





HARNESSING THE POWER OF DIGITAL MEDIA

To thrive in the new landscape, digital-savvy marketers are relying on interactivity and intimacy with Web-enabled consumers

By Douglas Quenqua

IT'S ONE OF THE EMERGING CLICHÉS

of the economic meltdown: with less money to spend, advertisers will turn away from more expensive platforms like television and print and pour their money into digital, where they can get more bang for their buck and keep closer tabs on their investment.

Less discussed is how they should be doing it. Simply taking money out of a television budget and lavishing it on a handful of Internet ad networks or YouTube contests may be tempting (and relatively easy), but that doesn't make it smart or impactful. Yes, digital advertising is not as costly as traditional outreach, but jumping into it without a strategy for how you will spend your money — as well as how you will track and measure it — can cost your company in the long run.

"Recessions bring out the best and worst in companies," says Randall Rothenberg, president and CEO of the Interactive Advertising Bureau (IAB), based in New York. "If you strictly rely on price and availability as your reasons to buy, and focus entirely on trade promotions and consumer promotions to the exclusion

of brand marketing, eventually you do cheapen your brand."

More than 10 years into the digital marketing age, a convergence of technology and media has combined with a proliferation of interactive communication channels to produce a marketing and media ecosystem that is increasingly complex and strongly rooted in the digital space. That's the reality — and the challenge — facing marketers, agencies, and media companies. In the past few years, it has become increasingly clear that advertisers who approach interactive advertising as a branding opportunity rather than an inexpensive direct-marketing channel experience a far greater return on their investment.

"For decades, the entire marketing ecosystem has assumed that brand building was done in one way and one way only: to blast out messages to a mass audience and make them persistent over time," Rothenberg says. "Marketing needs to catch up, to move out of the thinking of mass marketing and into the era of considered, appropriate, smart customization." »

Elevating the Experience

“Before we consider the effectiveness of the Web as a brand builder — a platform to establish a strong and lasting relationship with a desired consumer group — we have to look at what online advertising has proven in the 15 or so years of its existence,” says Andrew Susman, CEO of Studio One Networks, a New York-based creator and syndicator of multimedia content. “It delivers mighty reach and frequency with a desirable high-end user base. We also know Web users are seeking information, and this shows no sign of change. It follows, then, that if the advertiser presents meaningful information online to the target customer base, the brand should thrive.”

But despite the strengths of online advertising, most companies are still struggling to harness and exploit the power of digital media, according to Marketing and Media Ecosystem 2010, a joint research project of the ANA, the IAB, and the 4A's. Only about one-quarter of marketers consider themselves digitally savvy, and half claim they lack the support at senior levels to substantially increase the marketing dollars allocated to digital media.

In a separate survey, by Bellwether Leadership Research & Development, 32 percent of marketers say they are dissatisfied with their progress in integrating traditional media approaches with newer digital media. “Don't have metrics to allocate mix” (50 percent) and “key people at company don't understand digital” (39 percent) are the top problems they encounter.

“Most of the advertisers we work with, and I think most overall, have an expectation that people are going to click or interact with their ads and then get a more immersive experience with their brand by going to their Web site,” says Ken Mallon, senior vice president of custom solutions for Dynamic Logic, a Millward Brown company, based in New York. “But most of them don't realize that a very small percentage of people are going to do that.”

Companies such as Burger King, Zappos, and Adobe Systems, Inc., are among those frequently recognized for their strategic use of digital media as a way to establish their unique personalities through the intimate consumer interactions enabled across the interactive spectrum — social media, digital video, mobile, super-rich media, display, search, gaming and in-game, and widgets.

BK Provokes and Entertains

Burger King has worked with its multiple agency partners to establish itself as a fun, edgy, youth-oriented brand. In 2004, the

Miami-based restaurant chain and Crispin created the enormously popular Subservient Chicken, a bizarre site where users could issue commands to a giant lingerie-clad chicken (actually, a guy in a chicken suit). It proved consumers would spend time with your brand if you gave them something entertaining to do. Fast forward to 2009 and Burger King once again made headlines with its Whopper Sacrifice campaign, which awarded free Whoppers to Facebook members who were willing to drop 10 friends from their network.

What the two efforts had in common, aside from a dark, skewered sense of humor, was that neither pushed a marketing message on the consumer. Instead, each effort used the unique attributes of a digital platform — online video and social networking, respectively — to pull in the consumer and add real value to his or her online experience. “We want people to find our content and come and engage with us, and we are confident they will find it if our content is provocative and entertaining,” says Tia Lang, director of interactive and media for Burger King.

