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Changing with the times

» As public moves to different media channels, businesses have to adjust their ad mixture

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If you want to know if the economy is really improving two years out from the official end of the most recent recession, checking in on advertising revenues might give some insight. But answers as to whether advertising is on an upswing might not have easy answers at a time when more businesses are relying on the Internet and social media marketing as newspapers struggle to retain advertisers and profits.

Generally speaking, digital forms of marketing are increasing at the expense of print advertising, particularly newspapers, said GodwinGroup's Managing Partner/Executive Vice President John McKie.

"Everyone knows the importance the Internet has attained and the attention devoted to it," McKie said. "TV and radio are still excellent mediums for generating emotion and traffic and are holding their own. It is important to note that these media shifts vary by industry. The legal profession, for instance, has been much slower to embrace digital tactics than the travel and tourism industry."

The audience drives media decisions. Most businesses use a mixture of media channels to reach their desired audiences. McKie said as the audience chooses different media channels for gathering information, businesses have to adjust their mixture accordingly.

"There are some secondary issues," he said. "The decline of newspapers in general creates problems for some products and markets that rely on this type of print advertising. The proliferation of digital tactics makes for a difficult decision on which tactics to employ. Integrating all the various traditional and digital tactics into an effective package that reaches and persuades the consumer audience is a constant challenge."

One of the biggest issues right now in advertising is the explosion of social media and consumer generated content. McKie said people are talking about

companies on Facebook and Twitter, making it extremely difficult for any organization to control its brand message. Businesses have to make decisions on how to respond to and interact with this new form of consumer expression.

"Another large issue is the demand for measurability," McKie said. "Advertisers are demanding to see quantitative measurements of the results of their advertising investment. Digital tactics are highly measurable by nature, but some of the more traditional forms are not as easy to measure."

McKie said there does seem to be an uptick in advertising interest by businesses in the state, with businesses and organizations seeking proposals and wanting to explore growing their brands. He said while that certainly suggests that some improvement is underway in the economy, many companies are still cautious and hesitant to plan large marketing outlays. But some are more convinced, and this smaller group is taking more aggressive steps to sharpen their messages and communicate with their audiences.

Liza Cirlot Looser, CEO of The Cirlot Agency, Jackson, said within the state of Mississippi, they have noticed virtually no change in advertising expenditures.

"Advertisers are cautious and are not yet ready to be aggressive in their promotions," Looser said. "They are, however, discussing brand strategy, and seem to be ready to step up advertising efforts once they are confident of an economic recovery. For now, they are in a holding pattern."

In contrast, many of the national and international clients The Cirlot Agency works with through their Washington, D.C., office are using these uncertain economic conditions to seize additional market share.

"Domestic industries are becoming very aggressive in promoting themselves internationally," she said. "In the same vein, our international clients are being equally aggressive in promoting themselves here in the U.S. Everyone is competing for pieces of the same global pie, which bodes well for competition."

Overall, from statewide to national to international, their clients seem to be interested in comprehensive integrated communications programs now more than ever. As expected, there has been a surge in the use of electronic communications methods, from the Internet to social media to web banners and other methods of online advertising.

"While print remains strong, especially among niche trade publications, traditional broadcast is the hardest hit medium," Looser said. "However, non-traditional broadcast methods are on the rise, including the use of YouTube and other online video sources to promote products and services in larger segments than the usual 30- to 60-second bites. Online outlets allow advertisers to 'tell the story' in several minutes, rather than just a few seconds."

The biggest change in the industry The Cirlot Agency has witnessed lately is the turnaround in public relations (PR). In days past, PR was done to support advertising. These days, more and more, PR leads and advertising is used as a support mechanism.

"Rapid changes in technology make it imperative to keep up," she said. "Communication specialists must continue to remain ahead of the curve, or at least be prepared to ride the wave and remain on top of emerging technologies."

"One byproduct of the increasing use of technology is that we are now able to do much more with far fewer people. In the '80s and '90s, it took twice as many employees to do the same amount of work being done today. This makes the job market extremely competitive right now. This also makes it imperative for those entering the job market to be technologically savvy, whether or not technology is their area of expertise. A working knowledge of all electronic communications methods is paramount in today's communications world."



McKie