THE PATH TO PURCHASE
EXTENDING THE BRAND THROUGH THE ENTIRE PURCHASE FUNNEL

OPTIMIZING DIGITAL MARKETING
SPECIAL SECTION: CONNECTING VIDEO AD SPEND TO SALES

JULY 2016
A Leading Oral Care Brand Challenged Us To
SELL MORE TOOTHPASTE WITH VIDEO

WE DELIVERED
$4.43 RETURN
On Ad Spend

Results Speak Louder. Period.

eyeview

www.eyeviewdigital.com
Leadership and Marketing Excellence

Board of Directors
ROGER ADAMS, USAA
PAUL ALEXANDER, EASTERN BANK
DANA ANDERSON, MONDELEZ INTERNATIONAL
LINDA BOFF, GENERAL ELECTRIC
CHRIS BRANDT, BLOOMIN' BRANDS
ROB CASE, HESTÉ
GAURAV CHAND, DELL
DAVID CHRISTOPHER, AT&T
CHRIS CURTIN, VISA
JERRO DEVARD
DEANIE ELSNER, KELLOGG
SANYU GUPTA, ALLSTATE
JACK HABER, COLGATE-PALMOLIVE
JON IWATA, IBM
BRADLEY JAKEMAN, PEPSICO
GERALD JOHNSON II, AMERICAN HEART ASSOCIATION
JEFFREY JONES II, TARGET
JOHN KENNEDY JR., XEROX
RICH LEHRFELD, AMERICAN EXPRESS
KRISTIN LEMKAU, JPMORGAN CHASE
CHANTEL LENARD, FORD
ALISON LEWIS, JOHNSON & JOHNSON
ROB MASTER, UNILEVER
MADINE McHugh, L'ORÉAL
TONY PACE
MARC Pritchard, Procter & Gamble
RAJA RAJAMANNAR, MASTERCARD
TONY ROGERS, W ALMART
JAMIE SPEROS, FUELITY INVESTMENTS
Megan Stone, General Motors
MARC STRACHAN, DIAGEO
Nuno Teles, Heineken
JIM TREBILCOCK, Dr Pepper Snapple
MEREDITH VERDONE, BANK OF AMERICA
DEBORAH WAHL, MCDONALD'S
RODNEY WILLIAMS, MOËT HENNESSY

CONTENTS
JULY 2016

#ANALOG
Something’s brewing between Outlook and Starbucks; the current and future rates of ad blocker use in the U.S.; momondo proves traveling is in our DNA; upcoming events; quick facts; and more.

WHAT BRANDS HAVE IN STORE
Thanks to new technology and the opportunities it affords brands to reach consumers, marketers are finding more opportunities to deliver messaging all along the path to purchase. // BY DAVID WARD

SPECIAL SECTION: PROVING VIDEO ROI
More and more, marketers need to prove business results. Now, with the right tools, marketers can connect video ad spend to product sales. // CONTRIBUTED BY OREN HARNEVO

PULLING VALUE FROM ATM
How marketers can optimize their digital marketing through appropriate time marketing. // CONTRIBUTED BY J. R. BADIAN

Q&A
NFL VP of Social Media and Emerging Programming
Tom Brady on adding value to social conversations, content creation, measurement, and more. // BY KEN BEAULIEU

Cover Illustration: Gary Waters Getty Images

Copyright © The ANA (Association of National Advertisers) 2016. All rights reserved. Reproduction in whole or in part without express written permission of the publisher is strictly prohibited.

Opinions expressed within are not to be considered official expressions of the ANA. The ANA assumes no responsibility for errors or omissions appearing within. The ANA reserves the right to accept or reject all editorial and advertising matter. The ANA does not assume any liability for unsolicited materials.
TRANSPARENCY AND WHAT’S NEXT

Likely by now you’ve at least heard of the independent study on media transparency that the ANA commissioned late last year. Conducted by the investigative firm K2 Intelligence, the report, which was released in early June, has some serious findings. From 143 interviews and 150 individual sources, the investigation found non-transparent business practices are pervasive across the industry. K2’s research uncovered evidence of such practices in a number of media, including digital, out-of-home, print, and TV.

In an internal meeting with staff, Bob Liodice, president and CEO at the ANA, said the study “is likely the most significant thing we have done as an organization.” Certainly, the report has cast a sobering light on a dark corner of the industry.

A second report, based on the first, which was released earlier this month, aims to shed even more light on the subject and provide marketers with guidelines and recommendations. In August, ANA will cover the findings of both reports and give marketers actionable steps to address the lack of transparency in their media-buying processes and find a way to move forward with their agency partners. Until then, readers can find more information on both reports at ana.net/transparency.

— Andrew Eitelbach

LET’S GET COFFEE

Sometimes getting a meeting in person takes some convincing. In cooperation with Microsoft, Starbucks is aiming to make it a little easier. Last month the coffee company released a new add-in for Microsoft’s Outlook email client that lets users schedule meetings at local Starbucks coffee shops and send gift cards directly over email. Starbucks first announced the feature in March at Microsoft’s Build conference. It’s currently available for PC users, with plans to roll it out for Apple and mobile devices in the coming months.

