# WHAT'S HOT

**October 2018**


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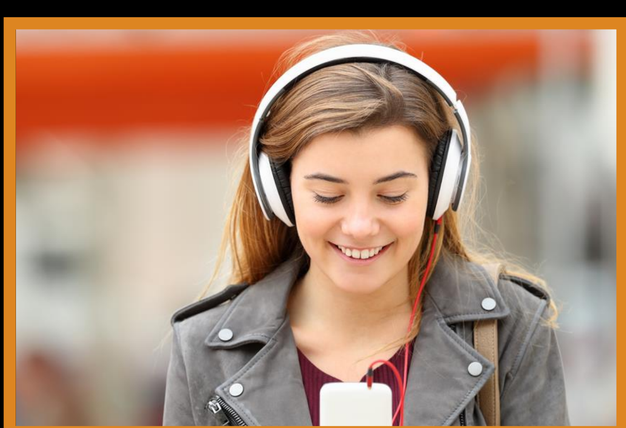

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# FOR EFF'S SAKE: LOOKING AT THE LATEST REPORT FROM BINET & FIELD


Five years ago Binet & Field shot to marketing effectiveness fame with the launch of their first paper – The Long and Short of It, a meta-analysis of the IPA's databank of effectiveness case studies.

Binet & Field's recommendation was – famously – for a 60:40 media spend split, in favour of branding activity. As the most comprehensive and evidence-based theory on marketing effectiveness, it's difficult to argue with the results.

However, despite their rallying-cry to encourage brands and marketers to invest in brands, the industry continued to veer towards short-termism.

Last year Binet & Field released the first part of their follow-up, Marketing Effectiveness in the Digital Era, with the key takeout being that there was no place for an offline/online media spend battle, as the new and old were proven to work more effectively together.

This month, part two was released: Effectiveness in Context. The weighty manual aims to break down the nuances around brand and activation and the old 60:40 rule across different categories, consideration types, brand types and even life stages.

Given the numerous factors analysed across the 20-year databank, the take-outs will differ by brand.

However, a couple of headline factors should be heeded by all. For one, the optimum spend on branding is increasing. Where in 1998-2010 the recommended split was 55:45 brand:activation, in the most recent period analysed, 2004-16, the percentage of branding required in for-profit sectors has increased to 76:24.

The main reason for this shift is digital. Just as online media has made offline media more effective, the rise of online has made it easier than ever for brands to activate.

With more research and sales happening online, where the consumer has more control and access to more competitive brands, investing in brand is critical to cut through.

You might think that the infinite information on the internet would make our System 2 rational decisioning more prevalent. But in fact, when overwhelmed with options, we're more guided by the emotional cues formed in branding.

As a result, categories either researched or bought online require a higher investment – close to three-quarters of spend – on branding.

But it's not just online brands needing to be mindful of overinvesting in the short-term. In the paper's final blow, Binet & Field demonstrate a 76% correlation between categories increasingly reliance on short-termism and a loss of effectiveness of marketing spend.

Once more the takeout is: whatever the short-term targets, focusing on longer-term brand building is all-important for brand health and marketing effectiveness.

# BLACK OUT: THE RISE OF THE ANTI-BLACK FRIDAY MOVEMENT


The countdown to Black Friday has begun. It's a time of the year that has you glued to your device or sees you take to your local high-street – or maybe you just head straight to work and forget about the shopping centre stampedes and online deals.

Black Friday hit the UK in full force in 2014 with retailers from Amazon to Argos running promotions in order to encourage consumers to spend, spend, spend – and not just on the day itself, but over a period of 1-2 weeks, with Black Friday no longer considered a day of deals but a fortnight.

Each year, retailers compete for consumers' attention with price slashes promised to be so tempting that they could leave you high and dry before the Christmas period – despite last year consumer group Which? finding that 60% of discounted items on the day could be found the same price or cheaper at other times of year.

But it's not for everybody, and we've recently seen a growth of the anti-Black Friday movement. However, there could be an opportunity for brands to gain from this movement too.

As Black Friday continues to grow, with £1.4bn spent online last year, 11.7% up from 2016 – but so has the number of stores opting out of the event.

