

THINKtank

mindset over matter

Inside THINKtank

This issue of THINKtank suggests that marketers move beyond the what of online media usage to focus on the why. We examine the importance of understanding user mindsets for planning online marketing campaigns – and include suggested actions for marketers.

Look for the  at the end of each article to highlight our recommendations.



marketing to new interactive media behaviors

Active Internet users are increasingly embracing new uses of the medium: watching video, creating and re-mixing content, writing and reading blogs and surfing and posting to social networking sites. As marketers try to fit these new behaviors into their marketing plans, they are faced with the tension between the rush to embrace new media forms with nascent ground rules and scant track records, and ensuring that the communications and experiences they create are truly effective in

meeting their brand marketing goals. This conflict will take time to resolve, but in the meantime, there are models and tools marketers can use to help them navigate these tricky waters.



It is important that marketers keep in mind the distinction between user action — for example, watching short videos online — and the user's mindset when they complete that action. For example, addressing the user action of “watching short videos online” might suggest a strategy such as making short videos for users to view, creating or sponsoring a channel for short videos, or inviting users to make and submit their own videos in order to win prizes.

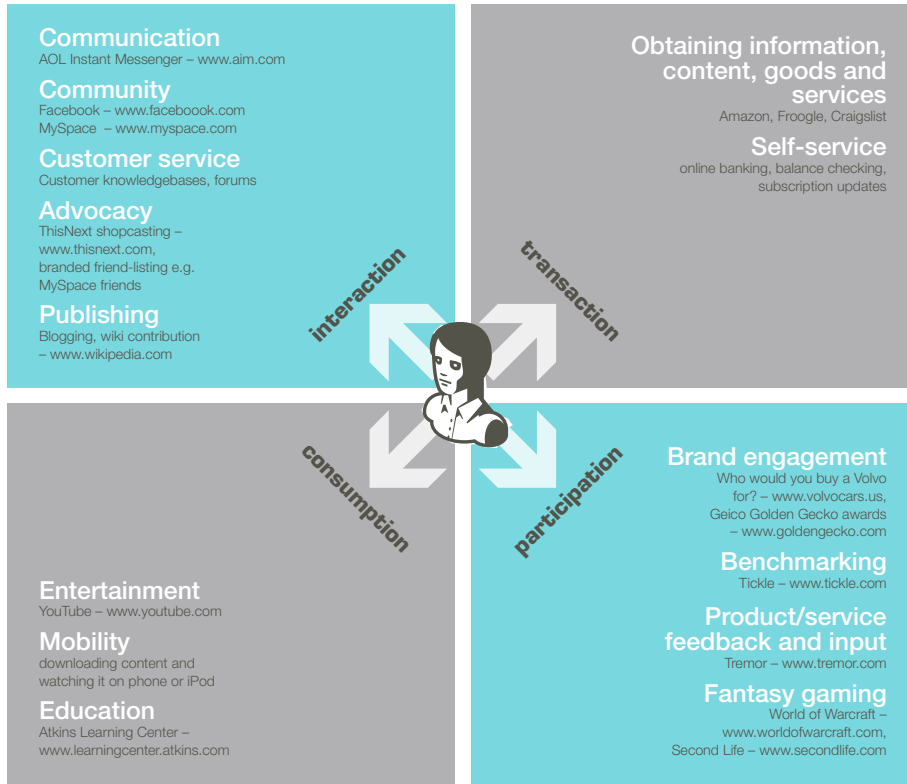
“It is important that marketers keep in mind the distinction between user action ... and the user's mindset when they complete that action.”

Addressing the user's mindset when they perform these actions requires a deeper level of analysis. Again using the example of viewing short films, a marketer might identify a number of aspects of the user's mindset and the ways in which he relates to online behavior, thereby unlocking additional opportunities for the brand to establish powerful connections with a target audience.

Many viewers of short films at sites such as YouTube or iFilm say they start their web session with no particular goal in mind other than to waste time and be entertained. The broad and deep nature of available video content, coupled with the user's non-specific goals and relatively low level of emotional or practical investment, suggests that a user may take almost any possible path through video content. For instance, a user might click from one video to others posted by the same user, or he might use tags or lists to follow a topic (“Hmm, what other really bad 80s new wave videos are online besides Kajagoogoo?”) or just randomly bounce from one link to another.