32%
The amount of internet users in the U.S. who will be using ad blockers in 2017. Currently, 26.3 percent of internet users in the U.S. (69.8 million people) are using ad blockers.

source: 2016 eMarketer
//WATCH IT
“There would be no such thing as extremism in the world if people knew their heritage,” says one of the participants in a powerful spot from travel company momondo. In the campaign, “Let’s Open Our World,” the Danish brand interviews consumers about their heritage and then offers DNA tests to identify their ancestry and uncover from where those participants truly originated. For many in the video, the results challenge their sense of national pride and make them rethink their world views. It ends in offering them a trip to any country found in their DNA. As part of the campaign, momondo is running a contest online for free DNA tests and a chance to travel to an ancestral country. To watch it, visit ana.net/julymag16.

“"We’re in a world today where the things you learned in college 15 years ago are no longer the skills that you need for your next job. Many of those skills — like data science or digital marketing — didn’t even exist 15 years ago.”
— DAPHNE KOLLER, PRESIDENT AND COFOUNDER AT COURSERA, ON THE RECODE DECODE PODCAST, DISCUSSING THE IMPORTANCE OF CONTINUAL LEARNING AND SKILL DEVELOPMENT
THROUGH THE PURCHASE FUNNEL
Extending brand presence through the entire shopping journey

BY DAVID WARD
Until recently marketing and sales were often considered two distinct silos, and any branding that took place at brick and mortar retail was often limited to a good package design or a clever end-cap display. Thanks largely to the combination of new technology and consumers who are open to actively engaging with a brand virtually anywhere or any time, marketers are finding increasing opportunities for delivering messaging all along the path to purchase, including as shoppers stand in the store aisle finalizing their selections.

“The division between marketing and sales is blurred, and it’s now a much more integrated approach,” says Morgan McAlenney, EVP of Digital, a division of the shopper marketing agency The Integer Group that focuses on e-commerce. “Marketing is still there in support of sales, but now sales is becoming much more nuanced when it comes to branding all the way to the register.”

The growth of online and mobile commerce is providing new ways for companies, particularly those in CPG, to better control the purchase funnel. If marketers can drive the consumer to the right site, there is the opportunity to deliver content, recommendations, or even promotions that can keep that shopper engaged all the way until they click the purchase button. For most brands, online sales alone won’t be enough for the foreseeable future; they still need to win in a brick and mortar environment where their direct competitors are often only a shelf away. That means to succeed at retail, brands not only need great products, messaging, and pricing, they also need insights on what exactly motivates their target consumer to go from consideration to purchase, especially for big-ticket items that aren’t an impulse buy.

“Brands are now looking to understand how a shopper makes their way to purchase — both in-store and online — all with the goal of personalizing that shopping experience,” says Rich Butwinick, founder and president at shopper marketing agency MarketingLab in Minneapolis. The one thing working in many marketers’ favor is that, increasingly, the path to purchase now includes an online or mobile component, which provides more opportunities for engagement before any in-store decision is finalized.

According to a report from creative consultancy Deloitte Digital, 84 percent of customers reported using a digital source for shopping-related activities before or during their most recent visit to a brick and mortar store.

“The interaction between mobile, online, and brick and mortar is becoming more complicated,” says Curt Munk, SVP and head of strategy at Chicago-based FCB/RED. As an example he cites a consumer electronics client that found its shoppers needed nine distinct shopping trips — including visits to online retailers — before they were comfortable enough to purchase one of the brand’s high-end televisions.

“Five years ago there were only seven shopping trips and five of those happened to be in-store,” Munk adds. “This year there are nine trips, only three of which are in-store. The relationship between whether the shopper starts online, or starts physically in-store, or starts on a mobile device, is almost unpredictable and so the brand has to be able to anticipate when the mobile event ends, for whatever reason, and gets picked up again by the shopper at physical retail.”

Adding to that challenge are the vast differences between retail chains, not just in the type of shoppers they’re looking to attract, but also in the types of advertising collateral, including in-store signage and wireless messaging, they’re willing to accept. “We have certain retailers who won’t even take a POP [point of purchase retail display] or who organize by category and not necessarily by brand,” explains Mary Rodgers, director of marketing communications at Cuisinart, who adds that even the use of QR codes on packaging can be curtailed by a retailer’s desire not to include links that provide an opportunity for the product to be purchased elsewhere.

Liz Crawford, SVP of strategy and insights as well as head of the ShopLab at MatchMG, adds that brands may also increasingly find themselves directly competing with the retailer in many product categories. “Retailers are getting much smarter,” she says. “They know how to use their data and are increasingly savvy about using buying contexts, merchandising, and pricing to give their
private-label brands an advantage. Store brands are better than ever; they are a real and present danger to national brands and today’s Millennial shoppers aren’t as brand loyal as their parents, making private label a viable choice for most categories.”

Given this ultra-competitive brick and mortar retail world, marketers are finding that brand equity may be more important than ever to close the sale with savvy shoppers. They’re also realizing that it pays to be nimble in their in-store approach, and that a little bit of everything — including new technologies such as beacons, a healthy dose of data, and the continued use of more established tools like end caps, printed signage, and compelling package design — is essential for brands to thrive on store shelves today.

### TWEAKING THE TRADITIONAL IN-STORE APPROACH

Perhaps the biggest misperception out there is that every shopper in a store now has a smartphone in-hand to aid them in the purchase process. While it’s more than likely most consumers will have their phone nearby, McAleenney points out, “The ones that have a smartphone in their hand could use it for double-checking shopping promotions; they also may be texting friends or looking at something else. It’s like direct marketing, if only 1 percent use it while shopping they may be the most valuable shoppers for that brand, but it’s still a small segment of the overall group.”

