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Mass Loses its Appeal

> > > Whats the Buzz

by Rebecca Lieb

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Jeff Zucker, president of NBC Universal Television Group, did utter, "I don't know why Brian Williams isn't blogging right now," at Yahoo!'s New York Media Summit this week. "I can fix that," quipped Lloyd Braun, former chairman of ABC Entertainment Television Group, now chief of Yahoo! Media Group.

But Zucker didn't say Williams (or Katie Couric) *would* blog, or *should* blog, or *might* blog, as was widely reported. He said he'd check in with his news division. I know. I was there. And as a former TV marketing executive, I shudder at the notion of exorbitantly compensated news readers "blogging" by executive fiat (imagine the new job title: Ghost Blogger). Still, it's no surprise the mass media are becoming interested in the micro media.

I spent this week listening to a select handful of world-class advertisers, agencies, and executives from both online and television discuss how broadband is changing consumer habits and expectations and subsequently altering the nature of advertising. What I'm hearing couldn't be clearer: the big brand advertisers, almost as one, are shrugging off "mass" as antiquated, unattractive, untargeted, and immeasurable.

Or, as Daimler Chrysler's refreshingly blunt Director of Communications Julie Roehm put it, "TV tells you nothing about what you're doing for shareholder value."

Anheuser-Busch's media VP, Peter McLoughlin (himself a former NBC executive), said what matters to him is "the ability to more narrowly target our consumers. We know who at Yahoo! is over 21." Anheuser-Busch is also interested in delivering narrowly targeted commercial messages to people of drinking age, but also to women, Latin Americans, and people who are dating.

Roehm added there's opportunity in going piecemeal. "If 1 percent of 10 million people buy, you've made your month," she said. Other major marketers, even consumer packaged goods (CPGs) such as Kraft Foods, are chiming in their agreement.

With broadband reaching broad enough penetration to permit video in campaigns, agencies are taking notice, too. "There's a convergence of decision making at agencies," affirms Wenda Harris Millard, Yahoo!'s chief sales officer. "Broadcast divisions are now playing in the interactive space."

Hilmi Ozcuc, CEO of Maven Networks, dropped by the office yesterday with the same message. His broadcast-quality digital software has gotten some really serious client wins recently (you'll have to take my word for it -- I'm not allowed to divulge who).

"In three years, we're going to be doing a lot less TV work," he reported a top agency telling him recently. That's the reason they needed to get up to speed with broadband video delivery. "And at Ogilvy, all they want to talk about is the Sony PSP," he added. What about his clients? "Advertisers want niche," affirms Hilmi, whose team is working on a project for a major CPG brand. "All they care about are teenage boys."

Advertisers are finally realizing the Internet is like cable... on steroids. Reach doesn't matter, targeting is everything. MSN's chief media revenue officer, Joanne Bradford, thinks TV buys have become "an insurance policy for reach." At the Digital Marketing Expo, she did cite a need for more standards to make buying online easier.

That's not the worst idea for advertisers, but America Online EVP Michael Barrett made a thoughtful observation about making the Web too easy. "We may run the risk of dumbing it down, programming to the lowest common denominator if we 'make it as easy as TV,'" he mused.

The major online portals are currently straddling two very different worlds. On one hand, they're competing for mass reach and scrambling to secure alliances with mass media. At the same time, they strive to be *your* Internet: personal, secure, and specially tailored to your every whim, quirk, interest, and passion. Both Roehm and McLoughlin mentioned this week they could certainly buy Yahoo!'s home page for a campaign (which has as big a reach, if not bigger, than broadcast TV). But both say they'd likely opt to pursue a targeted niche with a targeted message in one of Yahoo!'s many "channels."

Braun is the guy in charge of the content on both sides of Yahoo!'s fence. He's talking the talk about personalization and deep metrics. Heck, he's even showing up at events in khakis instead of dark suits. Yet he appears to be skating on thin ice, because he's talking to broadcasters in the language they want to hear rather than in the language they *need* to hear.

Zucker became somewhat dismissive of the Web's value to NBC. "It's a promotional outlet that we are conscious of using. It's promotional, and it's repurposed."

Braun's counter essentially amounts to agreement: online is a "great value add." The Web needs to "hit the Zeitgeist" with a great, collective moment for the broadcast establishment to realize this. He cites Milton Berle and "I Love Lucy" as examples.

He's wrong. The Web is not mass. Nor is it collective or passive. Billions of Web sites mean millions of Milties, legions of Lucys. It's not the whole world watching the Gulf War on CNN. Now, a tsunami hits and people seek information from sites big and small, branded and obscure. Some people build their own.

Consumers are fine with this. They simply follow their own level of sophistication. At its Summit, Yahoo! screened focus group video of a woman rhapsodizing about how Oprah.com contains more content than a week's worth of programming.

Finally, major brand advertisers are adapting to the space. Some may not want to, but they know they have to.