

Has Digital Changed Approaches to Media Strategy Making

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Abstract

Purpose – This research explores concepts and processes within strategy making in general, and by media planning professionals in particular. The field of strategy making is dominated by the theory of strategic choice and characterised by an objectivist ontology. However, many believe this does not reflect strategy formulation in today's complex and turbulent environment (Stacey & Mowles, 2015; Volberda, 2004).

Design methodology – The research focused on digital media strategy and planning, an area suffering a high degree of turbulence and complexity, to identify if alternative strategy making processes are being used. The author developed a conceptual approach based on a comprehensive review of strategy making literature alongside primary research amongst UK senior Media Directors

Findings – This research identifies a more emergent and iterative process than is described through the literature. This resonates with the Learning School and differs markedly from the more prescriptive Planning School approach that have previously dominated the industry.

Practical implications – Data driven media planning is now more inductive, with the final plan emerging from multiple closely related iterations and optimisation. This approach is differentiated from short termism and tactics by identifying longer term, hierarchically linked business and marketing goals to guide the media planning.

Introduction

This research explores the theoretical field of strategy making, which, according to Volberda (2004, p. 36) has fragmented in our competitive, post-modern world. The field tends to be dominated by the theory of strategic choice, characterised by an essentially objectivist ontology that, according to many authors, does not reflect the needs of strategy formulation in the complex and turbulent environment that we find ourselves in (Rahman & De Feis, 2009; Stacey, 2007; Stacey & Mowles, 2015; Volberda, 2004). Furthermore, Bodhanya (2009) suggested that this field is philosophically unreflexively, and has become detached from practice, despite being heavily underpinned by the real-world case study methodologies of Harvard Business School (Faulkner, 2002). In fact, Volberda (2004) posited that this detachment is so severe that today's managers are engaged in 'strategic experiments', navigating 'without the guidance of appropriate theories' (2004, p. 35).

To explore this 'experimentation' and reconnect with practitioners and practice, the research aimed to identify how strategy is being approached and enacted by practitioners, with a specific focus on those within the field of media strategy and planning. Media planners represent an interesting case as their role is to determine the media strategy for their clients' advertising campaigns, a task that has been made increasingly more complicated over the last two decades by the rapid digitisation of media and fragmentation of audiences. In essence, the environment in which media planners work is highly complex, unpredictable and uncertain, meeting the conditions that Stacey & Mowles (2015) outlined.

Literature

Media Planning, is the process of selecting the communication platforms to be used to transfer an organisation's marketing messaging to their desired audiences and identifying how the various channels should be used to garner the required attitudinal or behavioural response (Jenkinson, 2003, Soberman 2005, Regan 2014a). Many organisations now use titles such as 'Head of Communications Planning' and 'Chief Strategy Officer' for this role (Davis, 2018) but to avoid any confusion, the term Media Planning is used throughout this research to describe the role and function under discussion. However, the changes in nomenclature are noted as a reflection of the changing environment and role of those tasked with developing the media strategy.

In relation to the frameworks offered to support Media Planning, there is a wealth of literature that seeks to outline how the processes and decisions should be undertaken dating back to the early 1950s, when some of the first discussions around media selection and optimisation took place (Calantone & de Brentani-Todorovic, 1981; Carlin, 2005; Cheong & Kim, 2012; Pasadeos, Barban, Yi, & Kim, 1997; Turk & Katz, 1992). Over this time, researchers have sought to investigate both the micro aspects of media planning, such as how the advertising media function has been performed, what media selection models could be or are being used, and issues around media measurement, together with the macro aspects, such as the role of advertising media in society (Cheong & Kim, 2012). Within this, the process is to formulate a strongly 'intentional and rational' strategy, in which the environment is assessed objectively and assumed to be 'known and predictable', using a wide range of internal and external background data, to evaluate, identify and prescribe the optimal media schedule to deliver the marketing goals (Barban, Cristol, & Kopec, 1988; Broadbent, 1999; Donnelly, 1996; Katz, 2016; Sissors & Baron, 2010; Stacey, 1995, p. 477). This assumes that extensive analysis will allow the 'rational actors' to design the optimal solution to ensure organisational survival (Mintzberg & Lampel, 1999; Porter, 1980; Stacey, 2007; Stacey & Mowles, 2015). This resonates with the Planning, Design and Positioning Schools of strategy making, being based upon a strongly rationalised approach, underpinned by an ontological objectivity, or realist, stance (Faulkner, 2002, p. 5; Lampel, Mintzberg, Quinn, & Ghoshal, 2013; Mintzberg & Quinn, 1995).