That means, at least for the time-being, brands — even those targeting a younger consumer — can’t completely abandon what’s worked at retail in the past (i.e., printed signs and displays). “What research is showing us is that marketers in-store are not abandoning the printed material for digital,” Butwinick says. “Instead brands are figuring out ways to make these printed materials work better with digital.”

Brands also need to make sure that all that collateral is right for not only their shopper but for the specific retail environment as well. Shelf-talkers and end-cap displays that work well in a Walgreens, for example, may not be nearly as effective in a Costco. “It’s the same consumer and the same product, but the retail environment is different and therefore you’ll have different messaging,” explains Butwinick, adding any branded in-store collateral has to fit the store’s overall vision. “Brands and retailers have to work collaboratively to create an exciting and engaging experience for the shopper,” he says.

Johnson & Johnson and brand agency TPN recently proved the value of in-store signage and displays with this year’s “So Much More” campaign. Rolled out worldwide in both emerging and developed markets, the campaign focuses on educating and inspiring Millennial moms with the simple message that a bath using J&J’s products can help stimulate their baby and help in their early development.

That message was reinforced with shelf-talkers, POP displays, aisle takeovers, and other in-store displays centered on images of adorable J&J babies, which helped establish an emotional connection with shoppers. Campaign collateral was tailored not only to different cultures, but also to retailers ranging from convenience stores to big-box chains. In addition to net global sales growth of 3.3 percent, the campaign generated huge growth in the brand’s key metrics, including share points, key retailer lift, redemption, and basket size. (ANA members can read more and see a video case study on “So Much More,” a 2016 REGGIE Awards Gold winner, at ana.net/somuchmore16.)

### BEACONS AND THE GROWTH OF DIGITAL IN-STORE BRANDING

For several years QR codes seemed like the answer to the in-store branding challenge, but ultimately too many shoppers either didn’t like them or didn’t use them enough, so marketers are already turning to what’s next. Much of that interest is now focused on in-store beacons — wireless devices, installed and controlled by the retailer, that use Bluetooth to push ads, coupons, or supplementary product information to consumers’ mobile devices.

Because beacons don’t drive the shopper to a company website, Dean Forbes,
CEO at Minneapolis-based agency Curb Crowser, suggests they have the potential to be far more effective than QR codes, especially if they’re combined with other digital programs that can target shoppers well before they reach the store entrance.

“Consumers now expect brands to know what they want to ask next,” say Forbes, whose company specializes in shopper- and customer-centric marketing. He suggests developing beacon programs that deliver customized messages to customers entering a brick and mortar store based on their previous visits to a retailer’s site. “Remind them about certain products they showed interest in through a beacon: ‘Hey this brand was part of that shopping list you were putting together or that recipe you like.’”

Rodgers takes a more cautious approach to beacons. Saying Cuisinart is currently not using beacon technology, she admits it could be something that her brand experiments with in the future. “We still don’t know how resistant consumers are going to be, so you need to ensure that shoppers going into stores don’t feel like they’re being attacked by these new technologies,” Rodgers warns.

Like any kind of push messaging technology, beacons have to be used judiciously, Munk says, adding, “Large retailers haven’t really been leveraging beacons because they’re still trying to figure out the right way to engage the shopper. But if used right, beacons can be live-optimized for shoppers, noting where they’ve been in the store, what’s in their cart, and at what time they’re shopping. [The technology] can also end up eventually lowering the costs for brands looking to have an in-store presence because they can replace end caps and other signage.”

Brands also have opportunities to participate in the growing number of mobile shopping list apps developed by third-party startups such as Coupons.com, as well as retailer-specific shopping list generators from largescale brick and mortar retail chains.

The store-based shopping list apps can leverage proprietary data on the individual shopper’s previous purchase history to generate recommendations for purchase while also helping the consumer navigate the store. Forbes says that participating in these retail mobile shopping list programs can drive incremental sales, but notes that because many of these lists focus on sales and discounts, participating CPGs can wind up engaging in price wars rather than building brand engagement. “The brands can find themselves being commoditized,” he says, adding that participating in these smartphone shopping lists has to be part of an in-store brand strategy that also includes print signage and other digital outreach.

“If you’re not weaving it into an overall brand story then it becomes disconnected and this digital strategy ends up being just a price promotion.”

One brand that seems to be gaining some early traction with an app-based in-store brand engagement program is Marysville, Ohio–based Scotts Miracle-Gro, which used the 2016 SXSW Interactive Festival this past spring to unveil its new Gro Connected Yard smartphone app.

// CASE STUDY

SUMMER HAPPY HOUR

The most effective in-store engagement programs end up serving the goals of both the brand and the retailer. In 2015 Coca-Cola executed just such a program at Walgreens with a campaign aimed at boosting the chain’s late afternoon grab-and-go traffic, which was being eroded by convenience stores and fast-food restaurants.

Leveraging the concept of happy hour at bars, which remain popular with Millennials, Coca-Cola created the Coca-Cola Happy Hour at Walgreens, where every Wednesday through Friday from 4 p.m. to 7 p.m. during the summer, customers could buy one 20-oz. bottle Coke product and get a second one free.