One of the core elements of Burger King's online success is that it creates a single idea executed across various platforms, all of which link to one another in some way. “Each message or platform should provide a connection to something else,” Lang explains. “If we're doing a TV campaign, we make sure that drives people to other digital platforms.”

For example, last year the company ran a campaign called Whopper Freakout that centered on Candid Camera-style TV commercials of real-life customers growing irate when they were told (falsely) that Burger King no longer carried the Whopper. Those ads “drove people to the Web site where they could dive deeper into the filming of the Whopper Freakouts” by viewing behind-the-scenes footage, Lang says. From there, consumers began filming their own versions

of the Whopper Freakout and they posted them on YouTube. Many of the videos became viral hits in their own right. “That campaign resulted in a double-digit increase in purchases of the Whopper,” Lang says.

By leveraging each platform's unique attributes — giving Whopper enthusiasts material with which to create their own videos or helping overwhelmed Facebook members unclutter their friend lists — Burger King used digital media to establish its quirky brand in the mind of consumers. »



Burger King used real, unwitting customers to launch a highly successful multifaceted campaign.

Showcase Your Brand

Twitter is another emerging platform to pose an inviting challenge for brands. The platform doesn't yet allow paid advertising, but that hasn't stopped some companies from leveraging it as an effective branding tool.

Zappos is a Web-based footwear, clothes, handbags, and electronics retailer that has racked up more than \$1 billion in annual sales by taking a scaled-back, grassroots approach to marketing that is made possible largely through digital channels. CEO Tony Hsieh has used digital media, including blogs and Twitter, to turn his customer service channels into Zappos' primary marketing arm.

Zappos has more than 1,400 employees, about 450 of whom are on Twitter (Hsieh included; in fact, nearly 50,000 people subscribe to his feed), constantly monitoring — and reacting to — things that are said about the company. “We have 450 employees being themselves and interacting with their friends and potential customers, and that's where the value of the interaction comes into play,” says Aaron Magness, director of business development at the Henderson, Nev.-based company. Twitter users who have a complaint about Zappos or simply need assistance “may get reactions from 15 or 20 Zappos employees who are trying to help,” he says.

While Magness insists there is no Twitter “strategy” at Zappos, the company has tapped the platform's marketing power, not by blasting messages to recipients who may or may not be in the

As a Web-based retailer, Zappos relies on a grassroots approach to marketing made possible largely through digital channels.

market for a pair of sandals or rain boots but by being an organic part of the conversation. “We really believe that the time of companies coming up with an ad campaign and dictating their brand to their consumer base is gone,” he says. “People have too much access to information, and there are too many businesses all selling the same products. Your brand is really just your culture, and as long as you can get your culture out there, that's when you have a real opportunity to showcase who you are and what you're about.”

Efforts to Engage

Letting consumers know who they are is particularly important for Adobe, maker of desktop design programs. With a customer base of creative professionals and knowledge workers, it's important for Adobe to come across as more than a software designer; it needs to be seen as a supporter of creativity.

The company, which is headquartered in San Jose, Calif., uses the Web to become a part of its customers' daily experiences. “Digital marketing is already becoming a very overused term,” says Jennifer Reynolds, director of worldwide advertising at Adobe. “We look at it more as an engagement marketing experience. If you just look at it as digital, it's just one more medium you can use in your marketing mix.”

For Adobe, engaging consumers means giving them tools they can use online to advance their careers or simply their creative efforts. For example, last year Adobe launched a free online mini-version of its Photoshop Express, and the company allowed

your chance to buckle down and brush up

IAB boot camp provides actionable knowledge on interactive platforms and technologies

IT CAN BE DIFFICULT for any marketer to fully grasp the world of interactive media, and it can be risky to rely solely on your agency partners to navigate it for you. That's why the Interactive Advertising Bureau (IAB) offers its Interactive Boot Camp program, which brings experts in digital advertising to an advertiser's office for full- or half-day seminars designed to bring you and your staff up to speed on the rapidly evolving world of digital advertising.

“We launched this in response to strong interest from senior-level marketers who are aware the world has changed and recognize that interactive is important to their success,” says David Doty, senior

vice president of thought leadership and marketing at the IAB. “They come to us asking how do we get from that realization and vision to a level where we can do it?”

