million people in five markets via nearly 4,000 pizzerias. In Chicago, we were able to begin with a significant list of 457 independent pizzerias and narrow that down to the dozens in our target area.

In addition to a variety of creative options (adhesive and perforated coupons, sound and even interactive CDs), selections can be made by type of box. Based on how many boxes are included in the plan, KDNY will physically track via bar code the number of boxes being delivered in the time period. Adjustments will be made to increase or decrease the number of pizzerias utilized for a target geography based on the rate of weekly box delivery.

Outdoor

Conventional outdoor is also an important component of Norwegian's plan. Outdoor is perhaps best positioned to deliver messages within a given geography. With a modest budget, enough placements can be purchased within the target area to create more impact than could have been achieved had the dollars been allocated across the entire market. Further, we can exploit the power of location to change creative to better fit the Hispanic and general market skews across the neighborhoods within the target geography.

As the Norwegian American Hospital example demonstrates, it can be very beneficial for media planners to dig as far as possible when they ask questions about trade-offs during the planning process. Sometimes there may be powerful opportunities available one level deeper than we are accustomed to considering.

In the case of geography trade-offs, the benefits can be particularly rich. And in today's world of burgeoning media options, very finely sliced geographic opportunities may be available. Many of those opportunities can be just the ones that raise a brand’s profile among consumers, convey needed brand stature and generate the kind of presence needed to create market impact.

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