

Media Planning and Strategy

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The Traditional Media Landscape

Satellite radio stations 2	Broadcast networks (TV and cable) 100	TV stations 3,510
Consumer magazines 5,340	Newspapers (daily and weekly) 8,100	Radio stations 13,898

Media Terminology

- Media Planning** → A series of decisions involving the delivery of messages to audiences
- Media Objectives** → Goals to be attained by the media strategy and program
- Media Strategy** → Decisions on how the media objectives can be attained
- Media** → The various categories of delivery systems, including broadcast and print media
- Broadcast Media** → Either radio or television network or local station broadcasts

Media Terminology

- Print Media** → Publications such as newspapers, magazines, direct mail, outdoor, etc.
- Media Vehicle** → The specific carrier within a medium category
- Reach** → Number of different audience members exposed at least once in a given time period
- Coverage** → The potential audience that might receive the message through the vehicle
- Frequency** → The number of times the receiver is exposed to the media vehicle in a specific time period

Developing the Media Plan

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    graph TD
      A[Situation analysis] --> B[Marketing strategy plan]
      C[Creative strategy plan] --> B
      B --> D[Setting media objectives]
      D --> E[Determining media strategy]
      E --> F[Selecting broad media classes]
      F --> G[Selecting media within class]
      G --> H[Media use decision - broadcast]
      G --> I[Media use decision - print]
      G --> J[Media use decision - other media]
    
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Media Planning Difficulties

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    graph TD
      A[Measurement Problems] --> B[Problems in Media Planning]
      C[Lack of Information] --> B
      D[Time Pressure] --> B
      E[Inconsistent Terms] --> B
    
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Brand and Category Analysis

Brand Development Index

$$BDI = \left(\frac{\text{Percentage of brand to sales in THE market area}}{\text{Percentage of total population in THE market area}} \right) \times 100$$

Brand and Category Analysis

Category Development Index

$$CDI = \left(\frac{\text{Percentage of total product category sales in market}}{\text{Percentage of total population in market}} \right) \times 100$$

Example

CDI = $\frac{\text{percentage of product category sales in Utah/Idaho}}{\text{Percentage of total US population in Utah/Idaho}}$

= 1% / 1% * 100 = 100

BDI = $\frac{\text{percentage of total brand sales in Utah/Idaho}}{\text{percentage of total U.S. population in Utah/Idaho}}$

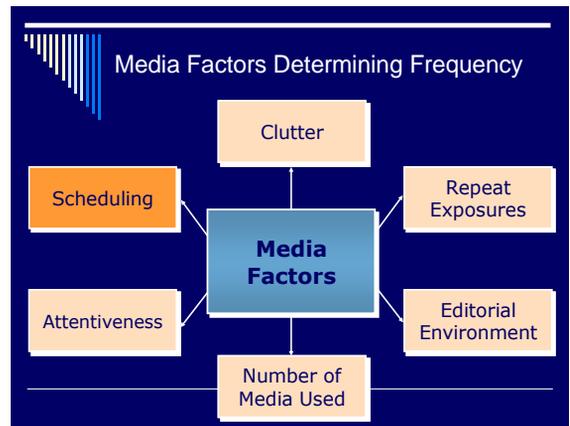
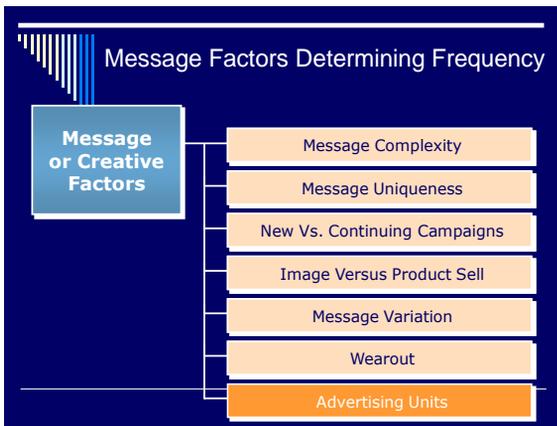
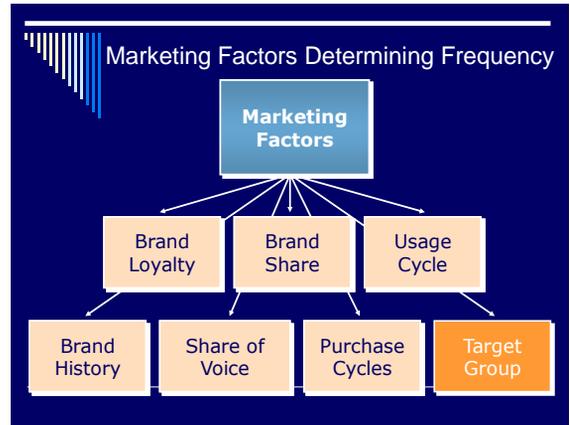
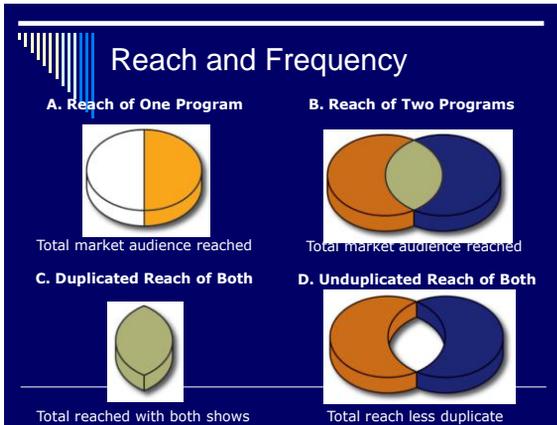
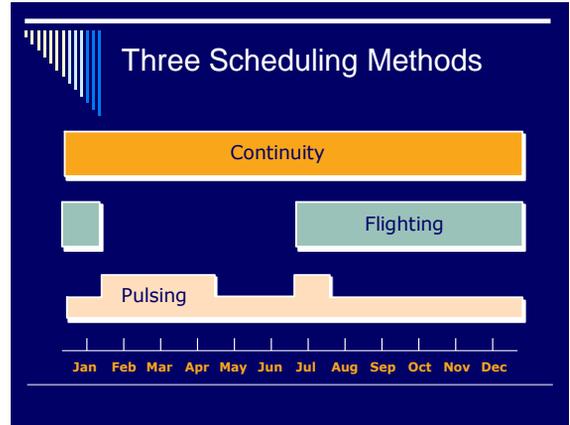
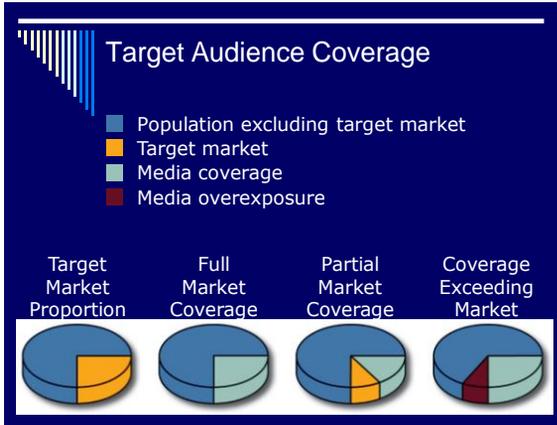
= 2% / 1% = 200