The program kicked off by targeting influencers with social/digital messaging that included prizes and discounts. USA Woman’s Soccer player Alex Morgan was enlisted to tout Coca-Cola Happy Hour to her social network followers.

Walgreens also used its Facebook and Twitter presence to provide offers and incentives on Coke products during the late afternoon and evening.

Walgreens customers coming into stores were met with Coca-Cola Happy Hour Contour Bottle Racks, portfolio displays in the summer seasonal aisles, point-of-sale end caps, shelf-talkers, and other signage. Coca-Cola also brought experiential live Share-a-Coke events to Walgreens stores across the country where shoppers could, among other things, get personalized Coke cans printed with their names or the name of a friend.

The Coca-Cola Happy Hour program delivered where it counts, resulting in a 12 percent increase in sales of Coke products at the chain, while total customer visits to Walgreens rose by more than 10 percent. The retailer also reported that digital redemptions tied to the campaign were double its typical rates.

The program also greatly exceeded social and digital metrics with a 3.5 percent Facebook click-through rate and 6 percent Twitter engagement rate. The Happy Hour Twitter Parties alone drove 21.3 million impressions, while Alex Morgan’s posts about the promotion reached more than two million followers. — D.W.
THE MAJOR BENEFIT OF ANY BRAND-RETAIL PARTNERSHIP ISN’T JUST A BETTER STORE PRESENCE, BUT ALSO ACCESS TO THE VALUABLE DATA MANY OF THESE CHAINS HAVE ON THEIR LOYAL SHOPPERS.

Gro uses massive amounts of data, including local weather reports, to provide advice on things like watering and feeding tailored to an individual’s area. The company’s app is compatible with a number of smart-water controllers and soil-sensors to help users get even more customized information specific to the conditions in their own yards. This is part of Scotts Miracle-Gro’s strategy to lure 18- to 35-year-olds into gardening and lawn care.

“We see the Gro app as a way to help create a deeper engagement with gardening, and see that as an important way to both drive them and guide them at retail and e-commerce,” says Patti Ziegler, chief digital and marketing services officer at Scotts. Ziegler adds the app does have a brick and mortar component, which provides purchase suggestions while shoppers are in the store mapping out their lawn and gardening needs. “We are also partnering with our retail partners to ensure the Gro program works to grow their business too,” she says.

Like highly customized mobile applications, there are some flashier technologies already helping to reinforce brands in-store. Take, for example, “magic mirrors,” which let shoppers try on different outfits virtually. The mirrors, which are already a feature at Rebecca Minkoff stores in New York, Los Angeles, and San Francisco, let the consumer see themselves in different color options, providing an immersive experience right in the aisle.

The high costs of some of this in-store branding technology may limit adoption, especially in categories where margins are slender. But even if only a few of them ultimately succeed, McAlenney says, they all can be seen as indicative of a future where shoppers have a lot more control over the purchase funnel. “Whether it’s a QR code or augmented reality or some recognizable tag or beacon, the underlying notion is that the shoppers are relying more on an ‘electronic second opinion’ rather than just what they see on the shelf,” he says. “Brands and retailers should be testing a lot of these things to figure out what’s really motivational in terms of moving of the sales needle and then, secondarily, what might have real staying power.”

IN-STORE BRANDING AND THE RETAIL PARTNERSHIP

Virtually all in-store branding requires at least some cooperation from participating stores, but marketers need to realize they won’t always see eye-to-eye with the retailer when it comes to these programs. “If a retailer is trying to lift the whole category and the brand is trying to differentiate itself within that category, those can end up being competing objectives,” McAlenney explains. “For us, the negotiated middle may involve bringing the retailer into the brand process.”

Forbes says one way for brands to drive partnerships with retail is to provide compelling content for the store’s own marketing and e-commerce initiatives. “Companies like Walmart are already going hard at all of the brands they deal with, telling them, ‘You need to give us digital content that we’re going to feed into walmart.com,’” he explains. “Walmart understands that the shopper may not be purchasing everything online, but they’re doing much of their research online. What Walmart wants them to do is come to their site for that research, look at branded content, and form their shopping list before they head into their stores. It ends up being a win-win, and the brands that have gotten on board early are seeing good incremental sales, not just online but in-store as well,” Forbes says.

The major benefit of any brand-retail partnership isn’t just a better store presence, but also access to the valuable data many of these chains have on their loyal shoppers and the promotions and pricing that truly drive sales. “Retailers can be reluctant to open up all of their data, so if a chain or store does say, ‘We can share some of our data, but you have to help with the right content,’ the brand should have something ready to offer in return,” Forbes says.

MatchMG’s Crawford agrees that brand managers will increasingly have to integrate their messaging and consumer engagement with the retailers’ own brand-building objectives, if they want to keep a brand presence throughout the purchase funnel. “Amazon and others are proving that the retailer is often the brand choice in the shopper’s mind and that a store may be bricks or digital,” she says. “So it’s contingent on the brand to figure out ways to gain mindshare in that environment.”
n 2016, marketers are demanding accountability like never before. They have access to endless tools to connect with consumers, but knowing what actually drives sales remains essential. Matt O’Grady, CEO at Nielsen Catalina Solutions, a company that helps CPG marketers measure and improve advertising performance, hit the nail on the head when he said, “You need to connect the consumers’ response to an ad to their actual in-store purchases — that’s nirvana.”

