Expert Report

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CITRIX GoToWebinar

Dynamic marketing

How programmatic, mobile, social and native will reshape the marketing landscape in 2015



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Introduction

When the boss of one of the world's leading technology companies says that the future is a "mobile-first, cloud-first world," it is worth paying attention. Especially when Microsoft chief executive Satya Nadella is basing his business's overarching strategy – and his reputation – on this vision.

A mobile-first, cloud-first world is already partly a reality. More and more consumers own multiple devices from smartphones and tablets to laptops, desktop PCs and connected TVs.

Nielsen, a leading global provider of information and insights, recently found that people spend more time on their mobile devices than on their PCs. Over a month, the firm found that UK consumers spent on average 29 hours and 14 minutes on their PCs and 41 hours and 42 minutes on their smartphones.

Thanks to these devices and cloud connectivity, consumers are always 'switched on'. They consume media and content in multiple formats – articles, video, gaming – and expect the experience to be consistent across all platforms.

For marketers, this is a huge opportunity, but one full of challenges. How do brands reach the right consumers, with the right content at the right time on the right device?



2015: "The year of mobile"?

While the word "device" clearly covers a multitude of gadgets, the smartphone is arguably the device that ties them all together.

That is why marketers and technologists have been predicting "the year of mobile" for several years – as far back as 2008, according to some reports. While every year since 2008 has ended with grumbling admissions that the prediction has not come to pass, this once-hackneyed phrase is more resonant than ever before.

Research firm eMarketer predicts that 2014 will experience a 90% rise in mobile adspend in 2014, while the future looks even more explosive. Mobile is expected to become the second-largest advertising channel in the UK by 2016, accounting for annual spend of £4.23bn – up from £3.2bn in 2013.

Tom Goodwin, director of ad agency Tomorrow Group, wrote recently in Campaign that mobile is probably a "terrible place to advertise". But he stresses that "it's the best marketing platform the world has ever known".

"Mobile, like 'digital', has been digested the wrong way, with our production mentality towards advertising," he wrote. "It's not a new vessel to fill at the end of the factory, and it's not a new production line in the factory – it's an entirely new way to do add value in the space between people and brands."



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Hitting the mark

Programmatic helps close the gap that separates prospective customers from brands. It may sound like just another buzzword, but it's a term with increasing resonance in the marketing community.

In October, eBay said it was expanding its programmatic offering into mobile and had appointed a new head of programmatic. Programmatic ads now account for over half of eBay's advertising business, ahead of the industry average of 25% to 30%.

"We've gone from programmatic being a tiny part of our business two years ago to more than half of business being traded programmatically," Phuong Nguyen, eBay's UK director of advertising, said.

EBay is just one of many clients asking how they can spend more brand money through programmatic. Other notable brands and brand owners include Ford, Heineken and Kellogg's; P&G stated it aims to buy up to 75% of its US digital ads programmatically.

In October, Mondelez signed a global ad deal with Google as part of its commitment to investing more marketing spend into digital, and said it had allocated 10% of its 2014 ad budget to online video.

"We believe video will be a key growth driver for our brands, and programmatic buying will play an important role in accelerating that growth," said Bonin Bough, Mondelez International's vice president of global media and consumer engagement.

Estimates vary, but research has found that the market for online display ads bought and sold through automated exchanges to be more than $15bn.

According to research from Magna Global, 25% of digital video inventory will be traded programmatically this year, with that percentage potentially rocketing to 70% within the next three years. Spend is forecast to triple and could account for more than half of all digital ad transactions by 2017.

According to estimates from IAB Europe, programmatic will account for 46% of display ads this year, up from 28% in 2013.

What is programmatic?

What does programmatic mean, apart from being marketers' favorite new piece of jargon?

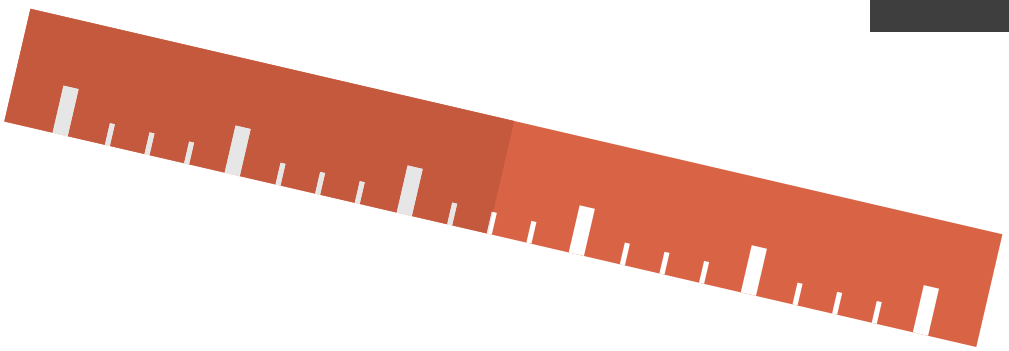
Programmatic was borne out of digital marketing. It allows brands and the agencies that represent them to use software and algorithms that automatically trigger a campaign based on a particular event.

