Practitioner Article

The changing face of data insight – And its relationship to brand marketing

Received (in revised form): 11th October 2010

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ABSTRACT Brand advertising is suffering as a result of social networking on the Internet. This is true both of its speed of reaction and its ubiquity. This process is not helped by the fact that service providers are themselves served by a range of different companies and disciplines, each of which brings slightly different emphases to the equation. These include creative and media agencies, Digital/Direct/Customer Relationship Marketing agencies, specialist social media support boutiques, consultancies and technology vendors. The solution is likely to be a far more collaborative future, in which the various skills from Data Analytics, Planning and Creative work together in new geometries within a range of support agencies. Traditional account manager-led strategy is likely to reduce: so, too, is hard data-based analytics, to be replaced by a combination of insight-based analysis backed by data and informed by creative principles. The role of social communities built in online worlds is likely to grow as well.

Journal of Database Marketing & Customer Strategy Management (2010) 17, 262–266.

doi:10.1057/dbm.2010.25

Keywords: brand; social networking; online communities; data analytics; insights

INTRODUCTION

Brands and marketers alike are currently facing a dilemma when it comes to managing customer relationships. Owing to the recent influx of new channels, technology and customer touch-points, brand managers are struggling to understand how best to understand and interact with their audiences. Confounding this problem

is the fact that agencies are failing to help brands engage with consumers, and as a result, consumers are becoming less brand-loyal and more trusting of each other.

Consumers often rely heavily on tweets or blog posts either recommending or criticizing a brand, and many people won't purchase a holiday or a hotel room without

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consulting sites such as Tripadvisor. This consumer power may be seen by many as a positive force, but it is coming at the cost of brand credibility. Brands increasingly find the new wealth of customer data and information available to them overwhelming, and the result is that consumer-led initiatives are often more successful than marketing pushes from brands themselves.

To counter this, agencies will need to make the shift from developing creative executions to nurturing consumer communities; from delivering push communications to creating pull interactions; and from managing campaigns to facilitating conversations, and more than anything else, listening to what people are saying about their clients' brands, products and services.

Agencies will therefore need to alter their offering to developing innovative technologies, applications and strategies that connect with consumer communities in an interactive world, enabling brands to become an integral part of those communities while constantly listening, learning, innovating and connecting.

THE CURRENT SITUATION

The scale and the pace of the technological revolution is gathering speed. It took Apple just 1 month to sell 1 million iPads, and Facebook grew from 150 million users to almost 500 million in only 15 months. Add to this the growth of mobile devices, now more than 4.6 billion worldwide – of which more than a third will be smartphones by 2012 – and the result is a constantly connected global community.

The mobile technology transformation combined with the surge in social media has extraordinary implications for every brand, as consumers expect a brand's social engagement to be ubiquitous.

This expectation has had two very crucial impacts. The first is in the rise of what has been termed the 'nowconomic movement'. Consumers want everything now, or as close to now as possible. Gone

are the days of the 28-day delivery period or even the waiting list. If it's not immediate or as quick as it possibly can be, then consumers will move on to the next proposition: even Guinness has moved away from its 'worth waiting for' positioning. Consumers have recognized that supply is outstripping demand: they are in control and their mantra appears to be the sooner the better. This is the direct result of conditioning by businesses and new technology towards an expectation of real-time gratification through phenomena such as Twitter, retail payment automation and the functionality of co-browsing.

The second is the cause and effect of social ubiquity. As more organizations subscribe to social media as a customer touchpoint, expectations have bottomed out. Where once consumers might have been impressed by one particular organization's use of a network or platform and admired them for it, now, while they might fleetingly recognize it as innovative or useful, they will soon berate other brands for not having the same functionality. This means that the competitive advantage afforded by social media is diminishing very quickly.

Subsequently, consumers are both developing brands and building them. Successful brands will be those that listen to and learn from customer insights, both positive and negative, and engage the consumer to gain the privilege of being part of their content and their communities.