The future of ads is about business outcomes, not media metrics. To get those outcomes, marketers are driving sales by innovating how messages are bought, targeted, and delivered across many channels, such as search, email, display, and retargeting. But as it pertains to video, a medium eMarketer reports U.S. adults will spend an average of 5.5 hours watching every day, marketers’ expectations remain limited. Despite video’s deep level of engagement, the majority of marketers haven’t figured out how to leverage it to drive sales and still focus on traditional awareness and brand equity metrics.

“In today’s world, marketers just can’t survive not knowing which 50 percent of their marketing strategy is working, and that applies to video as well,” says Brian Pozesky, chief product officer at Eyeview, a video advertising technology company focused on improving the return on video ad spend.

In order to build the most effective marketing programs, marketers must focus on the strategies that deliver outcomes — specifically, sales results. Video, often seen merely as a way to drive awareness, can, in fact, be a powerful driver of sales. The trick comes in proving it, which is possible if marketers have the right tools.

Sales, the True ROI
Marketers are ever-evolving. According to The Economist, about 70 percent of marketers say their role has recently shifted to being a driver of revenue. By changing their focus to sales-driven outcomes, marketers are held more directly accountable for their strategies.

“There is incredible value to measuring how well a particular campaign performs,” says Arianne Walker, senior director of marketing analytics at J.D. Power. “The value is in understanding
Achieving

How to connect video ad spend to product sales

classified by Oren Harnevo

performance beyond online KPIs, in how specific messaging and execution helps to sell product. That’s true ROI.

In 2014, a study by the CMO Council and Nielsen found that 95 percent of CMOs are hesitant to spend money on digital because of the inability to measure ROI. Today, just two years later, available technology is allowing brands to see the true value of their advertising dollars. As a result, traditional media metrics, like impressions, clicks, and engagement, are losing value as sales becomes the metric that matters most.

Relevance Is the Way

So, how do marketers connect their strategies with sales results? There is a path (albeit one overgrown with data) from a customer viewing content to making a purchase. As daunting as that path may seem, it’s essential that marketers begin to make their way down it.

“If you deliver the right ad to the audience that is most likely to purchase a product, it’s going to have a tangible impact,” O’Grady says. “If you bombard shoppers with ads that aren’t relevant to the end purchase, that will be a waste.” In an overly cluttered and fragmented advertising universe, relevance remains the only way to win people’s attention. The effectiveness comes from using the vast amount of data and information available to not only find the right person but to deliver the right message on an individual level. For example, showing an in-market consumer an ad for toothpaste with a map to the nearest retailer can be the difference between a spot that drives awareness and a spot that drives actual sales.

“The relevance of the product is driven through consumer personalization,” Pozesky says. “To make something relevant to the consumer, you have to know something about them: their history, wants, needs — their profile. This allows you to create an ongoing and relevant dialogue, and that’s what makes a difference.”

Relevant advertising is able to tie together consumer, retailer, and manufacturer information into a message that engages an audience, wherever they may be, instead of annoying and distracting an audience with an irrelevant message in an irrelevant location.
Let’s Be Honest, It’s Worked Before

The code for seeing a return on advertising spend has been cracked before. Marketers have used data-driven methods to enable personalized, local, real-time promotional messaging in print circulars, online search, display, and other media. They’ve delivered their message through these tactics in a relevant way and tracked their campaigns back to sales.

There’s no doubting the effect of print on consumers — it was, after all, the first form of mass advertising, using beautiful pictures to create emotional connections with readers. In 2015, U.S. advertisers were still putting 15 percent of their overall investment into the medium, according to TechCrunch.

With the invention of the internet came digital display advertising, and it quickly became one of the fastest — and easiest — ways to personalize advertising to a specific consumer. Right now, digital display advertising is a $32 billion industry in the U.S., according to eMarketer, and it’s projected to hit $46 billion by 2019. Search advertising is hot on its heels at $29 billion, taking advantage of what’s at the forefront of consumers’ minds when they take to the web.

So, why mess up a good thing by adding video to the mix?

The Decline of the Status Quo

Marketers need to acknowledge the facts: advertising media that worked in the past are starting to face some undeniable changes. They will all, likely sooner than later, reach a point of diminishing return.

While print coupons and circulars have seen success in converting shoppers into buyers, weekday newspaper circulation has fallen 17 percent, and the ad revenue that comes with it is down 50 percent, according to the Pew Research Center. This is a fall-off that marketers cannot afford to ignore.

Furthermore, with the proliferation of display and search ads, many consumers are becoming immune to these messages, with 73 percent of Americans ignoring these ad formats, according to eMarketer. That dreaded banner blindness is resulting in a loss of effectiveness, with a measly 0.17 percent average click-through rate for banner ads, according to research compiled by Smart Insights.

In addition, a marketer can face a loss of consumer trust when an ad message chases a customer around the web as a result of reckless retargeting.

So Where Exactly Has Everyone Gone?

U.S. adults spend 22 percent of the day, or more than 34 hours a week, watching television, according to Nielsen. Research firm Syndacast predicts that by 2017, 74 percent of all internet traffic will be video.

No matter how you cut it, that’s a lot of time consuming media, and many marketers have caught on. Between 2011 and 2017, eMarketer reports, ad spend on digital video will hit $8.04 billion. By 2020, digital video itself will account for $30 billion annually.