However, what is evident from both the academic and trade discourse, is that the task of media planning has become more complex over the last decade, due in part to the ongoing proliferation of media options, fragmentation of target audiences and rapid evolution of digital technologies, but also because of the consequent changes in media consumption patterns (Berman, 2016; Krajicek, 2013; Sasser, Koslow, & Riordan, 2007; Soberman, 2005; Srinivasan & Kwon, 2012; Tafreshi, Aghdaie, Behzadian, & Abadi, 2016). Planners also face considerable challenges with the continual increase in the scope and variety of

media touchpoints and resulting proliferation of research and data sources, together with the rapid rise of automated, real-time and programmatic systems that use AI and chatbots to support planning and trading requirements. No longer are media plans restricted to assessing the handful of channels that dominated the media planning discourse up until the mid-1990's. Now agencies talk about POEM [paid, owned and earned media], the media 'ecosystems' and 'connected planning' (Dyson, 2014; Gisbergen, Hoogervorst, Kreek, & Wittman, 2014; Google, 2014), with many more ways to reach consumers, and more brands and countries across which budgets can be allocated, all of which has made the process of media planning more complex and increases the demands placed on those working in the profession. . .

“more than ever, clients need experts to help them get the most from their media budgets; experts who understand the media landscape and how to use it effectively; experts to measure, monitor and maximise payback. Complexity and speed make the communications industry a very different animal” (Dyson, 2014).

However, media planning is not only affected by increased complexity in the external environment. There have also been a number of infrastructure and internal organisational issues that have had an impact. The debate around structure, specialisation and integration has resurfaced, with agency practitioners concluding that the silos created by marketing disciplines are now anachronistic. Legacy structures still dominate and fail to help clients navigate or integrate the new media environment appropriately, which adds to the ambiguity and complexity facing practitioners. A more collaborative mix of skills across insight, communication strategy, channel planning, creative and technology is needed, to develop interconnected teams that think about people and their networks, not platforms and channels (Emery, 2017; Millar, 2012). Exacerbating this has been the ongoing changes in agency structures and the rise of the giant agency networks, such as WPP, which are seen to have driven an over-commoditisation of tactical media buying and created a need for rapid diversification of services through which to drive new income streams and continued growth (Farmer, 2015; Ragothaman, 2015), which according to Emery (2017) are overtly conflicting goals:

“our business is now characterised by an agency and advertiser ecosystem that faces a stark choice between thoughtful risk-taking that supports now and builds a new base for tomorrow, or paralysis induced by the pursuit of the price of everything (Emery, 2017 n.p.)

Within this complex and turbulent environment traditional techniques are being challenged and it is likely that new strategy making processes are emerging. As Truong, Mccoll, & Kitchen, (2010) noted many agency planning models which drive advertising strategy, tactics and investment, were underpinned by old assumptions, models and theories, such as the hierarchy of effects model, and that there was a “paucity of research into how traditional advertising strategies might need to be modified when the content is digital and diffused through interactive media” (ibid, 2010 p. 710). This is echoed by Stacey & Mowles (2015) who conclude that strategy making approaches need to change.

“Managers should think about what they are doing and why they are doing it as an antidote to mindlessly repeating outmoded theories” (Stacey & Mowles, 2015, p. 1)

Undoubtedly there are systems being devised within agencies and client organisations to enable integrated communications planning to be undertaken, but the ability to plan media holistically continues to be frustrated by the general disconnectedness of media measurement. Fulgoni & Lipsman (2017) suggest that metrics have been part of the problem but believes they also promise to be part of the solution, suggesting that the fundamental metrics of media planning, such as impressions, reach, frequency and demographics do not need to go away, but need higher levels of validation to ensure that the inventory bought is clean, legitimate and appearing in an environment conducive to effective advertising:

“The problems of identifying the right metrics further were compounded by corruptive practices in digital media . . . [and] various forms of digital pollution that made the environment less attractive and harder for marketers to navigate (ibid, p. 127)