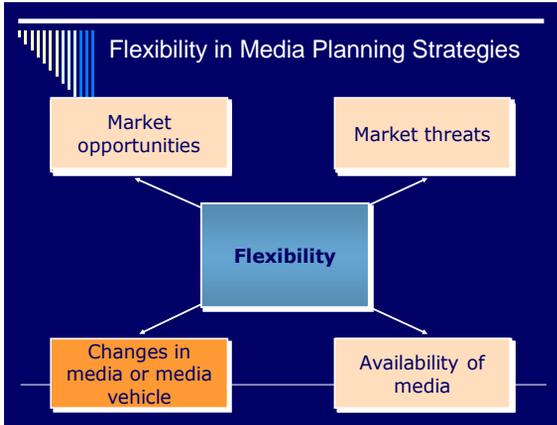
Brand and Category Analysis

	High BDI	Low BDI
High CDI	High market share Good market potential	Low market share Good market potential
Low CDI	High market share Monitor for sales decline	Low market share Poor market potential

Brand and Category Analysis

	High BDI	Low BDI
High CDI	The market usually represents good sales potential for both the product and the brand.	The product category shows high potential but the brand isn't doing well; the reason should be determined.
Low CDI	The category isn't selling well but the brand is; may be a good market in which to advertise but should be monitored for sales decline.	Both the product category and the brand are doing poorly; not likely to be a good place to advertise.





Determining Relative Cost of Media-Print

Cost per thousand (CPM)

$$CPM = \left[\frac{\text{Cost of ad space (absolute cost)}}{\text{Circulation}} \right] \times 1,000$$

Calculating CPM Based on the Target Audience

Scenario A: Overestimation of Efficiency

Target market	18-49
Magazine circulation	4,000,000
Circulation to target market	65% (2,600,000)
Cost per page	\$234,000
CPM	$\frac{\$234,000 \times 1,000}{4,000,000} = \58.5
CPM (actual target audience)	$\frac{\$234,000 \times 1,000}{2,600,000} = \90.00

Scenario B: Underestimation of Efficiency

Target market	All age groups, male and female
Magazine circulation	4,000,000
Cost per page	\$234,000
Pass-along rate	3* (33% of households)
CPM (based on readers per copy)	$\frac{\text{Page cost} \times 1,000}{\text{Circulation} + 3(1,320,000)} = \frac{234,000 \times 1,000}{7,960,000} = \29.40

*Assuming pass-along was valid.

Television Pros and Cons

Advantages	Disadvantages
Mass coverage	Low selectivity
High reach	Short message life
Impact of sight, sound and motion	High absolute cost
High prestige	High production cost
Low cost per exposure	Clutter
Attention getting	
Favorable image	

Radio Pros and Cons

Advantages	Disadvantages
Local coverage	Audio only
Low cost	Clutter
High frequency	Low attention getting
Flexible	Fleeting message
Low production cost	
Well-segmented audience	

Magazine Pros and Cons

Advantages	Disadvantages
Segmentation potential	Long lead time for ad placement
Quality reproduction	Visual only
High information content	Lack of flexibility
Longevity	
Multiple readers	

Newspaper Pros and Cons

Advantages	Disadvantages
High coverage	Short life
Low cost	Clutter
Short lead time for placing ads	Low attention getting
Ads can be placed in interest sections	Poor reproduction quality
Timely (current ads)	Selective reader exposure
Reader controls exposure	
Can be used for coupons	



Outdoor Pros and Cons

Advantages	Disadvantages
Location specific	Short exposure time
High repetition	Short ads
Easily noticed	Poor image
	Local restrictions



Direct Mail Pros and Cons

Advantages	Disadvantages
High selectivity	High cost per contact
Reader controls exposure	Poor image (junk mail)
High information content	Clutter
Repeat exposure opportunities	



Internet Pros and Cons

Advantages	Disadvantages
User selects product information	Limited creative capabilities
User attention and involvement	Websnarf (crowded access)
Interactive relationship	Technology limitations
Direct selling potential	Few valid measurement techniques
Flexible message platform	Limited reach

