

Brands as media owners: can they live up to the hype?

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There has been a huge amount of hype about the potential for **brands** to be media owners but if they are to be taken seriously as media owners, they need to professionalise their offering.

Online retailers can become bigger media owners than publishers. However most are missing out on serious ad revenue by not taking this opportunity seriously.

We are not talking about customer publishing here, **brands** have long understood the value of having their own magazine.

We are talking about transactional media, where ads are placed onto consumer websites or into parcel deliveries (eg **digital** ads on **Amazon.com** and print ads into **Amazon** parcels).

Advertisers like **Graze**, **Ocado** and **Made.com** have built their businesses' using transactional media. The advantages for advertisers is clear, they can reach active online shoppers whilst they have their credit cards in hand.

But not enough **brands** have woken up to the huge opportunity to add an extra revenue stream to their business... to be a professional media owner.

To be or not to be (a media owner)

The common misconception that ads will '*negatively affect sales*' or that customers will '*click away from sites with ads*' has been disproved using tried and tested **marketing** principles.

Test some site visits with ads and some without. For some reason this simple approach is ignored by many **brands** who can't accept that consumers enjoy seeing ads on their sites (and those that don't use ad blockers). I've never seen a **brand** go through this testing process and not start taking ads!

So what does it take to be a successful media owner?

The hard bit is already done. Having loads of page impressions from highly engaged shoppers makes retailers perfect media owners.

To maximise revenue you need a mix of tech and great salespeople. The highest yields, and best **brand** partnerships, are sold by salespeople. The remnant space is sold via exchange networks.

Get the sales function wrong and you miss out on significant revenue. Get the tech side wrong and you can end up with the wrong ads on your site (competitors/fortune tellers/porn).

Luckily there are businesses out there who manage ad sales for online retailers. i-transact, for example, are a transactional media sales business who work with the likes of **House of Fraser**, **Ocado** and **HMV** in the UK. In the US, Bazaar Voice represent some of the biggest retailers like JC Penny and Kmart.

Can brands do this themselves?

Don't get me wrong, there are some **brands** who are nailing it. **Amazon** and Asda are two huge retailers with the scale and professional approach to making serious revenue. Net A Porter run a really professional offering aimed

According to Hitwise, **Amazon** were responsible for more than 25% of shopping and classified visits during the Christmas 2015 season. **Amazon's** scale means they can employ a dedicated ad revenue team. But other **brands** must weigh up the costs and hassle involved in recruiting a team of sales and technical people.

The worst solution is when **brands** choose to use internal staff, usually from the **marketing** department, to sell their inventory part-time. Whilst the staff member may have an unrivalled knowledge of their **brand**, they are often not trained in selling. Plus they're passionate about **marketing** – not media sales!

So can **brands** become media owners and live up to the hype? Yes, but only if they take it seriously.

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