

AGE OF DIALOGUE CONFERENCE : AN OVERVIEW



WHAT SHOULD WE NOT THROW OUT?

AGE OF DIALOGUE CONFERENCE 2: CHANGES

“ Normally I'd introduce this overview of our most recent Age of Dialogue conference by trying to unsettle you all a little about how quickly the world is changing around us. There's probably no need this time, though, is there? We're all pretty unsettled.

From Icelandic banks to Gordon Brown's leadership to venerable American financial institutions to Newcastle United – everything's in chaos. It's hard to get a handle on where everything is going. But in one specific area – your working life – MediaCom is here to help you get a handle on the changes we're all experiencing.

Pretty much everything is changing. The way media work. The way consumers behave. The way brand image is created and maintained. Even in the 18 months since our last conference, the way we watch TV has changed (BBC's iplayer is a huge success) and so has what we do

while we watch TV - about two-thirds of laptop-owners now use them in front of the TV, making TV the new point-of-sale medium.

But which changes matter and which don't? More importantly – which do you have to respond to? Which of our current working practices are “the baby” and which are “the bathwater”? At MediaCom's second Age of Dialogue Conference, leading industry figures debated these points.



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Is TV More Powerful Than Ever?



Throw away your preconceptions. Peter Fincham, programmes controller at ITV, explained why downward trends in TV viewing won't go on forever; how old-school TV is far more interactive than you thought; and how the idea that we all have tiny attentions spans these days

is completely untrue. Here are some extracts from his myth-busting speech...

“ Back in the 1980s, bands would lose money touring in order to promote their records. Meanwhile records sold in vast quantities, on vinyl and cassette tapes and later CDs. If you'd have asked any industry expert they'd have told you the same thing: recorded music = big bucks; live music = big losses.

Twenty years later the exact reverse is true. Concerts make a fortune. Albums get given away free by the Mail on Sunday.

I only say to this to demonstrate the dangers of taking a set of statistics, or analysing a trend, and projecting into the future. We can't predict the future.

So I like to keep that in mind when thinking about television. In mainstream, terrestrial television, audiences – in absolute numbers – have been drifting downwards for years. But does it follow that audiences will continue downwards for ever? Not at all. This year BBC1 has actually grown in peak. That wasn't supposed to happen. But the truth is, things are settling down, and people are saying to themselves, yes I've got all this choice, but isn't it nice to be part of an audience?

I want to talk a bit about this whole passive/active/ interactive thing. Because the assumption - as I think it's there in the terms of reference for the Age of Dialogue - is that traditional TV viewing is fundamentally passive. But is it? I think we've always had a dialogue with the television.

Take something as apparently traditional as an episode of Poirot. Is your role watching that passive or active? Unless you play your part, it's nothing. The locations are fabulous, the acting splendid, the costumes lovely. But at one level it's like a crossword puzzle, or a game of Sudoku. It's entertainment,

yes, but entertainment that requires you to interact with the screen. Oddly comforting on a Sunday night.

So to go back to the Age of Dialogue theme, I think we've always had a dialogue with the television. It's not just a matter of presenters saying send in your emails and texts. An engaged audience is better than a passive audience. Edge of the seat rather than back of the sofa.

The truth is, television remains an incredibly powerful medium and what gets big in television, arguably get bigger.

Take X Factor. It's often compared to Opportunity Knocks or New Faces and I dare say those shows had bigger audiences than X Factor has today. But do you really think New Faces or Opportunity Knocks had remotely the same cultural impact? Surely not. There was no phone voting, for a start. Phone voting's taken a few knocks in recent years but fundamentally it tells us what we want to hear: audiences care. There was nothing like the same level of coverage in the tabloids, or in magazines. There was no Xtra Factor on ITV2 because there was no ITV2. And the show simply wasn't as long. The weekend after next we've got two and a half hours of X Factor boot camps. Because the audience love it.

This gives the lie to the great attention span myth. You know, the idea that in a YouTube age we've all got the attentions spans of a gnat. It's simply not true. Where we like something, we like more of it. ”

Before You Start a Dialogue, You Have To Have Something to Say



Dylan Jones, editor of GQ, isn't so sure he wants a dialogue with all his readers – or that they want one with the magazine; but he's impressed with magazines that create a web presence that flows naturally from their offline selves...

“ There is an obsession these days to interact with every one of your consumers, or potential consumers, and while that access can often prove invaluable, that access is

meaningless unless you actually know what you're trying to do. What news you're trying to impart. What brand values you're trying to instill. If you haven't got a message then it doesn't matter how many people you interact with, because they're going to be as confused as you are. Perhaps more so.

We do not encourage blogging at GQ. It's not that we're not interested in feedback from the readers, it's just that we think they expect us to create a very particular world, a world produced by us, for them. I'm sure Ferrari take their customers' views very seriously, although I'm not so sure they'd like them to design their cars for them.