This built-in randomness in each user's video-viewing behavior suggests that marketing a brand with its own network is not a great bet. Budweiser, for example, appears to be putting a lot at risk with its soon-to-launch Bud.tv, which seems designed to appeal to the most basic

figure 1
modes of interactive media usage



ATTENTION, PLEASE

In *The Hidden Power of Advertising*¹, Robert Heath built on the neuroscientific research of Herbert Krugman to suggest a theory for how advertising works in the human brain. According to Heath, low attention processing involves a mix of conscious and semi-conscious brain activity. Krugman's experiments used electroencephalogram (EEG) readings to show that our brains emit slower than normal waves when watching TV, suggesting that learning via TV commercials is "implicit" – that is, it takes place without much of the viewer's conscious knowledge.

High attention processing, on the other hand, occurs when the subject is explicitly engaged, and must make a judgment of some type – for instance, whether the product described is worth the price mentioned, such as in viewing direct response or "interactive" advertising.

level of user action. Guys want to watch funny/sick/sexy viral videos online? Bud.tv will host them, and even get into the business of making them. While it is a bold move – and one likely to launch imitators – you have to question the flash-in-the-pan nature of the appeal. Is Budweiser likely to supplant YouTube, Fark or other established time-wasting sites as a major portal for online film? Do beer drinkers share enough interests in common to create any kind of significant buzz for this channel over time? The failure of sites like Time Inc.'s Office Pirates should serve as a wakeup call for marketers seeking to cash in quickly on basic behaviors without reaching deeper to link their brands to mindsets.

Hard work but worth it

Marketers will have to work much harder to build the kind of lasting appeal that will create the specific results they seek. For example, Nike did its homework to capitalize on the maniacal level of global interest in football (soccer for our American readers) with an investment in a seemingly narrow approach to online video – the Joga Bonito videos, and Golden Legend product introduction videos. By digging down to understand the genuine and lasting shared interest of its audience, Nike marketers found a way to provide episodic content for a focused audience whose members are likely to go deep, watch multiple segments and forward them to friends with shared interests. This mindset-focused approach reinforces the authenticity of Nike to footballers and rabid football fans, who possess a seemingly insatiable appetite for the sport.

¹ Robert Heath, *The Hidden Power of Advertising*, NTC Publications, 2001

Recent research by Ipsos-ASI¹ suggests that brand creative that doesn't connect at a deep level (known in the industry as LAP, or low attention processing, creative) does yield small gains in brand favorability and preference. However, high attention processing or HAP creative is more than 2.5 times more effective. While creative concept and message are also critical elements affecting the level of attention various ads receive, experience suggests that interactive advertising more closely linked to the mindset accompanying a specific web behavior has a higher likelihood of being processed with high attention than ads that focus on a physical behavior alone.

Our THINKing

We suggest clients take the time to analyze the mindsets users bring to emerging web behaviors. We've developed a framework for exploring what we call the "modes of usage" for interactive channels, dividing behaviors into four types as shown in the accompanying table. (See figure 1.) Applying this analysis helps integrate marketing and media strategies, and helps produce programs that don't just cater to a behavior, but instead build unique, branded connections based on the motivations underlying the basic types of media usage. **T**



action plan for marketers

Re-frame your research agenda for interactive marketing.

As you work to find out where your target audience is online and what it is doing there, take the time to discover why they're there and how they think about it. It's more work, but research dollars currently spent discovering attitudes and purchase intent should be stretched to uncover rich insights into the motivations underlying media behavior.

Integrate media and marketing strategy development.

Far too often, a marketing strategy is developed first, making the media strategy more of a plan for tactical execution. In other instances, media comes first based on the client's disaggregation of tasks to standalone media and creative shops. In either case, it's almost impossible to get the higher order of benefit that is possible when marketers develop marketing and media strategies collaboratively. Your agency might not know how to do this – and you may have to make it your job to force them to learn how. Painful as it may be, you'll all be better off for the effort. And by the way, taking responsibility for media strategy away from your interactive agency in order to consolidate all planning seldom makes financial sense, because it forces teams to "innovate" with one hand tied behind their backs, and leads to me-too online strategies.

Beware agency-exclusive venues.

Some agencies have signed exclusive deals for specific media venues, such as (insert sample deal here) which we see as a risky proposition for marketers. Pricing won't be transparent and comparable, in clear conflict with the agency's role to build the client's business with the greatest possible efficiency. Also, when an agency locks up exclusive inventory for a particular venue or type of media, isn't it more likely that agency clients will receive a recommendation to participate in that very vehicle? Can that particular tactic be right for every brand? Unlikely. Don't let an agency's desire to capitalize on gold-rush tactical territory force you into sloppy thinking as you seek to capitalize on emerging online behaviors. It's your brand that's at stake – and you should analyze every possible venue with rigor.