Against such a background of fast cultural change, agencies do not have the option of waiting to see how these trends develop before they implement structural change: those that adopt this approach will not just stand still, but will decay to an irreparable state.

THE CURRENT PLAYERS

1. Creative and media agencies are stuck in the mass media world. The talent and processes resident in creative and

media agencies focus on delivering work efficiently for above-the-line media with large audiences and large budgets. As new media grows and asks for agility and speed, traditional agencies can't deliver. Most senior advertising execs appear more comfortable with conventional channels, which they claim are 'integrated' because they have tacked on a website.

2. Digital/Direct/Customer Relationship Marketing agencies 'get' interaction but are newcomers to branding. Digital agencies have started to compete and win traditional work, operating from a position of emerging consumer insight. But most digital agencies struggle to forge executive-level relationships with clients and to lead broad marketing and brand strategy.
3. Specialist boutiques support social media. The boom in consumer use of social media has also created its own agency vocabulary. Specialists in word-of-mouth and buzz marketing are siphoning off media and research dollars. The result in this instance is the emergence of yet another specialized silo, forcing marketers to keep the most connected and socially valuable consumers at arm's length.
4. Consultancies are increasingly compensating for left-brain deficiencies in agencies. Marketers have introduced new advisors into their cabinet to fill skill gaps at traditional agencies. Consultancies like McKinsey & Company and Accenture guide agency selection and temper media spend. However, they struggle to convert insight into strategy and execution.
5. Technology vendors are bringing more process and order to client-side marketing infrastructure. As a result, some marketers are also cutting spending and regaining control by in-sourcing traditional agency assignments, reducing costs and bringing a sharper focus on

the business and brand. They again struggle to convert insight into strategy and execution, and become too biased when casting a critical eye.

SOLUTION

In reality, what is needed is an agency that can interpret data for deep understanding of consumer communities that then helps brands create and nurture connections with those communities and then delivers targeted on-demand messages through the development of innovative technologies. An agency that can 'Listen, Learn, Connect, Innovate and Inspire'.

The required skills are:

Data and analytics

Real-time data and analytics where teams are constantly monitoring, analyzing and interpreting. In a constantly connected environment where there is a resultant proliferation of data and where the communications and business world is driven towards effectiveness, there is no more important skill than that of a data analyst or data strategist – they serve up the raw material that is essential to all other functions within the business, delivering real-time results to see how a conversation is spreading and drive future decisions. Therefore, agencies will adopt sophisticated enterprise marketing platforms, capable of aligning multiple data sets at a moment's notice. Data analysts will manage this knowledge and become conductors of brand sentiment, and this can be sold at a premium to advertisers.

Planning

A combination of researchers, brand planners and communications planners will run a continuous process where the data analysts provide insights and consumer intelligence from the community in what will be an almost 24×7 focus group that will concentrate on behaviours as well as

attitudes and mind-sets. Traditional research agencies will need to evolve to compete. Omnibus surveys that deliver a few thousand respondents in a few days will be left behind. Taking the temperature of the nation will be much easier and the insights more insightful, as opinion-based surveys will be supplemented by actual consumer behaviour and sales, pulled together by the alchemy of data analysts. Traditional statistical modelling will retreat to supplying more specialist needs, such as scoring and segmentation, while looser, faster provision of insightful feedback will be at a premium.

User experience and information architects

User Experience Consultants and Information Architects will work hand in hand with the planners to develop design and messaging strategies that deliver a seamless customer experience across channels and from online into a retail or experiential environment, making experiences better, deeper and more useful. Integration will hopefully become an extinct term as the concept becomes a matter of course, rather than an announced attribute. This will be essential moving forward, as media will continue to fragment and therefore to attain critical mass with one campaign, and it will be necessary to have consistency of message.

