

Media buyers need to look beyond the click in digital buys



By [Attila Bernariusz](#)

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Digital advertising will not get the respect it deserves in the marketing mix, until media buyers and advertisers look at the value that it offers beyond the click, and execute their campaigns accordingly.

The rise of digital is causing mayhem in the media buying market as media buyers grapple with its role in the marketing mix.

The digital advertising space is rife with confusion because many of the stats about the South African digital landscape are incomplete or inaccurate, and because agencies, brands and buyers do not understand its full value.

Increase in the online market

With the number of unique browsers (not users) in South Africa increasing from 9.5m to 20.3m between June 2011 and March 2013, according to Effective Measure, the online market is one that few brands can ignore. Yet digital ad spending patterns are still poorly understood.

Nielsen's Ad Dynamix estimates digital accounts for circa R800 million (three percent) of the circa R30 billion South African brands spend on advertising each year. Yet this stat is misleading because it does not take discounts on card rates into account - the higher level of discounting in digital makes it hard to make meaningful comparisons with spending on traditional media types.

What's more, these stats are largely based on display advertising and do not take the full impact of search, social and mobile media spending into account. Based on his discussions with agencies and advertisers, it's estimated that digital advertising's slice of total ad spend could actually be closer to five percent.

Why does this matter? One reason is that understating and underrating digital's value leads to cut-throat discounting. One trend Kagiso Media is seeing, is that the number of advertisers, orders, the number of orders per advertiser, and average deal sizes have grown over the past three years, so too has discounting expectations from buyers.

Discounts are placing downward pressure on publishers' inventory yield and forcing them to use disproportionate amounts of inventory to honour larger deal sizes. This means that publishers' profitability and sustainability is under pressure, while advertisers battle to get access to prime inventory.

More than just clicks

Three things that online publishers would like to see from brands, advertisers and agencies but seldom receive:

- An appreciation that digital is about more than the clicks.
- A deeper understanding of what value clicks deliver - if clicks must be discussed at all.
- A better understanding of the value digital brings in terms of branding effects such as brand recall, awareness, favourability, and purchase intent.

To drive better value from digital spending, media buyers along with their publishing partners should spend time understanding engagement measurement metrics such as click-throughs, traffic, dwell time, and dwell rate, as well as brand-building effects.

They should also be looking at optimising their campaigns with data acquisition, lead generation, targeting, geographic targeting, behavioural targeting, demographic targeting, psychographic targeting, and retargeting. This will help them to drive better return on investment from digital marketing.

Although there is an ever growing list of targeting criteria and capabilities, approach with caution, as adding too much complexity to targeting criteria will lead to hyper fragmentation in a market South Africa's size.

With one in three people in South Africa already online, and the number of South Africans online forecast to exceed 16 million by 2016 (according to the Internet Access in SA 2012 report produced by World Wide Worx), media buyers should be looking at how to best integrate more digital into their marcoms mix.

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