J.D. Power’s Walker has seen the trend firsthand: “We have been monitoring video usage among new-vehicle buyers since 2012. At that point, 14 percent of vehicle buyers told us they were using videos in their online shopping process,” she says. “Today, 45 percent of these buyers tell us they use video content to help them make decisions about their vehicle purchase.”

Video is very clearly a medium that captures people’s attention. “With video, it’s more engaging and human,” says John Stremel, director of digital media at advertising agency Innocean. “It can convey so much information in a dynamic way. I get 300 emails a day, so between that and a video, a video will get my attention. It’s here to stay, and it’s growing and strong.”

Marketers have used video to drive awareness since the invention of television due to its ability to use sight, sound, and motion to drive an emotional connection with consumers. But, as the shift to more accountable advertising grows, using video as a sales tool has been a difficult transition to make.

Personalizing video based on the complex data sets needed to impact sales, and on the scale required to move the needle, has seemed like an insurmountable feat. Until now.
Video for Sales Is Here, Now

Smart marketers are tapping into technological innovation to use video the same way they’ve used performance tactics in the past. Combine this with the high volume of people consuming video — across desktop, tablet, television, and mobile — and you have a recipe for success.

“Good video advertising, in the most simplest of terms, is adding effectiveness and efficiency to traditional video using all of the new screens that are available to consumers today,” Pozesky says.

Marketers are marrying data-driven techniques with the time-tested magic of TV to create one-to-one video marketing. Measurement of previously elusive offline sales is now not only effective, but becoming the norm for leading marketers at top brands like Honda, Lowe’s, and P&G.

TriHonda Dealers, a regional group of Honda dealerships located in New York, New Jersey, and Connecticut, has firsthand experience in seeing incremental sales from the use of video. Leveraging creative from Honda’s national advertising campaign, TriHonda Dealers targeted local in-market auto shoppers by incorporating brand, product, and consumer data to create and deliver personalized video ads across screens. The videos targeted shoppers interested in competitor models with messaging that compared key differentiated features of Honda’s model inventory against competitors’.

Each video variation included a local map of the shopper’s closest dealerships, along with local pricing and offers. With the creation of more than 8,000 video variations shown to 8 million viewers, TriHonda saw a 29 percent increase in car sales, moved an incremental 912 vehicles off its lots, and saw a return on ad spend of $7.83, as measured by J.D. Power.

Partnering with measurement companies like Nielsen Catalina Solutions and J.D. Power, these brands show how measuring sales’ impact has become standard rather than just an afterthought. “We are able to measure actual online behavior and tie it to sales, in some cases seeing a profit of seven to one,” Walker says. “We capture exposure to an ad campaign and connect that experience to detailed transaction data using our online-to-offline analytic solutions. This type of measurement allows automakers to put a real value on their marketing efforts.”

Now, marketers can draw a clear line between the customers who viewed an ad and those who then purchased their product. “We can actually take videos meant for branding and make them work harder across the mid- and lower-funnel by adding more specific content to that video that’s going to drive people to buy,” says Stremel of Innocean. “Video has flexibility — the content can be optimized depending on where consumers are on the path to purchase, and we’ve seen strong ROI with it. We see its power, and we’re embracing it and learning from it.”

Even internet behemoths Google and Facebook are beginning to focus on using video to deliver measurable sales results. In April, Google reported that Gatorade earned $13.05 in sales for every dollar the brand spent (or put toward) YouTube’s TrueView ads, as well as a 16 percent lift in new buyers who saw the commercial.

Facebook has prioritized measuring sales lift for brands using video as well. Utilizing Facebook’s Custom and Lookalike Audiences tools, brands like Acura and Eggo have seen more than four times the return on ad spend and a significant increase in topline revenue.

At the end of the day, a medium needs to be adaptable to be effective, and video is finally able to deliver on that requirement. It can be configured and reconfigured to appeal to niche audiences at scale.

“Every campaign is different, and every run of media and target audience that you decide to pursue or create will impact the campaign,” says O’Grady of Nielsen Catalina Solutions. “We know from thousands of case studies that using purchase data to target your audience provides higher returns on ad spend than other approaches, which is why it is important to do in-flight optimization as well as back-end analysis of your video campaigns.”

With its astronomical growth, power to connect emotionally, and advancements made in targeting, personalization, and measurement, video has become the biggest opportunity for performance marketers tasked with delivering sales.

Oren Harnevo is the CEO at Eyeview. You can email him at oren@eyeviewdigital.com.
TIMING IS EVERYTHING

Four key elements for delivering the perfect message to the right consumer at the most appropriate time

CONTRIBUTED BY J. R. BADIAN
Years ago, that question was asked often. Its frequency has waned over the past 15 years with the advent of the mobile phone, which acts as much as a timepiece for most people as it does a communication device. Even though we as consumers don’t ask the question much anymore, as marketers, we must keep an eye on the time. If we are to truly think with a consumer-first mentality, then we must deploy in-market digital messages at the most appropriate time for the consumer.

While many people reference real-time marketing as a way to connect with consumers at a specific, spontaneous moment, personal experience has shown me that to actually execute in real time one needs a significant level of planning. A better way to get noticed — and for your digital content to break through — is something I call appropriate time marketing (ATM).

ATM is a strategic approach to digital content and performance marketing that offers meaningful ways to increase the value and efficacy of advertising messages. By creating a contextually timed content plan — informed by social listening, which helps determine the right course of action — ATM allows for a holistic, consumer-focused strategy. In essence, ATM serves up advertising messages as the consumer would want them.

