

# Step Four

Module Four

Mini Lesson Guide

the  
marketing  
Democracy™

# Welcome!



When it comes to spending your hard-earned marketing budgets, you want the assurance that you are investing your resources wisely. Today's digital media marketplace is opening up new opportunities for businesses of all sizes and budgets to purchase advertising time and space. What guides a sound investment strategy? We've boiled it down to eight key questions that you should ask in order to determine which approach is right for you. There is no "one size fits all" solution to buying advertising time and space. The choice is yours to invest in ways that suit your strategy.

- Judy

## Module Overview

In this module, we are going to focus on four key ideas:

- In [Lesson One](#), you will learn the different ways that advertising time and space are bought and sold.
- In [Lesson Two](#), you will learn an investor's mindset by focusing on your goals and evaluating strategic tradeoffs.
- In [Lesson Three](#), you will learn some of the most common terms used in media buying today so you won't get lost in all the jargon.
- In [Lesson Four](#), you will learn why the lowest price is not always the best choice.

To help you set your overall investment strategy and decide upon different marketplace approaches, you can purchase a "Media Buying Decision Tree." This downloadable PDF is fully functional if you open it in Adobe Acrobat Reader. Be sure to click on the "listen" icon in the lower right-hand corner to learn more about this helpful tool. And, for additional inspiration, you can watch the real-world example video to see this lesson in practice.

Congratulations on taking this important step in your journey to developing world-class marketing for your business.



# Lesson One

## There is No "One Size Fits All" Approach to Buying Advertising Time/Space

### Why This Matters

You've done your homework and you have determined that some forms of paid media are important for sharing your brand story and engaging with your customers. How do you go about buying time and/or space in paid media channels? There is no one size fits all approach and this lesson is designed to help you navigate all the different marketplaces that you can use. You will soon discover that before you spend any money, there are several questions that you need to ask yourself so that you can enter these marketplaces with an informed investment strategy.

### 5 Key Takeaways

- There is no one right or wrong way, or "one size fits all" approach to buying advertising time and space. Instead, ask yourself eight questions to inform the approach that's right for you.
- Due to the growth of self-service advertising portals, businesses of all sizes can gain access to media opportunities that were once reserved for the big spenders.
- Regardless of "how" you buy media time and space, "what" you buy should be based upon the work you have already done to determine the right opportunities for your situation. Don't let the media buy drive the strategy.
- Remember, you are buying time and/or space for your customers and not for you! This isn't about what you like as much as it is about what your customers find influential.
- It's important to set reasonable and realistic goals. What is it that you hope to accomplish as a result of your media buys? Set KPIs that relate back to the customer actions and business outcome you want to achieve.



## Ask Yourself

**Before moving on to Lesson Two, take the time to reflect on this lesson.**

Do you understand the five key takeaways that were presented at the beginning of the lesson?

Have you checked out a self-service ad portal yet? Several large media companies are making it super easy for businesses of all sizes to place advertising buys on their platforms.

Have you done all the necessary work to determine which media channels to buy? Remember, you should be investing on those channels that your customers find most influential.

Have you set realistic goals for your media buys? If you need help, there's a worksheet waiting for you in Step Five called the "Customer Actions and Business Outcomes Worksheet." The goals for your media buys should tie back to customer goals that you can achieve.



# Lesson Two

## Evaluate Tradeoffs to Create an Investment Strategy that Works for You

### Why This Matters

Making a media buy, regardless of how seasoned you are, is stressful. Of course you want to spend your money wisely. There is no such thing as a perfect media buy and there is no guaranteed approach to the marketplace. If we could offer one piece of advice, it would be to think like an investor and carefully weigh your options. This lesson will help you to understand how buying paid media time and space is similar to making a financial investment. You will learn about marketplaces and the different tradeoffs you will have to carefully consider when you create your own investment strategy.

### Key Takeaways

- Think like an investor when buying advertising time and space. Set short-term and long-term goals for your investments. Create a portfolio of investments that fits your strategy.
- Remember the term, “marketplace.” Advertising opportunities are heavily influenced by the economics of supply and demand. Prices will fluctuate based upon the state of the economy and the amount of money that’s flowing into (or out of) these markets.
- Every media buy comes with tradeoffs. There is no perfect solution. Know the pros and cons of each scenario. Evaluate both the pros and the cons in advance so there are no surprises.
- When buying advertising time and/or space you will likely manage one (or all) of the following tradeoffs: access, liquidity, efficiency and brand safety. Get to know these concepts and how they fit your investment vision.
- Stay the course. It’s easy to panic and pull out of the marketplace if you aren’t seeing instant results. Set investment milestones and stick to them.



