

The promise of using technology to buy more efficiently is certainly a resonant topic in this year's worsening economic gloom. Scarcely had agency spend forecasts ticked upwards in Q1, when noises of a mid-year slump in media markets around the world started to emerge. Associated Newspapers announced a 10% drop in national newspaper revenues, while TV broadcasters have expressed caution for the second half. In another sign of the times, barter companies started to recruit media heavyweights into their businesses – a clear sign that more creative ways of generating value are gaining traction.

There were still some notable media performers. Summer cinema attendances globally have broken all records. Asian advertising economies continue to show strength (this was perhaps most vividly demonstrated when China's state-run news agency took over one of the highest profile billboard locations in Times Square). But this quarter was also peppered with closures: we said goodbye to She, Cosmopolitan Bride, SeeSaw and - most notably - the News of the World. Although the NOTW's closure has lifted circulations in some of its competitor titles, it seems less likely that ad revenues committed to the axed title will remain in the newspaper sector.

On a more positive note, there were some exciting new initiatives in the media world this quarter. Google + launched and racked up 20 million members in 2 months, and still had time to introduce a new tool allowing advertisers to optimise their websites for mobile. Facebook was not alone in launching a new ad format (called Comments, aimed at generating dialogues between brands and consumers), as the IAB in the US also got in on the act, rolling out 6 new ad formats. Other notable innovations were WPP's FanIndex and the UK arrival of Keller Fay's Word of Mouth survey.

Deals continue to abound, with no end in sight (Facebook have publicly stated they will make 20 more acquisitions before the end of the year). Some of the corporate marriages were predictable : Google acquired Admeld to beef up its ad exchange offering, Microsoft acquired Skype to further deepen interaction levels, and long-expected deals came to fruition for Scripps (acquiring UKTV) and Ipsos (acquiring Synovate).

Less expected, however, were Specific Media's acquisition of MySpace (a platform business looking to develop a global music hub) or DG's purchase of MediaMind (a digital media services company buying a third party ad serving business), or indeed Google's buy of Motorola.

In the UK, the digital agency Steak served itself up to Dentsu, while MediaVest Manchester sold out to Carat. Far from indicating an industry in consolidation or retrenchment, the majority of these deals demonstrate the media industry remains highly imaginative and ambitious.

See you next quarter!

Media Minds is a thriving online community, hosted by MediaSense on LinkedIn. Our Group is a forum for expressing, exchanging and commenting on current and emerging issues that affect the global media industry. We now have over 1500 members from around the world.

MediaSense is a new breed of media management consultancy. We help Brand Owners to generate the most value out of their media budgets locally and internationally, and to navigate successfully through media change.

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