

WHAT'S HOT

September 2019



GEN Z: TALKIN' ABOUT A NEW GENERATION



Everybody's talking about a new generation – of youth. "Generation Z", or "Gen Z", is a catch-all term for those born since the mid 1990s (exact dates vary depending on the source).

Gen Z has grown up in a fast-paced world, with a lack of political and economic stability – meaning as a group they are as fragmented as ever. Yet marketers often try to stereotype and over-generalise them – just like their predecessors, the Millennials.

Keen not to let history repeat itself, the7stars recently joined forces with social enterprise VisionPath. We conducted research with a core group of 15-19 year olds, involving a 1,000-strong quantitative sample, as well as face-to-face interviews and in-school workshops in Norwich, Cheshunt and Liverpool.

From this we identified key themes when considering this highly engaged and connected audience:

Connection Obsession v Expression: When it comes to communicating, they are not a one-platform-fits-all kind of group. They flex between many different social platforms in order to engage with their multifaceted social circle. WhatsApp is used to facilitate group chats and organise family circles, while Instagram and Snapchat are almost exclusively reserved for their closest peers.

This flexing is not only relevant when communicating with friends and family – they also like to interchange between channels to serve specific needs – e.g. relying on YouTube for homework help and using Twitter to keep up-to-date with the news and current affairs.

Experience v Education: When it comes to their future many feel confused, and lack relatable role models to prepare them for what comes next.

The idea of a "9-5 job" is divisive one. As we found, negativity towards the idea of an office job is evident among this generation, who view the office environment as stifling and confined. Creativity is the currency this generation seek in their future jobs.

However, 1 in 3 also stated that money would be the most influential factor on their future career choice, while their purchase power is not to be overlooked – 44% of them were already engaged with some form of part time or paid work.

Empowerment v Disillusionment: There is a consensus among this generation that they are more accepting and more inclusive than those who have gone before.

When it comes to social activism, Gen Z are often quoted as the flagbearers for change, however, we found there were two opposing mindsets. Those who felt passionate and empowered to make change, and conversely those who felt unprepared and unable to get involved.

In fact, 56% feel that current affairs only act to make them feel worried about the future. And only 1 in 2 say they feel confident about the future, which means that almost as many simply aren't sure.

So, what can brands do? Here are our three takeaways:

Take it Offline – Promoting diversity of experiences, knowledge and entertainment in both the offline and online world will have most impact.

Inform and Upskill – Brands that can help them understand and navigate the future choices available to them will fare well.

Celebrate Progression – Continue to celebrate equality progression with them, but don't view them as a panacea.



SKY'S THE LIMIT FOR ADSMART



Sky's addressable TV technology, AdSmart, has just turned five years old – and its scale is only growing.

Revolutionary at its launch in 2014, AdSmart works by dynamically inserting ad copy into the linear TV feed across all Sky and Virgin homes. It is targeted down to a household level, with ads only shown in homes deemed the most suitable for each campaign.

AdSmart's portfolio – and therefore potential reach – now stands at 9.1 million homes in the UK. And this month, after much speculation, [it was announced that](#) Channel 4's portfolio will also become available on the platform.

2019 has been the strongest year to-date for AdSmart, having acquired Virgin homes (from 1st July) – and adding Channel 4 will increase the offering significantly. A launch date is yet to be set, but this is one to look forward to for 2020 and beyond.

Over the last five years, AdSmart has already grown in scale, and in that time has delivered 17,000 campaigns for over 1,800 advertisers.

Earlier this year Sky released its whitepaper "[AdSmart: Five Years and Forward](#)", alongside Differentology, which sets out the journey so far – as well as being what Sky describe as "the most comprehensive research into the UK addressable TV market ever".

The research, based on 100+ individual campaigns, found an increase of 35% in ad engagement for AdSmart campaigns, as well as a 48% reduction in channel-switching – which makes sense considering ads are served into households deemed most relevant for their product, or brand. Additionally, brands are 14% more likely to be talked about

when AdSmart is used. Once again this makes sense as you are targeting through proven data metrics.

A watch-out is that, while AdSmart offers data-level targeting far beyond that of the broad audiences traded via linear TV campaigns, there are still some limitations to its targeting capabilities. For example it is only possible to target at a household level, meaning reaching a specific individual within that household cannot be guaranteed.

Alongside this, reporting is limited compared to linear TV, and comes directly from Sky rather than a third-party. However, while not at the standard of TV, it is similar to that provided for broadcaster VOD (BVOD) campaigns, widely used in the industry.

But the proposition can be used to a brand's benefit. Data sharing in particular provides more advanced levels of targeting, giving advertisers the opportunity to discount customers who have already converted as a result of a campaign, or even the ability to target those who are known to be in-market or close to converting.

AdSmart might not replace linear TV any time soon, but as a product which can reach 30 million individuals, and rising, with only the most relevant product messaging, it can take a targeted campaign to the next level.