Now of course there are many offline brands that do wonders online, as an accessory to their core business. At one end of the evolutionary scale you have VOGUE, and at the other you have the SPECTATOR. If you analyse the VOGUE brand it is all about flash, about colour, gloss, sophistication, large colour photographs of sexy supermodels wearing outrageous fashion. It is about lux, and cool and unobtainable delights. Which, in essence, is the very antithesis of the internet. Yet VOGUE online have turned themselves into an information-heavy brand that is all about access and news and shopping. It still retains the Vogue brand values but it is a totally different offering. It is vibrant and quick and accessible and all the other things you are meant to be online, but it squares perfectly with their offline product. It positively sings.

The SPECTATOR on the other hand offers exactly what the offline product does, only it offers more of it. A lot more of it. It has longer features, blogs, videos, reactive pieces to the day's news, the lot. It really is a magazine online, simply by mimicking itself electronically. And it works fantastically well, essentially by not trying to be something it isn't.

Both magazines have found a way to exist in cyberspace, but neither feels it has to embrace its audience so much that it smothers them. ”

No Bathwater - Lots of Babies

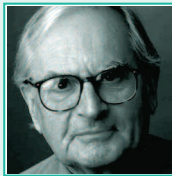


Our panel discussion featured: Paddy Barwise, professor of management and marketing at London Business School and author of Simply Better; Jeremy Bullmore, non-executive director of WPP and noted columnist; and Mark Howe, managing director of UK sales at Google.

Paddy Barwise started by suggesting that there was in fact no "bathwater" to be got rid of, but lots of new babies for us to deal with. That is, that old media weren't going to go away, although their roles would become less, and that the basic truths and disciplines still apply.

Barwise suggested that, for example, the five account planning questions set out by JWT's Stephen King 40 years ago (Where are we now? Why are we here? Where might we be? How can we get there? Are we getting there?) were still the right questions to ask.

What has changed, he said, is that the job of marketing is significantly more complex than it used to be. One particular complication is that most of the things that create brand equity are touchpoints which are not the responsibility of the CMO.



Jeremy Bullmore replied with the comforting thought that:

“ It's all rather simpler than we think. It took me 25 years to realise that there are only two types of advertising: advertising that people go looking for, and advertising that goes looking for people. Nothing that has changed in media has altered that fundamental difference. ”



Bullmore suggested that the idea that the Internet would lead us to the “perfect land of the personalised ad” was a “false glimmer”.



Mark Howe didn't pull any punches. Many web-sites were creative, he noted, but very few did enough to hold onto consumers, or revealed any true understanding of the consumer journey. Sixty-five per cent of shopping trolleys are abandoned at checkout, he reminded us, giving an example of how he had abandoned an online purchase of a garden shed, when the web-site had asked the wrong question at the crucial moment.

Howe said he was fed up with old media types who have their head buried in the past and won't change, but that he was equally fed up with new media types who have no respect for what's happened in the past, and think that digital and online are the only thing that matters. “Both are completely wrong,” he said.

Grow The Brand While Spending Less



Chris Harley-Martin, VP for Marketing & Innovation for GSK Nutrition Drinks, and Chris Binns, Director at MediaCom, explained how Lucozade Sport

had doubled in size, while spending less on marketing. The secret was that they embraced the Age of Dialogue, and set out to gain a new relationship with their customers – one based on sharing, listening and collaborating.

As Harley-Martin put it,

This strategy represented a wholesale shift away from punting messages at people to engaging Competitive Warriors in a longer conversation. We have engaged, created content, developed partnerships, used key opinion leaders as communications conduits, developed a thorough and deep experiential strand, pushed sports marketing on and

sharpened the blunt tool of TV to a very specific edge. By focusing on a smaller audience and better conversations, focusing on metrics and insight, we have been able to drive value and decrease proportional A&P over time. We have doubled the size of the brand, increased profits and short term return from communications investment, we have given Lucozade Sport its Edge

They describe the campaign – which has just won Best Use of Media at the Marketing Week Effectiveness Awards – as “a tale for our times, one of engagement, content, experiential, one of integration across a wide base of agencies”, and they put forward five lessons they learned from the campaign's success.

1. Know your brand/business
2. Own an issue
3. Go to the people
4. Invest, experiment and measure
5. Raise the bar with customers and partners

Nine Smart Tips for the Age of Dialogue

Three of MediaCom's forward-thinkers – Managing Partner, Sean Healy, Head of Broadcast Implementation Rhys McLachlan and Head of Digital Strategy Stefan Bardega – presented their top tips for survival and success in the Age of Dialogue.

1. Research changing consumer behaviours
2. Invest in your online reputation
3. Mobilise a loyalist community
4. Take advantage of Amazonisation
5. Prepare for addressable advertising
6. Take a plunge on mobile now
7. Get your message on the new POS (it's TV)
8. Shorten the purchase funnel
9. Ask your auditor if you are looking at the right pool