

## Trading today and the delivery of value



By Stephen Wright | 25 January 2024

0 Comments



We buy better than our competitors has long been the trading mantra of the multinational media groups.

Rationales vary by agency and change across time but all fall within the common themes of:

- Bigger – Size and Scale.
- Smarter – Buying backed by proprietary tools that unmask value.
- Better - Expertise through a trading lead of repute, or specialists in individual media streams.
- Alignment with media owners – 'We are the agency of record'.
- A client led focus that leverages better beyond the group deal.



Stephen Wright.

And increasingly:

- Placement through our specialist 'stand-alone' trading division that delivers preferential rates (albeit it without transparency)

It's highly confusing for a client during a pitch.

By the end of six credentials sessions with different agencies their heads are in a spin.

They have a credible and compelling story as to why and how they excel in the trading area.

Two things prevent anyone from establishing a clear advantage.

Firstly, the fact that every multinational agency and larger independent has some great Independently audited trading results to champion and secondly the chart they all include highlighting the improvement in trading they have achieved for new clients after winning business from a rival multinational.

Everyone's a winner.

Collectively the large agencies successfully managed to nullify any advantage they have at an individual level.

Clients see a merry go round of wins and advantage over each other.

There is no agency that has lost key accounts where the new agency hasn't delivered improved value validated by external sources.

Very happy to hear from any agency bullish enough to refute this.

So, what is the truth who does trade well. How do TrinityP3 respond to clients when questioned by confused clients?

Well, nobody is making things up.

The wins and audit results presented are all perfectly genuine.

All the large agencies and larger independents have the capacity to buy well at competitive prices.

And to many in the industry this will come as no surprise, price parity across group deals is nothing new.

Throughout the nineties and early 2000's when the group deal was everything, they were all within a narrow pricing band.

And that makes eminent sense – given the fluid movement of senior personnel between the multinational groups why would any sane media owner provide a clear advantage to one agency group.

In no time they would be forced to provide matching discounts to all the groups and devalue a significant proportion of their inventory.

Media owners have nothing to benefit from providing tangible trading advantage to any one multinational group.

The difference in trading performance

The difference between agencies and the value to clients lies not in the group deal but the dependability and regularity at which they buy well.

The extent to which they buy well for all their clients, all of the time.

In this regard there is most definitely a significant difference in those who consistently perform well for the full spectrum of their clients and those who only achieve competitive performance for a select group of larger 'price conscious' clients.

The 3 critical keys to high quality trading performance aren't rocket science. They are:

1. Successful translation of strategic imperatives into the trading area. Ensuring you don't just buy eyeballs but the right audience, in the right mindset, in the most fertile environments to ensure successful communication.

2. Well-crafted, upfront negotiation with key media providers

And most importantly

3. Diligent campaign management. Campaign schedules today need a high level of

**emerging leaders. 2024**  
celebrating champions across the advertising, media and marketing industry.  
**enter now.**  
entries close **31 May 2024**  
powered by **AdNews**

**AdNews Newsletter**  
The AdNews newsletter, brings you the latest advertising and media news direct to your inbox! **Become a member** and get the weekly newsletter free!  
Subscribe

**AdNews Magazine**  
Subscribe

- Editor's Picks**
- Clients just want cheap: Redundancies in adland
  - Private equity firms are on the hunt for media agencies
  - Meta draws first blood in unfriend war

**emerging leaders. 2024**  
celebrating champions across the advertising, media and marketing industry.  
powered by **AdNews**

**AdNews Social**

**Latest Comments**

- 8:56 AM** Great operator - well deserved JT on **Anthony Ellis promoted to CEO of Publicis Media Exchange ANZ**
- 1:48 PM** LINDA! Great news, LindaFan on **Mediahub appoints Linda Fagerlund chief strategy officer ANZ**
- 7:34 PM** Top signing! Bob on **Nine's Jonathan Fox Joins Mutinex**
- 5:46 PM** I was Bob's personal assistant for a few years at Saatchi & Saatchi. Such a kind and wonderful human... Peta Dawkins on **Australia's Bob Isherwood honoured in New York**
- 1:19 PM** Surprised not to see AAMI on this list. Surely they're number 11. Jimbo on **The most prolific advertisers in Australia**

management and ongoing optimization to optimize efficiency. Particularly in digital where performance can be measured through the campaign in real time.

'Set and forget' and poor campaign management far outweighs any other factor in the delivery of value. Agency teams in the digital area are often understaffed and overworked. Passive clients that don't ensure sufficient staffing and demand regular review meetings during campaigns get relegated to the bottom of list and forfeit significant value.

The keys to trading performance today are less about pricing and numbers, they are people based.

The questions to determine how well an agency will deliver trading value in a pitch for every client are:

- o Have you ensured sufficient FTEs in the trading/ analytics area to deliver diligent attentive campaign management?
- o Do they have a high quality trading lead on my business supported by the agency trading head that will be active in negotiating my client deal?
- o How well connected are the strategy and trading teams to ensure the richness of the strategic approach loses nothing in translation to the trading area?
- o Do they have robust processes and protocols that reflect care and attention in campaign management?


TrinityP3 has established a detailed trading evaluation process that focusses on people based commitments customised to individual client need, backed up by proven processes and confirmed within contractual agreements.





Price specific commitments are often inherent within this but as a part of a detailed package that provides far greater certainty than price points on a trading template.

**Stephen Wright is Media Business Director, TrinityP3 Marketing Management Consultancy**

0 Comments Login ▾



LOG IN WITH OR SIGN UP WITH DISQUS 

♥ • Share Best Newest Oldest

Be the first to comment.

 Subscribe  Privacy  Do Not Sell My Data **DISQUS**