¹ James Mundell, John Hallward and Dave Walker, Admap, July/August 2006

Second Consumer

Avatar-based Marketing

An article by Paul Hemp in the June 2006 issue of the Harvard Business Review titled, "Avatar Based Marketing" raises an issue that marketers will face in the coming months: how should I approach marketing to online identities, or avatars?

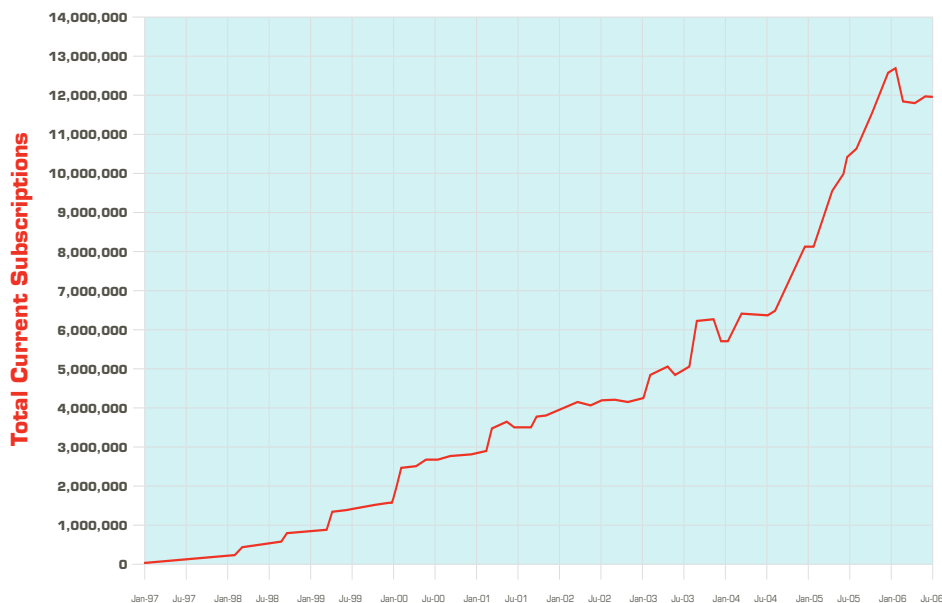


When we place advertising within these virtual worlds are we marketing to the consumer or the consumer's avatar? Is one necessarily a proxy for the other? In Second Life (www.secondlife.com), each user's alter ego can play within a landscape under a product's billboard and even buy products within the game, but how do these actions translate to real life purchase intent?

"To get way ahead of the curve, smart marketers need to be thinking about not only 'where' are the virtual-marketing opportunities, but 'who,' said Paul Hemp. "Who are the actual consumers in this environment? Are they the consumers who pony up their credit card number to play the game or are they the avatars people have created to represent themselves in these new worlds?"

In August, Text100 became the first international public relations firm to open an

Total MMOG Active Subscriptions



WIKIPEDIA ON:

Wikipedia is a Web-based free content encyclopedia written by volunteers and hosted by the Wikimedia Foundation at www.wikipedia.org. From time to time, we will use Wikipedia to define recently overheard terms.

Spam blogs

Sometimes called splogs or Blam!, these are weblog sites which the author uses only for promoting affiliated websites. Their purpose is to increase the PageRank of the affiliated sites, get ad impressions from visitors, and/or use the blog as a link outlet to get new sites indexed. Spam blogs are a type of scraper site, where content is often nonsense or text stolen from other websites. These blogs contain an unusually high number of links to sites associated with the splog creator which are often disreputable or otherwise useless websites.

There is frequent confusion between the terms "splog" and "spam in blogs". Splogs are blogs where the articles are fake, and are only created for spamming.

To spam in blogs, however, is to include random comments on the blogs of innocent bystanders, in which spammers take advantage of a site's ability to allow visitors to post comments that may include links.

[continued: second consumer]



New World Note editor Wagner James Au drives a Scion xB in Second Life

office in Second Life. Text100 CEO Aedhmar Hynes told Second Life Business Magazine, “We want to help our clients understand the benefits of Second Life and provide counsel on the merits of the platform that can extend their brand into the virtual world as a more immersive way to interact with their audience.”

This emerging medium may be the most cost-effective consumer research and brand interaction model that exists today. Virtual worlds combine many aspects of Web-based social networks into a collective environment that is more of a visual and interactive experience than reading blogs or instant messaging with a friend.

“It doesn’t cost anything for someone to create an individualized outfit, even mixing several brands,” says Dave Kopp, head of community applications at Yahoo! and manager of the company’s avatar program. “And it doesn’t cost anything for companies to supply the products that become part of this act of self-expression and personal brand endorsement.” **T**



action plan for marketers

Identify the overlap between your audience and the denizens of virtual worlds.