Asda in 2015 stated they would stop their Black Friday sales, as the family-friendly supermarket saw chaos break out during their 2014 promotional deals. In a playful way, Asda let their consumers know that for 2015 they will not take part in the Black Friday sales through their viral mannequin challenge video. They also reassured their customers that they do not need to wait for Black Friday to save money; they guarantee low prices all year round.

TK Maxx, similarly, forgoes Black Friday for a month-long series of deals, with its tagline stating: "Amazing prices this Black Friday (and every other day of the year)".

Pieminister's 2017 #blackpieday campaign, meanwhile, chose to go against consumerism and instead, chose to give spare pies away, in return for donations to homeless charity Shelter. They managed to raise £3,600 for the organisation as well as boosting awareness of food waste through their social media campaign #littleactofpieness.

There's a wider anti-Black Friday movement too – "Buy Nothing Day" is an annual event which started in Canada back in 1992 as a protest against consumerism. People have participated in numerous activities such as sit-ins, cutting up credit cards and public protests. Over 60 countries are now actively participating in the movement, the UK included.

However, there has been a decline in talk for this movement from 2016 to 2017 of 45%* over Twitter and an increase of 18% of those talking about Black Friday over this time, showing people may be jumping ship – or that the consumerist tendencies and mega deals are luring them back in.

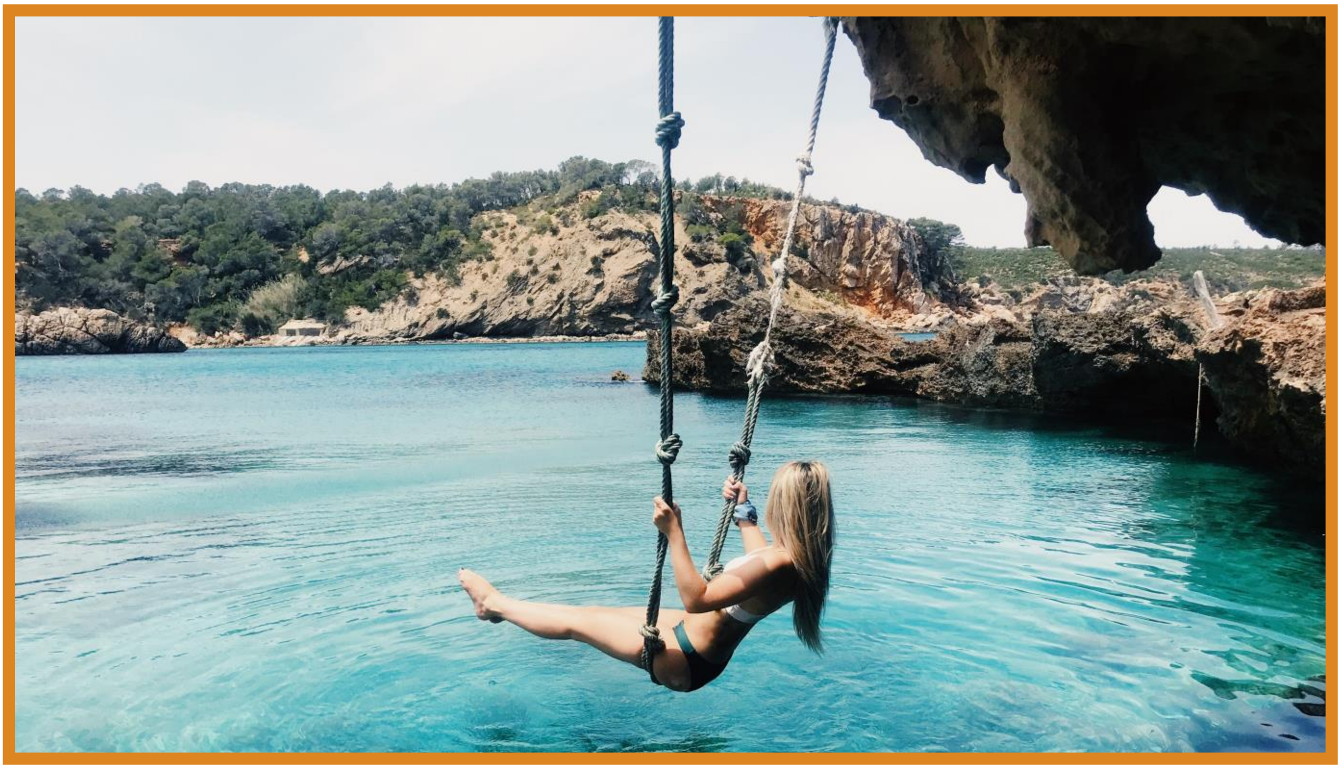
With a brand's social voice proving all-the-more important to consumers, and many shoppers feeling stifled on Black Friday, choosing to opt out of participating in Black Friday deals won't necessarily go down badly, even among savvy shoppers.