## Ask Yourself

**Before moving on to Lesson Three, take the time to reflect on this lesson.**

Do you understand the five key takeaways that were presented at the beginning of the lesson?

Do you expect your advertising buys to work immediately? Or, do you plan for long-term benefits as well? Are you willing to stay the course if you don't see immediate results?

Of the four main investment levers: Access (being able to buy exactly the inventory you want), Liquidity (being able to cancel the buy and get your money back) Efficiency (being able to reach your audience at the lowest price) and Brand Safety (being adjacent to safe content) which lever is most important to you?

Does your budgeting process account for marketplace inflation? Sometimes advertising is really expensive and at other times, there is less demand and better deals to be had.

# Lesson Three

Don't Get Lost in All the Jargon

## Why This Matters

When money is involved, you can expect to deal with a lot of numbers. Unfortunately, the paid media marketplaces are fueled by all sorts of numbers that can confuse even the most seasoned media buyer. We hate jargon. It serves to intimidate and it can throw parties off balance. This lesson is designed to strip away the jargon in media marketplaces and help you to understand what these numbers mean. Buying paid media time and/or space doesn't need to be all that complicated. If you understand the basics, you will be able to evaluate opportunities that fit your investment strategy.

## Key Takeaways

- Media buying marketplaces are filled with jargon. When you strip away all the jargon, it all boils down to: measuring the audience (who/how many), measuring their engagement with ads (impressions vs. actions taken) and determining the cost efficiency of the buy.
- Every media company uses numbers to their advantage to tell a story. Every media company can be #1 at something. Ignore the pitch and focus on the KPIs that fit your investment strategy.
- Different media measure their audiences in different ways. They each have their own methodology and language associated with them. Get to know the key terms used for media that are most important to your business (or hire someone else to help).
- Be aware that some media companies (ie Facebook) use their own first party data to measure their audiences. It's as if they are grading their own homework. Be certain that you can trust the numbers.
- Hold media companies accountable to the numbers they use to sell you on the value of their proposal. If they won't stand behind the numbers and guarantee a certain level of performance, you should proceed with caution.





## Ask Yourself

**Before moving on to Lesson Four, take the time to reflect on this lesson.**

Do you understand the five key takeaways that were presented at the beginning of this lesson?

Does the media company that you're doing business with understand your business? Or, are they just trying to sell you stuff? Beware of their goals versus your goals.

Do you ask for (and receive) a formal audit of your advertising schedule performance? If you don't, you should. And, if the media company won't abide by your request, take your business elsewhere.

Don't let any media company try to intimidate you with their jargon or pressure you into making a buy. Keep asking questions until you are completely comfortable (or hire a media buyer to ask the questions for you).



# Lesson Four

## Lowest Price Isn't Always the Best Choice

### Why This Matters

When you go shopping, you look for the lowest price available. Right? Not always. Price is only one measure of value. The same holds true for your paid media investments. The lowest price isn't always the best choice. This lesson will help you to evaluate the true efficiency of your media buys by looking beyond price to evaluate other factors that are better indicators of a value return on your investment strategy. Yes, price is a component; but price must be weighted by other important factors to determine the true value of your media investments.

### Key Takeaways

- Embrace the difference between price and value. The lowest priced media buy may not offer the greatest value return on your investment. You should be willing to pay a premium in absolute terms for a higher value return against your KPIs.
- Remember the lesson learned from the marketing channel influence audit. You can factor price efficiency up or down based upon how influential the media channel is for your category and for your customers.
- Large advertisers know that there are two equally important media marketplaces: the premium marketplace and the tonnage marketplace. Both can be used strategically to deliver your goals. Now you know, too!
- Evaluate the efficiency of your investment strategy as a whole (rather than the individual component parts). You can blend premium investments with more efficient investments to deliver a bottom-line benchmark that meets your objectives.
- Sometimes the marketplace simply heats up and you will have to pay a premium for high value opportunities. Know the marketplace conditions in advance so that you can assess whether the high prices are justified by market conditions.



## Ask Yourself

**Before moving on to the action plan, take the time to reflect on this lesson.**

Do you understand the five key takeaways that were presented at the beginning of the lesson?

Are you willing to buy advertising time/space that's expensive? What are the conditions that would make you comfortable in doing so?

Do you look at the efficiency of your buys one channel at a time? We encourage you to look at the bigger picture and don't worry about the individual parts.

Have you ever been caught off guard by high advertising prices? If you pay the premium, how will this impact your bottom-line? If you step away from the marketplace, what will happen to your business as a result?