
Mediasmith Anvil
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The future is now

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We still want to be optimists. In fact, we can't stay in business unless we get up in the morning and think good things have to happen today. We know that isn't always true but in light of all that has happened in the last year we still have to get up, go to work, be thankful for the good things in our lives and go out the door. More than ever, however, looking to the future (which we all want to do) always seems to work best if you learn from what has gone on in the past. Advertising has always been a crazy business but the dot-com adventures of the last couple years seemed to take that craziness to a new, never experienced before level. Definitely a time to look back and see what we've learned...

There are a lot of lessons to be learned from the past, and the last three years of roller-coaster client activity are no exception. It must amaze others besides me that we have to keep learning some of the same lessons. The hubris of the "dot-com" CEO's was the greatest ever in the attitude of "I don't care about how this has been done before". So, let's review some lessons that we have learned, most not for the first time:

Lessons we have learned/Elements for Success:

Have a plan, not just an idea-Too many Web companies were founded on a good concept. As we see now, many of them represented potential features in a bigger Website or products/categories better to be sold by a bigger Website. Consolidation is not unusual. It was documented early on that after their respective initial booms, the number of railroads, automobile companies, electric companies and even telegraph companies all ended up at several magnitudes less in number of companies after their respective crashes. There are still questions about some new economy or technology companies as there always will be with start-ups. But those with solid tracks towards profitability and a reason for being should have a good chance of success.

*****Mediasmith Morsel*****
"When buying Internet Keywords, it is often worth maintaining non preemptable keywords for certain key words, which prevents one's competitors from showing up in key areas. For less important words, preemptable keywords can be more appropriate, as their greater efficiency outweighs strategic positioning lost to competitors."

Showing up is important-Woody Allen said that eighty percent of success is showing up. That means making meetings on time, not 5-10 minutes afterwards because you had an e-mail to respond to, or

not showing at all. We were all victims or at one time or other during this period from someone who thought whatever crisis they were involved in was more important than an appointment and respecting the other person's time. Or just plain doing what you said you would do. A fairly basic element for success in business, but not one practiced by many from the Internet economy. There was significant emphasis on selling the concept but not nearly as much emphasis on validating the concept, delivering the goods, quality control, product debugging earlier rather than later or other basic aspects of "showing up."

Experience counts-We have been awash in data. It was once likened to taking a drink out of a firehose. But the average age of the Internet planner or buyer did not allow for the experienced managers who are cross trained on other media to see things that they have seen before and have the good judgment to know what to do. The move of more senior media people into Interactive combined with a strong group of Interactive people with 3-6 years experience makes a lot of difference in the quality of decision being made. Of course, recognition that the Internet is a true advertising media vehicle and should follow some time-tested precepts and processes is an idea whose time has come also.

Know your customer, and theirs-As media people, we spend a lot of time studying demographics and results, so most of us think we are pretty good at this. I would suggest that we need to bond more with the planners who are doing the creative positioning. We need to know more about what they are doing and they need to understand our knowledge base. As far as your customer, do you know what each of your clients has in annual sales? Sales for the products you are working on? The relationship of sales to the ad budget? Are you tracking how they are doing so that there are no surprises when they come to you and ask to spend less (or more) vs. the budget?

Velocity-This is key. It is important that you get a brand going at the right speed. If you don't have enough velocity, there is no buzz that can be created, no matter how much you spend. Make sure that all elements are working right, not just media.

Momentum-The close sibling of velocity. Part of this is getting pointed the right way. Part of it is marshalling your resources so that you have enough to stay the course. You must find a way to maintain momentum once you get velocity.

Payouts and profits-Whoever first voiced the concept that these new companies did not need to pay out should be... (pick your modifier). The reality, as we all know now, is once these companies became public, the broad base of new investors wanted to make sure that they got something for their money. They simply did not understand the losses that the VC's SAID they were willing to put up with. Lacking a stratospheric valuation, the VC's caved in and the rest is history. Have a track towards payout, communicate with everyone as to what it will take to get there and make your key goals along the way.

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"According to Jupiter Media Metrix, there are currently over 4,000 different ad sizes being deployed in the average month. So much for standardization."

Constantly reevaluate the plan-Now, more important than ever. The market is changing too fast to not have alternatives based on various contingencies and be ready to execute on them. My best training for this was in the 80's when I had a major Asian based client. Their culture was such that they believed only in the here and now. And yet, we were responsible for strategic planning. How did we deal with this? We developed contingencies for all possible alternatives. When the client would walk into meeting and declare that we were going in a certain direction, we were ready to discuss it. This sounds a little far reaching, but the value of doing this work is incredible when you are under fire and have a contingency plan in place to handle the problem.

Service, Service, Service-We are in a client service business. Sure, they hire us to do a lot of things and do them well. But in the end, if we do not make it easy for them to approve our plans, understand our buys, sell the buys and plans internally to other stakeholders, and stay on top of the minutia (or be confident that you are handling it all), we will not keep the business. They hire us for our strategic thinking or our buying clout or our ability to optimize their situation. In the end, they keep us because we are easy to work with and logical in our approach.

I'm sure that a number of you out there have your own list. Drop me a line. Might be fodder for a follow-up article.

So make those follow-up calls and close that new business. Discuss the new plans that your clients have. And keep in mind the basics and the lessons of the past.

*****Mediasmith Morsel*****

Back in the 80's people sarcastically said things like "why do I need a computer at home?" What am I going to do with it? "manage my check book and collect recipes?" Well, according to recent Forrester survey, 48% of people in the US manage their finances online.

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NOTE: (A version of this article first appeared in MediaDailyNews on 9/4/01 from MediaPost)

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