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# Defining Earned, Owned And Paid Media [1]

Contributed by Sean Corcoran on Wed, 12/16/2009 - 18:21

The terms "earned, owned and paid (aka bought) media" have become very popular in the interactive marketing space today. In fact, taken together they can be applied as a simple way for interactive marketers to categorize and ultimately prioritize all of the media options they have today. Nokia was an early pioneer in this space (see Dan Goodall's [posts](#) [2] on the subject). They now categorize all of their global interactive media as earned, owned or bought. Many agencies, including R/GA, Critical Mass, Sapient and Isobar (my former employer) also use the model to help develop digital strategies. On top of that, many industry leaders such as [Pete Blackshaw](#) [3], [Fred Wilson](#) [4] and [David Armano](#) [5] have written about the subject.

Yet as popular as these themes have become, they're often loosely applied across the industry and essentially no one is speaking the same language. Therefore we just published [research](#) [6] defining each type of media and providing interactive marketers with prescriptive advice on how to best apply them. Here's a summary of how we defined each type of online media and their roles:

Media type	Definition	Examples	The role	Benefits	Challenges
Owned media	Channel a brand controls	<ul style="list-style-type: none"> <li>• Web site</li> <li>• Mobile site</li> <li>• Blog</li> <li>• Twitter account</li> </ul>	Build for longer-term relationships with existing potential customers and earn media	<ul style="list-style-type: none"> <li>• Control</li> <li>• Cost efficiency</li> <li>• Longevity</li> <li>• Versatility</li> <li>• Niche audiences</li> </ul>	<ul style="list-style-type: none"> <li>• No guarantees</li> <li>• Company communication not trusted</li> <li>• Takes time to scale</li> </ul>
Paid media	Brand pays to leverage a channel	<ul style="list-style-type: none"> <li>• Display ads</li> <li>• Paid search</li> <li>• Sponsorships</li> </ul>	Shift from foundation to a catalyst that feeds owned and creates earned media	<ul style="list-style-type: none"> <li>• In demand</li> <li>• Immediacy</li> <li>• Scale</li> <li>• Control</li> </ul>	<ul style="list-style-type: none"> <li>• Clutter</li> <li>• Declining response rates</li> <li>• Poor credibility</li> </ul>
Earned media	When customers become the channel	<ul style="list-style-type: none"> <li>• WOM</li> <li>• Buzz</li> <li>• "Viral"</li> </ul>	Listen and respond — earned media is often the result of well-executed and well-coordinated owned and paid media	<ul style="list-style-type: none"> <li>• Most credible</li> <li>• Key role in most sales</li> <li>• Transparent and lives on</li> </ul>	<ul style="list-style-type: none"> <li>• No control</li> <li>• Can be negative</li> <li>• Scale</li> <li>• Hard to measure</li> </ul>

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Source: Forrester Research, Inc. [7]

Ultimately these types of media work best together but making the hard choices of what to include and what not to include is crucial - especially when budgets are tight. But if you simply start by categorizing your media and identifying the right roles based on your objectives, then

your on the right path. Here are some high level takeaways that you should consider when developing your 2010 interactive media strategy:

- **Create a solar system of owned media.** Owned media is a channel you control. There is fully-owned media (like your website) and partially-owned media (like Facebook fan page or Twitter account). Owned media creates brand portability. Now you can extend your brand's presence beyond your web site so that it exists in many places across the web - specifically through social media sites and unique communities. In a recession in which marketing budgets are being cut by 20%, the ability to communicate directly with consumers who *want* to engage with your brand through long-term relationships can be invaluable.
- **Recognize that earned media is a result of brand behavior.** "Earned media" is an old PR term that essentially meant getting your brand into free media rather than having to pay for it through advertising. However the term has evolved into the transparent and permanent word-of-mouth that is being created through social media. You need to learn how to listen and respond to both the good (positive organic) and bad (spurned) as well as consider when to try and stimulate earned media through word-of-mouth marketing.
- **Your paid media is not dead, but it is evolving into a catalyst.** Many people are predicting the end of paid media (aka advertising). However, that prediction may be premature as no other type of media can guarantee the immediacy and scale that paid media can. However, paid media is shifting away from the foundation and evolving into a catalyst that is needed at key periods to drive more engagement(e.g. Q4 holidays).

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