There is a misconception that this cuts out the need for human input, but like any advertising campaign, marketers and agencies need to establish the rules of the campaign – how it is bought, whom it targets, how it is planned – before its launch.

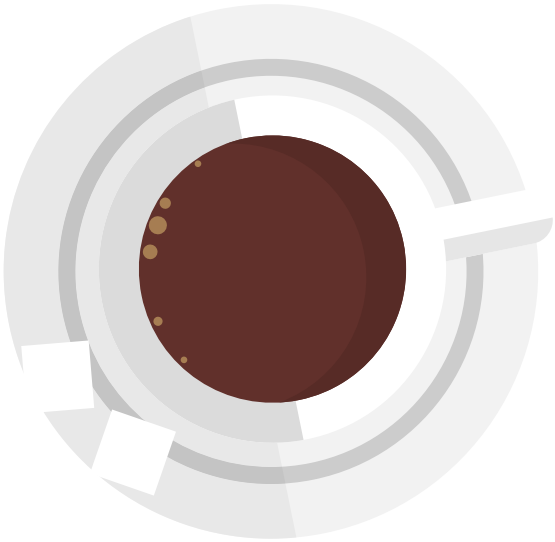
Programmatic campaigns commonly use automated channels such as digital ad exchanges that target media based on certain criteria. However, a campaign could also target in-store shoppers via their mobile devices, using data such as their known preference for a certain product type and when they are in a particular store.

It is worth noting how marketing bodies WARC and IAB Europe defined programmatic: "The use of technology to improve the efficiency and effectiveness of Internet advertising; helping marketers to reach their desired audience and publishers to best monetise their inventory."

In application, programmatic can be rather elegant. This year, brewer Kronenbourg ran a campaign promoting a summer beer with fruit flavours that targeted consumers on their mobiles depending on where they were at the time and only if the temperature was above 25 degrees. This meant that Kronenbourg only bought the mobile ad placement if the conditions were right, giving it a potentially much more effective ROI.



Lack of awareness



Given its rise, one could be forgiven for assuming high levels of awareness for programmatic among brands and marketers. Yet, according to research from ad tech firm AppNexus, WARC and IAB Europe, 25% of marketers have never heard of programmatic. In research conducted in April and May among more than 600 respondents from agencies, publishers and marketing departments across Europe, the firms found this to be true even as 79% of media agencies report using programmatic channels.

Shaping your message to your audience

Using programmatic to reach customers is becoming an increasingly effective weapon in the marketer's armoury. But if the message you are using to reach them is irrelevant, then your campaigns are misfiring.

For instance, many marketers argue that digital advertising is not working as it should, not least because some brands still insist on running banner ads.

Peter Markey, chief marketing officer of the Post Office, cites Solve Media's proclamation that a consumer is more likely to survive a plane crash than click on a banner ad. This claim is deliberately alarmist, not to mention inaccurate, but it makes a valid point: Marketers are failing to adapt their messages to the medium.

Meanwhile, Tomorrow Group's Goodwin said that "mobile has migrated from banner ads that once worked, to native ad units, click-to-download ads and in-feed ads, all desperate and temporary successes in keeping clicks at acceptably low levels."

There are a multitude of media and channels to which you can shape your message, helping ensure it is appropriate for your audience.

This includes video formats, probably the biggest draw for brand marketers. IAB predicts programmatic video will account for 25% market share this year – up from 6% in 2012. The data available to measure and target programmatic campaigns has evolved so video advertising not only parallels and amplifies TV brand campaigns, but can also be measured using similar metrics.

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Native
cutting through the buzz with the right tone of voice

Video is just one aspect encompassed in the buzz-phrase "native advertising", which made its debut last year. Its recent arrival belies its roots in a market that has been around for some time. Native is essentially online advertising content that mimics the tropes of editorial – whether that be a 1,000-word article, a video or an animated GIF.

The clue is in the word "native". The native ad mustn't jar with the editorial, but must seamlessly cohere with the content surrounding it. While an advertorial could be construed as such, a better example of native advertising would be a video appearing alongside a publisher's own video content, especially one that riffs on the subject matter of the editorial. Or Facebook's promoted stories that appear alongside users' status updates and are tellingly often similar in theme. The ads that appears alongside the results of Google searches are a cruder form of native.

Whether you define such as content or native, its tone of voice is key if it is to be truly effective.

According to Andrew Sanders, brand partnership director at IPC Advertising (writing in Brand Republic's sister publication, Marketing), effective native advertising must fulfill three criteria;

1. Its tone of voice must "be in keeping with the publisher's brand, or even better, created by the brand". Consumers will "quickly switch off if they suspect that the content isn't up to the quality they expect," Sanders says.
2. Trust. "Consumers trust magazine brands – like ours – to deliver a premium experience and believe that the advertising that appears on our brands' websites and print editions has been especially selected by the editor. That hard-won trust is not something that should be jeopardised."
3. The content must be well targeted. "It must be aimed at the right demographic and positioned in the right places so as to appeal to its intended audience."

