

OPINION

Don't stop the spend, people are listening

Barry O'Brien thinks we're currently living through the toughest times of this century, at least. And there is no doubt many companies are either cancelling or getting ready to cancel advertising campaigns. Here, O'Brien explains why brands need to maintain their level of ad spend to make it out the other side as unscathed as possible.

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by **BARRY O'BRIEN**

As more and more Australians work from home, consumption of most media is increasing, including big jumps in the time spent with free-to-air TV and digital media. At the same time, marketers' spending on media advertising is falling, with dire predictions it will crash 40% over the next few weeks.

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No-one should be surprised that marketers are not capitalising on the surge in media audiences. COVID-19 has turned our lives upside down. Consumer and business confidence has been shattered. No one knows what the next week, month or year will bring. It has been a constant refrain among marketers that an economic downturn is the best time to crank up their advertising. That's true. The problem is that no-one knows what this downturn is actually going to look like, how long it will last, or what the world will be like when it ends.



What we do know is that people – in particular, housebound people – are increasingly turning to media for information and for entertainment. Several media sectors are seeing strong audience growth:

- Free-to-air TV viewing is up more than 10%, including a lift of more than 15% during the day;
- Traffic to News Corp Australia’s websites has almost doubled over the past week;
- Sales of newspapers are on the rise, although that won’t last as more people self-isolate;
- Radio audiences are growing: Southern Cross Austereo says 10% of its audience is listening to more radio than they were before the COVID-19 outbreak and 20% expect to listen to more over the next month; and
- Anecdotal evidence suggests viewing of Netflix, Stan and other streaming services is growing, although there is no independent research to prove that.

There is no doubt consumption of most media is growing and will continue to grow. There is also no doubt many companies are worried and are either cancelling or getting ready to cancel advertising campaigns. Right now, there has never been a more important time for agencies to step up and demonstrate the value we bring to our clients.

to operate in a rapidly changing and increasingly uncertain environment. They need timely, insightful and strategic guidance to protect their revenue and brands. That is our expertise. That is where we can partner with our clients to ensure that we minimise disruption, that we capitalise on changing consumer behaviour and media consumption patterns, and that we create innovative approaches in a changing media landscape.

There are the very obvious opportunities, such as taking advantage of the heavily discounted ad rates most media companies are offering right now. Agencies with online retailers as clients should be encouraging them to crank up their marketing, as online shopping is strong at the moment.

There are other obvious opportunities that require more thought and planning – for example, how to tap into a growing sense of isolation. People need and want to remain connected, and marketers can help.

Telstra hasn't cut its ad spending, but it has completely changed its messaging to focus on how it can help people. The supermarket chains are still advertising, but many of their ads are now like community service announcements – as they should be right now, given the panic buying we've seen. Other companies need to be thinking about how they can genuinely make people feel less isolated and more connected.

Marketers should be doing whatever they can to help people, in tangible and intangible ways. It's the right thing to do for Australia and, yes, it's the right thing to do for their business and their brands. We, as marketing services companies, need to be doing whatever we can to help and guide our clients.

important for companies to keep advertising during a downturn. The document contains four “golden rules” that, while they weren’t written with COVID-19 in mind, offer some great advice:

1. Know your customers

Invest in getting to really know your customer and their purchase journey. Their priorities may shift during hard times so make sure you know what’s important to them now and when things change.

2. Target your most valuable customers

Keep in touch with your customers, especially the valuable ones. As people re-evaluate every purchase decision, brands that aren’t communicating with them are exposed and vulnerable.

3. Empathise with their world

Recognise and reflect the realities of the new world as your customers see it. It’s an opportunity to reinforce your strengths.

4. The economy will bounce back

A sound approach to marketing in tough times will place a brand on a springboard for success when that recovery comes.

Clearly the fourth rule was written before COVID-19 hit. We’re not living in “tough times”. We are living in the toughest times the world has seen this century at least. No one knows what the future holds.

All we can know – and deal with – is what’s in front of us now. Right now, it’s critical for everyone in the

We all want a strong economy. It's up to us to do everything we can to achieve that.

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Miles Williams 20 Mar 20

Well done Barry.

Cheers

Miles

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