A virtual world strategy may not address a broad segment of your audience, but it may reach those who are disproportionately influential in your marketplace. Figure out the potential effect the addressable audience may have on the buying behavior of your audience at large.

Find a knowledgeable guide.

The locals go to virtual worlds with goals that probably don’t include learning about your product. Agencies or consultants with experience in virtual worlds can help steer you to a strategy that aligns your brand with the target audience’s mindset.



WIKIPEDIA ON:

Attention Economy

An approach to the management of information that treats human attention as a scarce commodity, and applies economic theory to solve various information management problems. One approach to sales lead generation which does treat individuals’ attention as their own property is that of ROOT Markets, a startup founded in early 2005. ROOT Markets intends to create a commercial exchange for the trading of information about human attention (to media) and intention (to buy products or services). An individual can record his or her on-line attention data by installing a web browser extension that logs browsing history. This data can then be bought by investors in the attention market and sold to advertisers. The main difference with the current Web advertising model is that individual consumers, not just publishers, can sell attention, and that third-party investors can easily enter the market to engage in arbitrage. It remains to be seen whether ROOT Markets’ attempt to create an attention exchange will succeed.

Podcasting

Critical Tactic for B2B Technology Marketers

Marketers may be tempted to think of podcasts more as entertainment than as serious business. Now, however, there is new evidence that podcasts are increasingly important to B2B tech buyers.

A July 2006 KnowledgeStorm report highlights some stats tech marketers should consider when examining the business case for podcasting:



Access: Of the business and IT professionals surveyed, 53% had downloaded and listened to a podcast, and more than 42% had done so more than once.

Behavior: 68% of those who have listened do so on their PC – anecdotal evidence suggests that some of this listening takes place on airplanes as well as in the office; 59.8% of respondents who have listened to podcasts said that content normally delivered as white papers or analyst reports would be more interesting if delivered via podcast.

Impact: 48% of frequent podcast users said podcast content had already affected their work-related IT purchasing decisions.

Barriers: While non-users were more likely to prefer reading over listening (28.9% versus 19.4%), many more non-users – 64.8% – cited lack of knowledge and understanding of podcasts as a primary reason not to listen. And among active listeners, 57.1% saw lack of enough good podcasts as a major challenge. **T**



action plan for b2b technology marketers

Target podcast content based on buying-process insights.

If you have worked with your buyers to understand their buying process, that's great. If not, work with your front-line contacts to understand what content buyers use by themselves when they are evaluating potential tech solutions. It's likely your buyers will be most interested in valuable thought-leading content that that helps them answer questions, rather than specific information about your product.

Test both narrow and wide to identify your full range of opportunities.

Test "wide" by offering a single podcast to a range of potential buyers across your full set of solutions in an effort to gauge interest by segment. At the same time, remember users are most interested in fresh, valuable content – conduct a "deep" test with multiple podcasts deployed over time specifically targeting high-opportunity segments.

THINK Fast

Searching for Meaning

Nearly every week, five of the ten most common search terms are Web site names, with Yahoo!, Google and MySpace cropping up most often. With search now so central to the user experience that it serves as a primary navigation tool, it's more important than ever that marketers develop behavioral segments that address both the search string and the possible meaning behind the set of terms, and then test and refine various conversion paths. Look to vendors such as Kefta, Optimost and Offermatica for the tools to segment and optimize search click-throughs.

Apparently, it is Just a Phone

A recent survey by Let's Talk suggests that marketers who want to convince teens to do more with their mobile phones than communicate have their work cut out for them. While 49% of teens in the survey said they like to use their phones to text, just 12% were interested in games, 5% in playing music, and a paltry 2% expressed interest in using e-mail and video on their phones.

Monetizing Consumer Generated Content

eHelium (www.helium.com) is arguably one in an ongoing stream of what are known as Web 2.0 startups, but this "next-generation Wikipedia/About.com/Yahoo Answers/eHow" has an interesting take on combining content rating and revenue sharing. The more highly user contributions are rated, the greater the percentage of ad revenues they receive. As marketers struggle with the uncertainty and risks inherent in associating their brands with consumer generated multimedia (CGM2,) models that explicitly reward quality suggest a future in which advertisers can feel a little more comfortable with context – as long as they're willing to pay the premium for space alongside highly rated content.

Questions?
Comments?
Ideas?

Email your thoughts to us at thinktank@thinkinc.com

THINK Interactive, Inc.
1350 Spring Street, Suite 300
Atlanta, Georgia 30309