As its scale increases, and as the product itself improves, we are seeing an even stronger offering: the Sky really is the limit.



SEASON'S GREETINGS: THE EFFECT OF SEASONALITY ON CONSUMER ATTITUDES



As the days become cooler and the evenings darker, so another summer draws to a close. And with the change in seasons comes a shift in consumer behaviour.

It is well-documented that seasonality directly affects retail performance, with obvious shifts in sector sales – demand for garden supplies and cider peaks in summer, while sales of knitwear and spirits spike during the festive period.

Research from Mintel suggests that nearly 60% of consumers change their shopping habits depending on the weather. In fact, according to weather-targeting specialists [WeatherAds](#), a temperature change of just 1°C compared to the seasonal average typically causes a 1% fluctuation in sales.

But there are widespread attitudinal shifts relating to time of year too. It will come as no surprise that health and wellbeing is a focus in the new year, while the traditional concept of “spring cleaning” rings true, with consumers more likely to clear out their houses in the springtime.

Into the summer months, consumers tend to become more impulsive, arranging last-minute plans to make the most of the warmer weather. Brands can take advantage of spontaneity by creating inspirational content to break consumers out of their routines, and by removing barriers in the purchase journey.

Recent research from the7stars – alongside mobile research panel OnePulse – found that attitudes shift again as autumn approaches. Brits often have a “back-to-school” mentality in September, seeing it as a chance to reset.

According to Pinterest, as parents and families get back into a familiar routine, search terms relating to lunchbox recipe inspiration, cleaning hacks and time-saving tips become

popular; brands catering to convenience should take note, especially as the new school term period is now said to be worth more than £1bn to brands (Mintel).

But it's not just parents with school children concerned with the start of the school year – 23% of the 16-24 age group say they still think of September as the start of a new year. 19% of Brits “sometimes” or “often” make resolutions in September (YouGov), so any brands with products or services relating to goal-setting or behaviour change – whether it's exercise, healthy eating, or saving money – have a role to play.

In fact, finance is the biggest priority for the month, with 47% saying they are looking to save money this month, according to our proprietary research. Searches for “financial literacy” peak in the autumn (Foresight Factory) as consumers look to take control their finances and prioritise budgeting.

Advertisers can take advantage of seasonal changes not only by tapping into consumer attitudes, but by aligning with shifts in media consumption as the days grow shorter. TV viewing increases into the winter months, at an average of around 24 hours a week, compared to 20 during the summer months, according to [BARB](#) data.

Meanwhile, 54% say they are more aware of out-of-home (OOH) formats in the summer as they spend more time outside – meaning the inverse is true of the winter months (Clear Channel).

Summer may be over for another year, but as consumers reset and retreat indoors, it may just *fall* in some brands' favour.



GRAB THE POPCORN: WHY CINEMA IS THE SECOND-FASTEST GROWING CHANNEL



Cinema has been revealed as the second fastest-growing medium this year, according to [WARC's latest Global Ad Trends](#) report released this month.

While the internet remains the fastest growing channel, the global cinema market has grown 6.8% year-on-year; as a result, it is now worth a total of \$4.6 billion.

The report follows [DCM's record-breaking](#) first half of the year; the company, which controls 82% of the UK's cinema industry, recently reported a 12% increase in ad spend compared to the same period in 2018.

The growth of cinema is in part due to the quality of content being released. 2019 has so far seen a strong slate of films, with blockbuster *Avengers: Endgame* grossing £89m at the UK box office, followed by several big-budget Disney re-makes including *The Lion King* and *Aladdin*, as well as franchise film *Spider-Man* and the recent return of Tarantino with *Once Upon a Time in Hollywood*.

Advertisers are being attracted to the medium because it provides a captive audience – something that is becoming increasingly difficult to find elsewhere.

As “second-screening” becomes the default viewing behaviour for most forms of video, cinema provides a much sought after high-attention environment, allowing advertisers to show quality content to these highly engaged viewers.

With some reports suggesting attention spans are becoming

ever shorter, particularly among [the younger generations](#), the level of immersion provided by cinema could become even more pertinent.

In fact, cinema is a particularly key channel for accessing those hard-to-reach younger audiences. Indeed, research released by [DCM, alongside Differentology](#) towards the end of last year found that cinema was the medium the 16-34 audience felt most positively about.

For this reason DCM CEO Karen Stacey has this month described cinema as being “[complementary](#)” to TV because of its ability to “plug the gap” left by the declining viewership of TV by these audiences.

While it has previously been largely the remit of launch campaigns or bigger-budget marketing activity, brands are increasingly beginning to understand the role cinema can play in any form of brand-building activity – as well as short-term activations, or even targeted, location-based campaigns.

In an increasingly fragmented video landscape, cinema should be considered not as a special feature, but as part of an integrated video strategy. And with huge franchise films including the likes of *Star Wars: The Rise of Skywalker* and *Frozen II* still to come this year, cinema may be about to steal the show.