Customized Approach

Doty and the IAB staff work with participants to develop tailor-made agendas that address their companies' specific challenges. “For example, Heinz said its IT group really needed to leverage social media,” Doty says. “We layered in a few other things that would help them achieve scale.” The IAB provides the experts best qualified to deliver timely, relevant information and insight, including top publishers and agency

executives. “People are hungering for this knowledge, and we can bring together the parties that have the expertise and the knowledge to make it all actionable.”

The program isn't limited to advertisers. The IAB is also running boot camps for creative and media agencies. In addition, the IAB offers a professional development program that includes general education classes about digital marketing. Topics covered include “everything from yield management to successful selling online,” says Doty.

To learn more about the IAB Interactive Boot Camp or its professional development offerings, visit www.iab.net or contact Doty at David@iab.net.

Adobe provided the platform, and worldwide, designers participated.



adobe asks: tennis anyone?

A CENTRAL PART of Adobe's marketing strategy is branding itself as a catalyst for creativity. One of its latest and most ambitious efforts in that regard is Layer Tennis, a live design event that works like an international tennis match as contestants volley their creations back and forth.

A handful of designers in various cities around the world — New York, Stockholm, and others — are given 15 minutes to work on a single creative using Adobe tools. The idea is to show the kind of collaboration and creativity made possible by Adobe's software. Spectators can log on and watch live "matches," seeing how a document is made into a finished product by designers with no connection other than Adobe software.

This year will mark the second "season" of Layer Tennis. In 2008, the participants and viewers averaged 50,000 people per game, and during the first season 500,000 watched at least one game live. In September, Layer Tennis was named a Gold Winner in two categories at the IAB's Marketing and Interactive Excellence (MIXX) Awards: Product Launch and Business-to-Business. The MIXX Awards honor the teams and talent that push interactive marketing and advertising to unprecedented levels.

"This approach is very much consistent with the core of our DNA, because we're not pushing Adobe products," says Jennifer Reynolds, director of worldwide advertising at Adobe. "We're making the product the enabler of the experience."

consumers free access to its Acrobat program as well. Reynolds refers to this as a "show, don't tell" approach to marketing. That approach also comes through in its extensive online help presence, where information technology and knowledge workers can get round-the-clock assistance on their projects and problems. "We're really trying to create engaging experiences for our customers," Reynolds says.

As with any attempt to truly engage an audience, fun goes a long way. That's why last year Adobe and Coudal Partners launched Layer Tennis, a Web-based game that uses Adobe

software to challenge creative professionals from different parts of the world to create something together in a short period of time. "It's not just about buying a lot of impressions on a Web site," says Reynolds. "It's about how to get your customers involved and really build a strong brand."

Even the most digitally savvy companies still have a lot to learn about operating in the interactive space, however. For example, Reynolds concedes that the company had limited data to share about its first attempt at Layer Tennis because it didn't make measurement a priority last year. "We didn't do much, if any, info capture at all in the first round last year," Reynolds says, adding that this year Adobe has extensive plans to find out who is watching and then gauge their reactions.

Measuring the Impact

Adobe's oversight last year is minor, however, compared with how little tracking and measurement some companies do in the interactive space. According to the IAB's Rothenberg, "They are overwhelmingly not measuring, and when they do, they're not necessarily measuring the right things," he says, noting that the IAB is at the forefront of trying to change that. In the past several years, the IAB has challenged the largest measurement companies to submit to independent auditing so that marketers have more confidence in the data they receive.

One of the companies helping to verify those numbers is the Audit Bureau of Circulations (ABC). Neal Lulofs, senior vice president of communications and strategic planning at ABC, says he is confident that the industry as a whole is putting a greater emphasis on measurement — something that will only increase as budgets and demands for marketing accountability tighten. But he believes it's important that advertisers stay mindful of their role in the process. "They need to insist on not just having different sources of measurement but making sure those sources are having some kind of verification," Lulofs says. "Advertisers need to remember that they're the ones calling the shots."

That's not to say advertisers operate in a bubble. At the heart of Lulofs' statement is the idea that better coordination is needed among the many moving parts of interactive advertising and measurement. The IAB is a strong and frequent advocate of simplifying and streamlining the process of buying, selling, and measuring interactive media, which will require vendors, advertisers, and publishers to work closely together.

"To quote Jack from the ABC hit show 'Lost,' 'If we can't live together, we're gonna die alone,'" says Scott Howe, corporate vice president, general manager, of Microsoft Advertiser & Publisher Solutions Business Group. "For us to grow the industry we need to make online advertising more trustworthy, more efficient, and more effective. Together." ■