

Media/brands on demand



9 Feb 2015

"We need braver clients and braver agencies."

After an exceedingly tough year in 2014, it's important for media owners and brands to continue to explore innovative ideas. In the TV environment, we are investigating new commercial opportunities within guaranteed trading, video on demand; second screening; and long form content to maximise viewer engagement, says Chris Hitchings, CEO, DStv Media Sales.

What stood out for him in 2014 was the shift downwards in consumer and business confidence; and the resulting shift downwards in advertising spend. "Consumers are under pressure and that knocks on into business, it has become a tough environment. South Africa was (to some degree) protected economically from the global recession by the 2010 World Cup being held in our country. Post 2010 there has been a slowdown in adspend, and 2014 has been a particularly tough year for many media owners. Television seems to doing better than most, now taking over 50% share of total adspend in South Africa."

Another trend they did well from a viewership perspective was the introduction of 'pop-up channels' the best example being the Oscar Pistorius Trial. "It didn't attract advertising, due to the controversial nature of the content. But it's likely that other pop up channels will come along, with more ad friendly content, for the 'bite sized' consumption trend."

What Hitchings would like to see less of in 2015, is regulation on advertising. "The latest move to ban or restrict high fat, high sugar product advertising affects a huge category. I'm hoping that there will be realistic "soft touch" regulation, not draconian, over the top implications."

Central to success in 2015 is more commonsense planning - less paint by numbers, he emphasises. "Data is important, but it has to be current, accurate, and correctly used. Data should be used to support intellect, common sense and gut decisions - not replace them. There has been a bit of a shift away from that and we need braver clients and agencies.

"Media planning and strategy has become a commodity and that can only be corrected within the client-agency relationship. It's a perennial, sensitive, issue and it's really important: clients need to value what their media agencies do and paying them accordingly. It is not a commodity, it is a skill."

Ahead in 2015

Hitchings' trends for 2015 include:

- 1. **Guaranteed Trading:** We're now offering a variety of packages whereby we guarantee audience delivery against an agreed price and target market. This eliminates risk and takes out the guess work for the agencies and their clients.
- 2. **Second screening:** In SA I think we've paid lip service so far to the second screen trend. I am not sure any brand has yet grabbed opportunities in this space to push content and engage viewers via multiple devices.
- 3. **Brands on demand:** We are working on commercial opportunities within our Catch Up and other VOD (video on demand) services and will soon be launching an exciting new service called Brand on Demand essential a catch up service for brands. It'll be a place where we can host long form content, competitions, deals of the month, special features for brands etc.
- 4. **TV/digital collaboration:** TV remains the best way to build and make a hero of a brand and it's interesting that many digital brands are now using TV to grow acquisition and usage. Digital is providing an excellent way to activate. TV and Digital can work in tandem for brands in building awareness, and then getting a response.
- 5. **Take up of over the top (OTT) players** like Netflix will obviously depend on the evolution of broadband speeds and costs as well as the content offering. South Africa has seen the launch of various players in recent month and we are obviously watching these trends and considering our own options in that regard.

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*Chris Hitchings was interviewed by Louise Burgers, specialist editor of Biz Trends 2015. ABOUT CHRIS HITCHINGS

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