Healy (2016) suggests that looking forward, the emerging discipline will differ from what went before and will focus primarily on designing a total consumer experience rather than being consigned to separate silos, such as advertising, media, and digital; with strategy having a crucial role to play in a technology-driven future. Data is seen as key to this goal, and a stream of research is now being undertaken to conceptualise and build measurement and attribution to better understand the effects of offline and online

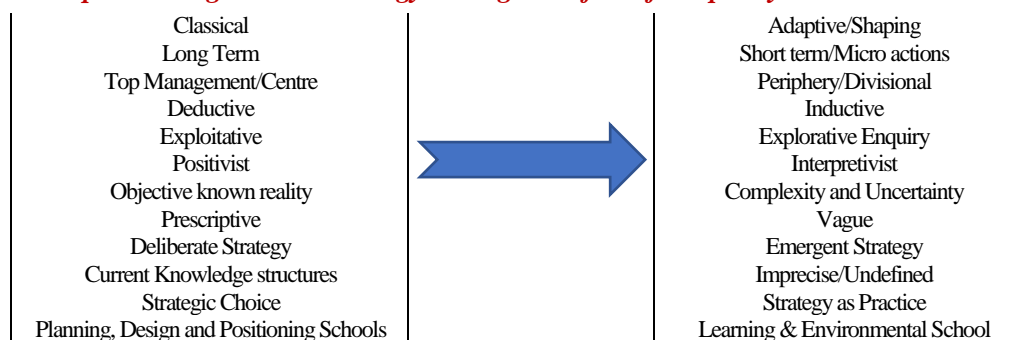
actions (Binet & Field, 2008; Kee, 2012) although attribution remains very digitally orientated and is predominantly symptomatic rather than causal in the outcomes that it displays because it is crafted from the behavioural perspective. The appeal of behavioural accountability is reflected in the fact that over 60% of all advertising expenditure in the UK now goes to digital media, underpinned by a rise in accountable, activation oriented objectives for advertising campaigns and short term KPIs (Binet & Field, 2013; EMarketer Editors, 2018; Romaniuk & Sharp, 2015), leading to further industry debate around the planning horizon, with protagonists claiming that long term planning is now inappropriate:

“3-year strategy horizons are meaningless in a digital world where the environment changes every day; strategy needs to become tactical; changes in tactics need to instantly feed changes in strategy” (Outram, 2016, p. 8).

Most recently, Davis (2018) noted that with all of this, the role of Media Planners has grown, commenting that the tools they have developed and the expertise offered are now on the cusp of bringing transformation into the media agency proposition and suggesting that opportunity exists for more outcome-based marketing.

With all of this in mind, it can be seen that advertising media planning is complex and exists in a state of ambiguity and turbulence, if not, transition. Experimentation is prevalent and with the growing focus on short term and tactical solutions it can be hypothesised that the deductive and prescriptive media strategies that have characterised the industry historically, are being challenged by more emergent and inductive approaches as expressed in Figure 1. This builds on Mintzberg *et al.* (2003, p.12) model of Strategy Concept, which articulates the continuum found between Deliberate and Emergent strategy, to include more of the current implementational issues. Exploration of this industry sector can therefore help highlight issues and challenges in strategy formation under dynamic conditions of complexity.

Figure 1: Proposed change in media strategy making in the face of complexity and turbulent environment



Methodology

As discussed, the research sought to evaluate how media strategy and planning has developed and is being undertaken by UK agencies, based upon the hypothesis that the apparent turbulence, innovations and refinement being seen around media and media channels, the formulation of the media strategy, traditionally the key starting point for any media plan, is changing. A qualitative approach was employed, using in-depth interviews with twenty senior UK media strategists and planners, to capture their own narrative around how they approach media strategy and planning.

