



MEDIA WATCHDOG™



MMI's 3 Simple Questions – Do You Know the Answer?



*By Michael Solomon
EVP, Media Audit Operations
April 30, 2013*

Every advertiser should be able to answer the MMI 3 Questions™ with regards to their media investment:

- 1. Did I get what I paid for? (Delivery)**
- 2. Did I pay a reasonable price? (Efficiency)**
- 3. Were my buys managed according to my specifications? (Responsibility)**

The questions are very straightforward, and any organization which is investing money in advertising certainly has the right to have them answered – and to have total confidence in the answers.

Despite the apparent simplicity of the questions, however, many advertisers struggle to obtain answers to them. In many of our engagements, we also find that organizations which believe they have a clear idea of their performance in these areas actually do not at all.

Why are such simple questions often so tough for organizations to accurately address?

We find that advertisers and their agencies often fall prey to gaps in one or more of three key areas, rendering timely, unambiguous and accurate media performance assessments difficult, if not impossible.

1. Clear Performance Criteria, Understood by All

In order to adequately assess media performance, it is crucial to have first established the benchmarks by which it will be evaluated. Some key considerations:

- Based on client business objectives
- Shaped by industry best practices
- Informed by historical client performance
- Defined via measurable, quantifiable metrics
- Communicated clearly and consistently to all relevant client, agency and media property representatives



MEDIA WATCHDOG™



- Consequences (for not meeting criteria) and/or any compensation (for meeting or exceeding them) to each party plainly identified in appropriate detail
- Timetables and detailed protocol for reporting, providing restitution, confirming receipt of restitution, etc. all clearly defined

2. Straightforward, Airtight Measurement Methodology

Even clear, considered performance criteria may not render useful results if specific evaluation methodology is not established up front, in great detail.

- Resource for performance data?
- Methodology for performance measurement for each metric (posting methodology, etc.)?
- Benchmarks to be used for each assessment?
- Specific conditions under which activity can be excluded by either party from the evaluation (late approvals, etc.)?
- Agency and advertiser have a full disclosure relationship?
- Agency and media vendors managing data responsibly and transparently, such that visibility into performance on a granular level is possible in the first place?
- Methodology for validating and valuing added value, bonus weight, etc.?
- Responsibility for executing the evaluation and reporting the results (i.e. a neutral 3rd party)?

3. Timely, Accurate Performance Reporting

The key to answering the MMI 3 Questions™ is accurate, valid performance data, generated according to agreed specs, and updated in a timely manner. This media performance data feeds the entire assessment. It is thus crucial that the agency

- Has access to the necessary research
- Is aligned with industry best practices for the management of the buys in their electronic buying platform
- Stewards and reconciles the buys in an appropriate time frame

Our experience has been that most clients do not have the level of media expertise to address all of these issues and to manage this kind of process. Even in cases where clients have seasoned, full-time media personnel on staff, that team is typically far too time-starved to take on a responsibility as large as this. As a result, many organizations end up living with some level of ambiguity with regards to their media investment.



MEDIA WATCHDOG™



In some cases this ambiguity is attributed to the complexity of media – but in the end, a buyer should be able to assess whether appropriate value was received for what was purchased, period. It simply takes clear criteria and rigorous methodology.

In other cases, the agency’s self assessment is taken at face value ... because, after all, they are “the experts”. But in how many other areas do marketers allow their suppliers to assess their own performance and value?

In the end, our clients agree that it is more than worthwhile to devote resources to assuring that one of their largest investments is delivering, efficiently, and according to their specifications.

Copyright 2013 Media Management Inc. All rights reserved.

For more information, please contact:

Steve Smith, Director of Client Services

steves@mediaaudit.com

www.mediaaudit.com

636-812-0139