ATM is comprised of four elements — appropriate audience, appropriate context, appropriate message, and appropriate channel — but each element begins with key insights. Social listening is integral to each element, creating the opportunity to significantly affect business objectives. The idea is to discover insights around trends, demand mapping, and nascent cultural conversations so digital campaigns can co-opt these elements. Social listening for insights can help create a well-timed core creative idea (CCI), provide for in-the-moment enhanced engagement, and allow marketers to further amplify and optimize the CCI while in market.

1 APPROPRIATE AUDIENCE
The first element of ATM is identifying the appropriate audience by adjusting a traditional target demographic to include any potential “communities.” There are often a number of communities within a given target demographic, and identifying their direct interests (or whatever common thread connects the members of those communities) can be of great value to a brand. For example, a well prepared brand that knows the target’s interests will find a consumer’s sudden conversation about sports spurs a valuable opportunity to engage or glean information relating to that very same subject at the very moment the consumer starts thinking about it. Delivering a contextually relevant message in that moment creates a valuable exchange, and if successful, allows for personal endorsements of the brand from consumer to consumer.

2 APPROPRIATE CONTEXT
When I went to Babson College for my M.B.A., the teachings were mostly centered on entrepreneurial thinking. Babson is a top entrepreneur training ground for startups. The two words I remember most from my time at Babson were “value creation.”

In business models creating value for the consumer is the first step (of many) to ROI. We are taught to think of the consumer pain point, and why they care about our offering. We can apply the same business logic to digital marketing models. When consumers see an advertising message, cognitive skills allow them to search for value in the message. Marketers need to consider the context of their advertising and ask themselves, “Why should the consumer care about my message?” and “When does the consumer need it most?” Those are important questions to ask, and why considering the appropriate context is the second element of ATM.

Appropriate context means understanding consumer behavior in digital and social media and applying that understanding to your well-timed message. If you take the consumers’ circumstances into account when marketing to them, including the appropriate context of the message they interact with, you create incremental value for them. Native advertising is a good example. Consumers are in the
PAR FOR THE COURSE

As MasterCard studied the market months prior to the 2015 Open Championship, we noticed through our social listening conversation that consumers were taking great interest in pro golfer Tom Watson when talking about The Open. It seemed that 2015 might be Watson’s last British Open.

MasterCard, a Patron of The Open and a Watson sponsor for 18 years, felt it was appropriate for us to help lead the Tom Watson farewell conversation. We set out to provide value to the consumer through content and conversations, with an objective to support commerce through promoting “Priceless” golf experiences.

It did turn out to be Watson’s last Open, and many of his loyal fans couldn’t be there. We compiled rare footage of Watson that we were able to obtain from the Royal and Ancient Golf Club of St Andrews (R&A), one of golf’s governing bodies that puts on The Open, and #HatsOffToTom — our core creative concept — was born. As consumers watched on TV and using dual screens, we created enough value during the event that our typical offering, timed well, experienced increased value.

Our timed message — wishing Watson a joyous farewell — asked customers to share their favorite moments from his career. In return, MasterCard would share those messages with Watson (our value exchange) and he’d reply to our cardholders with reaction video tweets (his own video content to our followers).

Why did this work? Because every part of the campaign considered the four elements of appropriate time marketing. There was the attention of a very specific golf community; there was contextually relevant content that led to consumer participation; the message was well timed to when The Open was on TV; and it created an emotional connection with our brand by giving fans access and the opportunity to say farewell to Watson at the appropriate time. That enhanced connection to the brand allowed organic conversion to outperform paid conversion.

The content was so good and consumer-appropriate that it allowed us to identify earned media opportunities in real time. Our Tom Watson farewell video content ended up running on the Golf Channel during The Open, the R&A went to live coverage of our private host event; and even other news outlets picked up the branded content work, extending the content’s value even further.

The campaign succeeded because the content went to the right audience, in the right context, on the right channels, at the appropriate time.

— J.R.B.

mindset of reading and consuming content. If we don’t deliver content experiences, native advertising will lose its effectiveness. Or take an authentic influencer piece supporting your brand, placed in the Facebook Newsfeed. What’s more appropriate to a consumer looking at her feed: a linear TV commercial, or an authentic influencer piece showing her peers using your product? When thinking about the answer, remember the context — the actions customers are taking while they are in the Newsfeed, like catching up with friends and sharing stories. Hint: How would a consumer answer?

Another consideration is contextual relevancy. If we choose a target with an affinity, and discover a future potential consumer discussion (as long as we have authority to involve ourselves), we can add incremental value to our message. The brand message should stem from the current consumer insight connecting your brand to the consumer conversation. If you plan appropriately, and provide access or information related to the discussion the consumer is engaged in, your message may increase its value.

3 APPROPRIATE MESSAGE

The third element of ATM is the appropriate message. This is easiest explained by example. Imagine you’re stuck on the side of the road at 2:00 a.m. in a strange town. You send a post or tweet, “Never a dull moment, car broke down.” Then, right then and there, you see outreach from ABC Auto for 24/7 roadside assistance. You click and get on-demand service. Your request is geo-located, and within 15 minutes help arrives. In this example, what did the ABC Auto brand offer beyond their everyday 24/7 message? Not much. It was the social listening and data driven response that created a contextual message — led by astute timing — and created incremental value for you, the consumer.