It could, in fact, lead to a stronger relationship formed with consumers, if it is shown to be done for the right reasons, and is in line with brand purpose.

Having said that, sticking to the price slashing traditions still often proves to be the quickest way to the consumers heart (read: wallet) – it was estimated that £10bn was spent over the Black Friday discount week last year, and it's likely we'll see the same again.

* Crimson Hexagon

# THE MONEY SHOT: INSTAGRAM-LED HOLIDAY DESTINATIONS



With the recent rise of travel influencers and the #travelblogger hashtag, it appears that social media is not only inspiring us but also informing users about their travel destination of choice.

The youth of today, in fact, seem to be ditching the traditional club 18-30 holidays in favour of more 'Instagrammable' locations. Forget going down the strip in Magaluf, it's all about getting the perfect selfie at Coachella.

A recent survey of British holidaymakers found that 'Instagram-ability' is the number one priority for millennials when booking a holiday. Over 60% 18-24 year old's are ditching the Sambuca shots for a shot on the 'gram, and 78% of those aged 25 to 34 are seeking to spur social media envy with their posts.

But they're not just #travelbrags – Instagram is genuinely changing the way in which we search for destinations and book holidays.

In a report by WeSwap, 37% of millennials have had their holiday destination influenced by social media and 34% have actually booked a holiday because of content seen on social media.

This comes with the decline of traditional youth holidays. Earlier this month, Thomas Cook announced that it is retiring it's infamous Club 18–30. The final Club 18-30 package holiday departed from Manchester on 27th October, landing in Magaluf in Mallorca.

In addition to this, EasyJet is also now launching an Instagram booking service called 'Look&Book'. This tool closes the gap between simply 'liking' a photo and actually transporting the user to the destination, allowing potential holidaymakers to book instantly from an Instagram picture. Users can take a screengrab of a beach, town or location and simply upload this to the app – where the image recognition technology will allow users to seamlessly plan their holiday.

This highlights that we are now seeking inspiration from non-traditional sources, driving the Instagram travel trend.

According to Forbes, this shouldn't come as much of a surprise, after all, the millennial generation is known for trusting peers more so than brands or celebrity endorsements.

Travel marketing isn't only about promoting practical aspects of a destination – hotel price comparisons or ease of airport transfer – but about inspiring would-be travellers with visual content.

The world is full of incredible places with billions of incredible photo opportunities. Marketers should be tapping into these opportunities, posting content at "dreaming" moments to inspire consumers through to booking and beyond.

And with half of UK web users suggesting they have made a purchase through social media, a similar approach could easily be taken across other categories; from furniture to meal prep, anything 'Instagrammable' goes.

# ALL CHANGE: GLOBAL BUYS EXTERION AFTER DOUBLE DEAL OOH MARKET ENTRY


Last month, Global radio entered the out-of-home (OOH) market in a double deal, acquiring both Primesight and Outdoor Plus, before reaching a binding agreement with Exterion Media.

Having formed in 2007, Global has already expanded rapidly, acquiring the Heart and Capital networks, Classic FM and XFM, amongst others – and it has already established itself as a multi-channel brand with a successful Events division and the recently-opened Global Academy.

The deal saw Global become the second-largest OOH media owner in the UK, behind only market leader JCDecaux.