Creative talent

Creative talent will reside inside and outside the firm. The Internet will continue to offer opportunities for content strategy and creative ideation by identifying unknown talent (co-creation sites). This talent will also come from the ranks of the consumer communities themselves. Ads will develop more casually as creative teams play with the creators and critics, exchanging thoughts and interacting informally. Using consumer feedback, the creative teams will round out additional brand advertising, content and services. The result will be bolder and more on-point, as it originates from within

the community before the agency magnifies it. This turns the existing model of test, learn, roll out on its head. It stands to reason that if the campaign is being generated as a collaboration of minds and skills between agency and customers, the test and learn phases will become defunct and the roll out phase will be far more immediate. Additionally, through co-creation, advertising and marketing will become even more engaging, as human nature prescribes that anything involving self- or peer/family group-interest is spontaneously more captivating.

Business directors/consultants

Account management is likely to be abolished, as client relationships will increasingly be led by the planners, consultants or researchers who will represent the community to the client brand and media companies, manage and monitor client brands' interactions with the community, and ensure effectiveness. They will be supported by project managers who will manage process and efficiency and produce reporting on expenditure to clients and procurement. Project management as a discipline relies on the project management triangle, comprising three interrelated variables: cost, time and quality. This has become the critical tripod on which many industry sectors rest, and marketing will become no different. In fact, aligning itself with a structure easily recognized and understood by client businesses makes the model more compelling to the budget holders. It will also facilitate reporting, which, with a stronger focus on accountability, again serves to strengthen the agency offering.

Production

Agencies have typically relied on an ecosystem of partners to deploy campaigns; in the future they will need more hands. The demands of targeting, hyper-personalization and ongoing dialogues will push agencies to

work further offshore, following cheaper staff hours and technology know-how. Production departments will turn into real-time 'logistics' headquarters that assemble virtual, around-the-clock teams building a supply chain. The supply chain will become a mark of competitive advantage. Agencies will rely on ad-serving technologies for on-the-fly messaging, giving new meaning to marketing automation.

Media

One of the most important 'media' will be the consumers themselves. Media planners will become experts on consumers' social value: Who is most active, influential and connected? This insight will unlock value from the network effect – launching conversations with those consumers most likely to pass them on. The secret will be leveraging communities and key influencers for earned media as opposed to owned or bought.

Consumers are now their own channel managers. It is increasingly unusual for people to consume channels one at a time. For instance, watching TV, while browsing the net or listening to the radio on the bus, while at the same time reading a freesheet. This means selling 'media' as we know it is fast running out of steam. Although channel-focused campaigning will not suddenly disappear, it is likely that media agencies will integrate this traditional approach with trading in well-connected consumers. With networks like FourSquare coming to the fore it is becoming increasingly easy to identify early adopters, brand advocates and influencers who through their own networks will have just as much reach as a TV ad. An example is Heather Armstrong, who has a staggering 2.5 million Twitter followers. If just 1 per cent of her followers retweet her and then 0.25 per cent of their followers retweet them, and so on and so on the incremental reach of her opinion is

astronomic. Media agencies that can offer a two-dimensional sell in this manner will be future-proofing their business through added-value engagement.

Technology

The focus will be around developing engaging Internet and mobile applications, websites, e-commerce and m-commerce solutions and personalized content management systems, while also keeping abreast of the latest in ad-serving technologies and cutting edge developments like cloud computing, augmented reality and multi-touch technologies. And it won't stop there. New technology and trends will be quickly adopted and understood by agencies in order to offer new opportunities to their clients.

FUTURE DEVELOPMENT

Putting all of the above together, the future is far more collaborative, and far less absolutely reliant on hard numbers. Rather, it uses insights, backed by data, combined with insight in order to provide a real-time rounded picture of how the brand message is being communicated. One manifestation of this trend may be through client brand-focused rooms where attitudes, opinions and thoughts from social communities relating to a company's latest product launch, share price fluctuation or sponsored event are streamed live onto a screen or dashboard having been interpreted by analysts.

Behind this will sit a team of clients, planners, consultants and creatives who can tap into communities and influential consumers to develop real-time messaging or campaigns to counter or fuel opinion. Overall, the future for clients, brands, agencies and consumers is likely to involve the development of new products or services through mutual collaboration, as opposed to – as now – functional isolation.