Traditionally, there is a good chance that we reach consumers when they are cold prospects (i.e., core message, wrong time). But if you consider the pacing of the consumer journey and sales funnel, you can create search marketing and digital out-of-home messages that make connections with contextually relevant, timed messages (i.e., core message, appropriate time) for additional emotional value.

4 APPROPRIATE CHANNEL

Channel planning in digital is extremely important. With ATM, it is less about efficiencies and more about impact and effectiveness. It’s important to analyze context to determine which channels will work best for your content, and which will give the most optimized value. Content planning in ATM involves identifying the right content for each appropriate channel based on behavioral data, context, and whatever specific need the brand is trying to serve. Considering what is “appropriate” for the consumer, in his or her channel, is a serious matter. A voluntary video view, for example, should be considered against a forced view. Also, a story narrative most likely needs to be tweaked. Finally, the length of a video should be adjusted and optimized for the channel.

By far, the hardest element of ATM for marketers is pivoting in real time. ATM requires brands keep pace with consumers, which means there is a need to move fast and find value where others have not yet. Most marketers have issues here because it involves investing in less-proven content ideas and platforms. Simply put, most people don’t like change, but ATM calls for constant change, pivots, and same-time adjustments based on social-listening data. In our industry, change is necessary for growth and keeping your brand relevant.

If you’ve got a campaign approaching, apply these four elements across your efforts to increase the effectiveness of your digital marketing messages.

ATM creates incremental emotional value and allows for more effective digital advertising. It’s a change that will add value and drive results for your campaign, and while change can be difficult, it’s about time we try something new. ☛

J. R. Badian is VP of digital marketing and social media at MasterCard. You can email him at j.r.badian@mastercard.com.
The NFL Ups Its Social Game

TO KEEP THE MOST POPULAR professional sports league in the U.S. at the forefront of social media, the NFL last year elevated Tom Brady (not the Tom Brady you’re thinking of) to the position of vice president of social media and emerging programming. Among his myriad duties, Brady shapes the NFL’s social strategy, content, voice, and messaging across platforms; maximizes the use of social at a league, club, and player level; and leverages social to drive awareness of programming and content on the NFL Network, NFL Mobile, NFL.com, and other NFL Media Group properties.

Here, Brady describes how his team adds value to social conversations and handles negative stories, his approach to content creation and measurement, and more.

— Ken Beaulieu

Q How does your team add value to the conversation online without coming across as obtrusive?
A We have to use each social platform as it was intended, not shoehorn one piece of content into each platform. In other words, content we publish on Snapchat should be different than what we put on Facebook, and what we post on Twitter should be different than what we put on Instagram. When we publish content, we always think about how it can benefit the fan. Is it entertaining? Does it provide inside access to our players and our game? Does it give them a different way to look at stats, trends, or breakdowns of our teams and our games? Will it spark conversation on social and drive people back to our properties to learn more? We often say that we don’t have to own the splash, just the ripple.

Q What are some of the challenges you face in generating positive word of mouth for the league when non-football-related issues arise?
A When negative stories arise, we don’t shy away from them. We give our fans the information they want to know. At the same time, there is plenty of conversation, speculation, and opinion that we cannot control. We make sure our posts are accurate and timely, and then put the focus back on the game.

Q What are the tried-and-true principles that guide your team?
A We want a team that knows the social space, knows our game inside and out, thinks like our fans, and is overflowing with creative ideas. We then make sure that we create the right content for the right platform. It seems simple, but consider the use of a great quote or memorable sound bite from a player. For immediacy, we may post the quote to Twitter. For Instagram, we may create a stylized image with the quote overlaying it. For Snapchat, we may show real-time fan reaction to the quote or sound bite. For YouTube or Facebook, we may post a video clip or style it around game action. We have to take the tremendous content we see each week and treat it for maximum consumption on each social channel.

Q How do you measure social media success?
A It’s all about using data wisely. We have an outstanding business intelligence team that provides us with deep dives on content performance for each social platform. We are constantly benchmarking performance versus the average and looking at all the variables — not just video views, but completion rates; not just impressions, but engagement. We also look at the conversation rates from our posts. The data guides us, but it’s our responsibility to fuel the flames on a good post. Finally, there are the intangibles that we seek: Are we creating content that more fans are sharing and emulating?

Q What advice would you give to younger marketers looking to pursue a career in social media?
A Use the different platforms often, and think about how they work as both business and communication tools. Then apply that thinking to the subject matter you are pursuing. Also, take an immersive dive into the core tenets of the brand or organization. What will set you apart is your passion for the brand and your forward thinking ideas for how to grow the business and engage consumers.
Driving better business decisions through better measurement.

SPEAKERS INCLUDE:

- **Jeff Chen**
  Chief Data Scientist
  U.S. Department of Commerce

- **Pam Forbus**
  SVP, PepsiCo Global Insights
  PepsiCo

- **Tanya Franklin**
  Director, Trends and Marketplace Insights
  Lowe’s Companies, Inc.

- **Vaibhav Gardé**
  Marketing Principal, Digital Intelligence Team
  FedEx

- **Greg Revelle**
  Chief Marketing Officer
  Best Buy

For more speakers, additional information, or to register, visit [www.ana.net/metrics16](http://www.ana.net/metrics16).