Exterion currently has over 20% of the UK market, and holds the £1.1bn contract for TfL's inventory, as well as UK-wide bus networks and metro systems. As a result, this move is likely to drive competition in a sector that is already experiencing consistent revenue growth.

While it's unclear what Global's immediate plans are for the business, we can expect to see the "Global Outdoor" division invest heavily in digital estate.

We're already seeing major investments in the installation and upgrade of digital inventory across the market. PwC has predicted that digital OOH spend will reach £517m by the end of the year, overtaking static OOH for the first time.

Another focus for the company is likely to be automated trading. JCDecaux is currently leading the charge in the sector, having launched automated trading platform VIOOH in June – a first for the industry.

But as Global already trades programmatically with digital audio platform DAX, it has the technical understanding to introduce this across its new portfolio over the next couple of years. It's therefore possible that it will introduce this trading model into its OOH estate, prompting other media owners to follow its lead.

Meanwhile, the business has also hinted that it may establish a cross-channel trading model, with plans for integrated radio and outdoor campaigns, as well.

Although the deal hasn't been confirmed, it already looks to be promising for the UK's OOH sector, with anticipated investment likely to drive more digital innovation.

This will in-turn bring increased opportunities for advertisers, including higher potential reach with digital-only campaigns and more flexible buying routes.

Ocean, too, were reportedly in talks with Exterion before Global entered into negotiations – will they make a move for another national OOH media owner? It could be all change in the market yet.

# TUNE IN: DIGITAL ON THE RISE IN Q3'S RAJAR REPORTS

It's long been said that the future of radio is digital – but, if the recent RAJAR results are anything to go by, it looks like that future is already here.

Earlier this year, more than half of listening was digital for the first time, with a narrow 50.2% share reported in Q2's RAJAR report. This upward trajectory has continued into Q3, with 63% of Brits listening to digital radio each week.

At the same time, while the long-awaited DAB switchover has yet to be announced (following in the footsteps of Norway, which turned off analogue broadcasting last year), the government recently announced measures to give smaller community and commercial radio stations easier access to digital radio multiplexes.

But while the shift toward digital is positive in many ways, there are some unfortunate and unavoidable knock-on effects. Traditional radio stations, for example, are increasingly finding that they're not only competing with each other, but with the wider digital audio offering as well.

The BBC has recognised this, and expanded its radio portfolio into a fully-fledged audio, with the recent launch of BBC Sounds – bringing together the BBC's radio livestreams, catch-up, personalised music mixes and podcasts in a single platform for the first time. Commercial radio outperformed the broadcaster again this quarter, with figures showing that total weekly reach for commercial stations is now at 35.8 million, while BBC listeners were at 34.2 million, showing a quarter-by-quarter decrease of 0.5%.

Digital services, in comparison, have continued to go from strength to strength. By June this year, Spotify had attracted a huge 83 million users – an increase of 8 million in Q2 alone. Podcasts are also on the rise according to Ofcom, with the number of adults listening having almost doubled in the past five years, to 5.9 million.

But while commercial radio might be faring better than the BBC, brands should not become over-reliant on its power. As we shift toward a digital radio world, it's important to consider audio opportunities outside of radio, too.

Younger listeners specifically are forcing this shift. That's because they are favouring more personalised on-demand entertainment rather than linear broadcasts. Just 31% of audio consumption among 15-24 year olds is live radio, for example, compared to 71% of the general population.

So when targeting this demographic it only makes sense that digital audio is considered alongside more traditional radio campaigns, just as video-on-demand should be considered when planning TV airtime.

For advertisers, digital audio represent an opportunity not only to reach a growing number of listeners, but provide greater flexibility than radio-only campaigns – from geo-targeting capabilities to dynamic audio delivery to programmatic trading. And with listening on-the-go becoming more popular there's also a chance to reach highly engaged listeners on a one-to-one basis.

The future of radio may be digital, but it's the wider opportunities of digital audio that brands should tune into.

# WHY BRANDS NEED TO MIND THEIR LANGUAGE

Marketers are often guilty of using meaningless terms and buzzwords – not just in the office (think "circle back" and "reach out") but also when talking to consumers.