On the client side, the Post Office's Peter Markey, is particularly effusive about native. He is a marketer who is leading the 300-year-old organisation's plans to modernise the brand by "fusing digital with the in-branch experience".

"The exciting thing for me with native advertising is how content driven this approach is, providing a richer customer experience and brand interaction", he says. "It's a great leap beyond 'lazy' classic digital advertising – with native there is a real opportunity for customer engagement and interaction driven by what customers truly want to engage with."

Markey argues that the future is about making the customer "centre stage" and engaging them in relevant conversations.

A MARKETER'S VIEW



Peter Markey, chief marketing officer of the Post Office, on iBeacons:

"This technology is massively exciting for retailers. Effective use of iBeacons will help shape and deliver a richer and better customer experience rewarding both customers and retailers alike. It will also open up new and improved revenue streams with the increased use of mobile in store directing customers to the things they want and need. iBeacons will open up a deeper, richer two-way data stream between customers and retailers – a true value exchange. Truly this has the opportunity to really personalise the retail experience on a one-to-one level. I quickly see this becoming the expected standard in retail once adoption takes hold."

Social communities
conversing in the language of the customer

Consumers today certainly expect a more conversational tone in marketing campaigns. Companies are able not only to build groups and conversation on their own websites, but they can tap into the power of LinkedIn and Facebook using content – be it blog posts or webinars using hashtags to entice prospective customers.

Conversations between communities and brands are influencing customer behaviour. A recent study by Waitrose – a brand that is prolific in its use of multi-channel, multi-platform marketing – found that consumer habits are influenced by social media now more than ever.

The grocery retailer's 'Food and Drink Report 2014' claimed that social media is influencing its customers' food choices, with millions sharing photos, recipes and blog posts on the likes of Twitter and Instagram.

In July 2014, Waitrose's Twitter followers rose by 75% and its Facebook 'likes' grew by over 50%; at the same time, more customers contacted the company through social media than by email. More tellingly, sales via tablets grew 26% year on year, and online sales grew 40%.



CASE STUDY

How webinars got The British Library conversing with new customers

Agency:
Citrix

Client:
The British Library

Challenge

The British Library wanted small businesses to know about the support options available to them from this respected institution. However, the staff of many of these businesses did not have enough time to visit the British Library in person.

"We wanted to introduce new ways of engaging with users and to promote our services," said Chloe Titcomb, marketing manager at the British Library.

So, having tried various means, Titcomb tried Citrix's GoToWebinar during the business calendar's Global Entrepreneurship Week to see if it could reach this elusive group.

Solution

It was important the library's branding be used on the webinars so that users recognised them as the British Library's sessions. The technology, meanwhile, had to be straightforward to use and easy to set up.

"Using webinars was a great way to do this, as they can be accessed remotely and allow users unable to physically visit our centre to take advantage of our offering," Titcomb said.

GoToWebinar allowed the library to integrate a survey and chat into its webinars and boost user engagement. "We get more participants' questions than we can answer during one session," Titcomb said.

Results

The British Library team used GoToWebinar throughout the year for regular webinars, with "each session making a real difference in helping us to meet our objectives," Titcomb said, "both in terms of ease-of-use and overall audience participation and engagement."

Most tellingly, the webinars have opened doors to entrepreneurs and business owners who were previously unable to visit the library. This even extended to foreign businesses from as far afield as Italy and Brazil.

Every time a prospective candidate registered for a webinar, they were asked if they wanted to receive the British Library's regular newsletter. This has led to an upsurge in subscriptions to both free and paid events.

The forecast: 2015 and beyond

The Advertising Association and Warc predict that in 2015 UK advertising spend will for the first time ever top £20bn; that mobile will account for a quarter of all search spend by the end of 2014 and increase by a third in 2015; and that desktop search spend will remain stable.

While it is important to note that record-breaking amounts of money will be spent on mobile and digital advertising, whether marketers reach customers via their tablets, mobiles, PCs or traditional media is relatively unimportant.

Increasingly, the form the message takes is key. In order to stand out from the clutter of messages deluging consumers on all fronts, marketers must tailor their messages to their consumer to the nth degree, making them as relevant, timely and compelling as possible.

About Citrix GoToWebinar

Citrix GoToWebinar is the easiest-to-use do-it-yourself event tool that projects your message to up to 1,000 online attendees. With GoToWebinar, you can reduce travel costs, generate more qualified leads at a lower cost and enhance communication with customers, prospects and employees. Host unlimited webinars for one low flat fee and give attendees the option to join from a Mac, PC or mobile device. GoToWebinar Premier Event is also available to provide custom-built solutions for thousands of attendees and available with video streaming. To learn more, visit **gotowebinar.co.uk**.

For more marketing tips and tricks, visit the **Citrix Interactions Blog**.