LET'S TOUCH BASE ON MEDIA CONSUMPTION: REVIEW OF THE LATEST TOUCHPOINTS DATA



Touchpoints was launched by the IPA in 2005, with its primary function being to provide the media world with more cross-platform and cross-data media planning data sets.

Respondents are asked to keep a diary detailing their media habits, and also complete an online questionnaire detailing their attitudes, shopping and media habits.

As a result Touchpoints allows advertisers to map the media landscape much like a GPS – and reveals the opportunities that can arise from the integration of different media channels in campaigns.

The [IPA and Facebook](#) have now undertaken a joint venture to investigate how the media landscape looks today.

Fourteen years after the first survey, this research has revealed that there is now no single media channel that will allow advertisers to reach 90% of GB adults in a week, further highlighting today's fragmented media landscape – and illustrating the importance of combined planning tools such as Touchpoints.

Commercial TV continues to reign as the largest channel when it comes to reach and time spent with the medium. This is followed by social media and the internet; unchanged from the last research conducted by the IPA in 2015.

However, we see interesting results when we look at these channels more closely. The amount of time spent on social media has gained six percentage points since 2015 (now at 24%) while commercial TV lost six points in the other direction (now 34%).

As media consumption shifts, brands should consider accessing a greater range of channels in their mix in order to

reach their target audience.

Advertisers that have historically focused on a single channel – such as those heavily reliant on TV – are increasingly having to reevaluate their media plans in order to make for more impactful campaigns.

It is often said that [just one spot](#) in Coronation Street in 1970 will have reached 30 million people. Nowadays, short-term campaigns looking to drive sales, or launch campaigns hoping to provide immediate impact, may no longer find it sufficient to utilise singular channels which in the past had been chosen for their ability to reach a huge proportion of a target audience with just one spot, or with a short burst of activity.

For now TV remains the largest media channel for all adult reach, but the generational shifts we're already seeing may reveal what the future holds.

According to the earliest Touchpoints data, TV viewing habits of 15-34-year olds and the 55+ age group were not dramatically different. However in the last four years we have seen more and more young people favour subscription VOD (SVOD). Now only 77% of 15-34-year olds watch live TV each week, a significant decline from the 82% reported in 2015.

Ultimately, shifting media consumption adds another layer of complexity to media planning. Advertisers will need to consider a wider channel mix, but also be more creative in their approach, if they hope to reach a broad audience in their campaign. Tools such as Touchpoints more useful now than ever before.



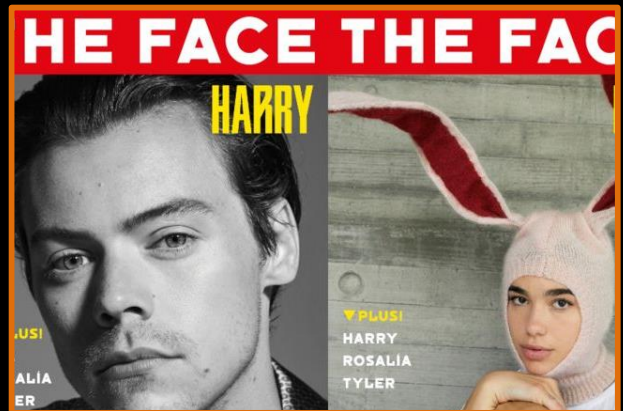
HOTLINE

THE STORIES THAT LIT UP OUR MEDIA WORLD THIS MONTH



Facebook and Instagram have been awarded a brand safety certification from the Joint Industry Committee for Web Standards (Jicwebs) this month. Both businesses were audited and found to meet Jicwebs standards, known as Good Practice Principles, including independently certifying content verification and having policies in place to minimise risk of ad misplacement.

Music, fashion and culture magazine The Face has published its first print issue in 15 years. The relaunch of the printed edition saw 100,000 editions sold on newsstands, with Harry Styles, Dua Lipa, Tyler the Creator and Rosalia featuring on four versions of the cover. The magazine, first launched in 1980, ceased publication in 2004 and was relaunched online in April.



Ocean Outdoor has acquired Visual Art Media in the latest takeover in the out-of-home market. Visual Art Media specialises in digital OOH and operates in Germany, Sweden, Denmark and Finland. The move follows the acquisition of Netherlands-based Ngage Media and Interbest earlier this year, as Ocean looks to strengthen its presence in mainland Europe.

Marie Claire announced this month that its November issue will be the last printed edition of the fashion magazine, with the title set to go online-only. Parent company TI Media suggested the decision had been made as a result of "changing needs" of its audience and would make a move to become "digital first".





CLIMATE STRIKE

RUGBY WORLD
CUP



THE GOLDFINCH

MARIE CLAIRE



PROROGATION

THOMAS COOK