Brand research, too, often includes reference to phrases such as "forward-thinking", "premium", and "for people like me" – but what do these terms actually mean?

For marketers and research analysts, these expressions may seem straight-forward enough, but they can have an entirely different meaning to ordinary consumers.

Here at the7stars we recently conducted a research project in partnership with Trinity Mirror to better understand this disconnect.

Take the word premium, for example – marketers intend it to mean high-end or superior quality, but our research found that 35% of consumers are likely to consider a premium brand is one that they enjoy – Tetley's tea bags were one such example. Consumers are also 19% more likely to think well-known is a trait of a premium brand. Pampers, for example was referenced in relation to being premium because it was popular amongst peers.

When it comes to the term "for people like me", there appears to be little agreement even in media and marketing about who or what we are referring to. Some think of it in terms of demographics whereas others see it in terms of attitude.

Consumers feel equally confused by this ambiguous question – one respondent in our study described its meaning to them as "Relatable. An average British person, approachable" while another suggested it referred to "someone who belongs to a niche set of people outside the norm".

As this phrase has varied interpretations, it's clear that people need more guidance on who exactly brands are referring to when they say for people like me. It would be better for marketers and researchers to focus on specific and relevant aspects of context or identity – like someone my age, for example.

Another confusing term is "forward-thinking". For marketers the phrase conjures up images of hi-tech and design-led brands – with marketing professionals 30% more likely to associate the term with being modern. For consumers, however, it is often interpreted quite literally. Trainline, for example, was considered to be forward-thinking because of the way it enables consumers to – quite literally – plan ahead.

There are also nuances by category; food and drink brands considered to be forward-thinking sold unique products, while news and media brands were considered forward-thinking if they were seen to be socially responsible.

Our research confirmed the importance of clarity in brand research and – on a wider scale – in any communication with consumers.

The interpretation of vague phrases can be wide ranging, and it's important to remember that marketers may think different to the average Brit.

Ensuring that what is being asked is understood as intended comes down to removing jargon and being specific; clearly, there's scope to be far more exact –across the industry – to ensure our research is accurate and our insights reliable.

# HOTLINE

THE STORIES THAT LIT UP OUR MEDIA WORLD THIS MONTH


Stylist magazine has created a TV show, Women of the House, to give women a platform in UK politics. The talk-show style episodes are hosted by Isabel Webster, the Sky News presenter, and feature female MPs discussing current events. Women of the House will air on Stylist.co.uk and YouTube, with shorter edits on Facebook, Twitter and Instagram. The show ties into Stylist's Visible Women campaign to encourage more women to engage in politics that has been ongoing throughout 2018.

Facebook has accelerated the growing pervasiveness of voice-powered technology in the home by launching its own voice-powered device. Facebook's Portal and Portal+ devices resemble an iPad on a stand and have been designed primarily for video communication. It includes additional entertainment functions, like Spotify, Facebook Watch and Pandora, with more partners to come. All of this can be entirely controlled by voice thanks to its built-in access to Amazon's Alexa.


UNILADbible

Viral publisher Unilad entered into administration this month, before quickly being acquired by LADBible. Unilad's parent company, Bentley Harrington, had debts of £6m prior to the buy-out, it was revealed in a court hearing this month. LADBible, one of the biggest publishers on Facebook – with more scale than the BBC, CNN and New York Times – has since purchased its rival for an undisclosed fee. While the companies are entering into an assessment period, there are no immediate expected job losses, and it is anticipated that the businesses will remain separate.

Google's social network, Google+, was shut down this month following a wake of data scandals. After it was revealed that as many as 500,000 Google+ users had been affected by the data breach in March 2018, parent-company Alphabet will be closing the network over the next 10 months. Google+ launched in 2011, but was not able to compete with other social networks with Google recently admitting that it had low engagement, with 90% of user sessions lasting less than five seconds.

C4'S MOVE UP NORTH

BAKE OFF FINAL

SABRINA'S RETURN

APU

THE BREXIT 50P

GOOGLE+