Discussion

According to the media industry trade press, media planning is becoming more tactical at a time when it has the opportunity to become more strategic. Much of this is put down to whether a long or short term approach is being undertaken, and also, whether the media planner is working as part of the strategic marketing team or just an implementational supplier (Mintzberg, Ahlstrand and Lampel, 1998; Guillen and García-Canal, 2012; Grant & Jorden, 2015, Outram, 2016. Binet and Field (2017) warn that measurement approaches can falsely impact media choices, noting that there are dangers in targeting an efficiency metric, such as ROMI, as it can lead marketing to cut advertising budgets and reach only for low-hanging fruit in the quest for short term growth. However, authors such as Regné (2003, 2008) and Reeves *et al.* (2012) offer that this is appropriate inductive and adaptive strategy making which is more suitable to the complex and unpredictable environment. Building on this further, by looking at the act of

strategising, rather than strategy making, it shows that this short term iterative approach can be seen as strategy as practice (Golsorkhi, Rouleau, Seidl, & Vaara, 2010; Jarzabkowski, 2005; Whittington, 2003), where there is a greater focus on individual and organisational micro-actions and learning, elements that might have been implicit within the foundational concepts of strategic planning, but are now clearly explicit and central to the review and iterative process of the world of Stractics (Grant & Jorden, 2015; Outram, 2016).

Media Directors (MD), Planning Directors (PD) and media agency Strategy Officers (CSO) indicated that the new process is both less rational and less prescriptive, suggesting that:

- Objectives remain imperative, with agencies and clients working together to ensure objectives deliver business goals and guide communications. *“the objectives, and what you’re trying to do, will have a huge determining factor on the channels that you use.” [PD1]*
- Effectiveness is measured throughout via long and short-term KPIs that guide the campaign: *“They will be long and short-term. They will be connected, ... as close to what the business wants to achieve as possible, they’ll be behavioural & attitudinal...they’re becoming more behavioural over time” [MD1]*
- Reach, activation and speed are considerations, but rarely reach & frequency *“I absolutely despise coverage & frequency, because every planner, even for a failed campaign, can go, “But I got 90% at 3.4” [PD3]*
- Targeting insight is vital, sitting at the centre of a communication experience between the brand and its customers: *“the media strategy come[s] together is to have a genuine understanding of the target audience but also the barriers to success”[PD4]; “It has flipped around I guess. Audience first rather than media first” [MD2]*
- Consumer based industry research, such as Touchpoints & TGI, and client data help inform the media consumption profile, *“whilst those techniques are useful, you still need to have that intelligent, insightful view of the audience, and ... a degree of intuition about when and where the right place is” (MD2)*
- Relevance is key to overcoming consumer irritation and blocking, *“define the audience and when and where you have the opportunity, and permission and relevance to interactive; shift from ‘advertising at’ to building experience [where] every touch point is going to define your brand” [MD2]*
- Formats and available creative assets may dictate the vehicle characteristics, but the channel selection is more fluid. Audio visual is no longer the preserve of broadcast TV, and is equally effective via social media, etc., as one MD stated: *“pigeonholes that existed four/five years ago aren’t as relevant now. ...and actually start to mix those things up a little bit...with a well thought through communication argument” (PD1)*
- Media channel environments and context still impact on the perception of the brand: *“the type of channel you’re on can have a huge effect on your perception of a brand” [PD]*
- Programmatic targetting puts audiences at the centre, with algorithms directing messages to audience at the right place and time: *“we’re using more social media data to understand what people are talking about. So, when a topic becomes relevant we serve ads that taps into the sentiment of that area, location, or city”[PD5]*
- Data has great potential competitive advantage, both within the planning and the implementation. Data on past campaigns feeds into the future activity, but not to limit it: *“we can get much smarter...we use a lot of what we call the back end data...to inspire & inform creativity & planning” [PD1]*
- Real time trading means that media pricing is volatile and it is not realistic to apportion budgets to channels and suppliers in advance. *“how much budget we give them is now an output not an input. That’s the difference. You can look at our plans and we just so happened to have spent 3% in TV or 90% in TV, that depends on the activation plan. We don’t start there because you used to”[MD1]*
- Optimisation is undertaken on a real-time basis, with clickstream data evaluated rapidly and selections amended to improve the current activity.

Conclusion

In this situation, innovation and iteration are the strategy. The required objectives, data and observations are at the centre, used to discern patterns and make the generalised recommendations, with swift updates to optimise in situ – the plan is inductive. The old deductive process, with its rationally prescribed solution modelled on theoretical impact data has changed. But, MDs noted that media strategy remains a mixture of intuition, art and science, where the art ensures that the proposals reflect the specific brand, context, audience and communication goals, and allows for differentiation: *“it’s a bit of art and a bit of science, and the audience thrown into the middle of those things” (MD3)*

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