

# DON'T BE AFRAID TO PLUNGE INTO EMERGING MEDIA

Marketers who stay in their 'cocoons of comfort' lag behind the customers they're trying to influence

By **SCOTT DAVIS**

COLOR TODAY'S MARKETERS dazed and confused.

It's an understandable reaction to an environment that has become almost impossibly complex, making it difficult for them to figure out where to start (much less how to go about) meeting management's escalating demands for demonstrable returns.

Think about it. Media touch-points have expanded 14-fold in the past 20 years. Media costs have risen seven-fold in the past 25. And traditional media is breaking down: 70% of the population successfully avoids TV ads, for example. And for the first time, the four major networks are collectively in divorce court with the ever-so-desirous 18- to 49-year-old target segment.

All the while, channel growth and innovative technology has pushed an explosion in customer touch points, many involving new media. Seventy percent of media consumers use multiple forms simultaneously. And the average person spends 23% of his or her "media time" online.

Yet for all the hype over Web 2.0 and its webisodes and mobisodes, mashups, placeshifts and wikis, the reality is that most marketers are stuck in the traditional media paradigm. Here's what Prophet found in its 2006-2007 State of Marketing Study:

## LITTLE SPENDING VARIATION

While 53% of the 100-plus marketers surveyed acknowledged new media's future importance to their marketing mix, 31% of them admitted they just don't know how best to use these new tools to meet business goals.

Traditional or new? Two-thirds don't view any of the tactics they employ as effective. But because only 54% said they measured anything consistently, how do they know for sure?

Small wonder, then, that marketers have wrapped themselves in a cocoon of comfort, as evidenced by the little variation exhibited in their spending patterns. Traditional-media advertising continues to gobble up most spending; 28.1% of marketers



**BOEING:** Using web video to promote state-of-the-art Dreamliner aircraft.

said they spent or will spend money on traditional media in 2007, and 27.3% said they did so in 2006. Only 12.7% said they spent or will spend on new-media advertising in 2007; 10.9% did so in 2006.

Marketers can get out of this rut. Examples abound of leaders who are successfully reaching customers using the best of traditional and new channels—which are paying off to the extent that they're noticeably shifting their spending patterns. Johnson & Johnson has moved 20% (\$250 million) of its marketing budget from "old" to new media. Kimberly-Clark's nontraditional-media spending has jumped to 25% of its total budget from only 10% in 2004.

But it's not just the business-to-consumer world where marketers are breaking free of their comfortable constraints. Boeing is promoting its state-of-the-art Dreamliner aircraft to potential customers, passengers and enthusiasts via a series of videos on its website that enable visitors to leisurely explore the many facets of the plane that make it special. As a result, visitors are spending an average of six-plus minutes interacting with the site.

Others are also seeing the benefits of using new channels to reach specialized audiences. To reach technical and financial influencers at small to midsize businesses in Germany, Oracle eschewed standard online formats. Believing that those executives like to display and share their knowledge, Oracle established a wiki that allowed members

of its audience to contribute to a blog. Oracle is close to meeting its 2007 goal of 100,000 page impressions.

These new channels are problematic for many marketers—whether business or consumer—because they require less speaking at customers and more interacting with them. Through collaborative efforts like Oracle's wiki or McDonald's mom-led online community dedicated to food-quality and nutrition issues, marketers not only will sharpen their insights on trends and developments in today's fast-changing environment, but they'll be better able to stay ahead of the curve instead of trailing behind the customers whose choices they're trying to influence.

## BE OK WITH RISK

More important, marketers need to grow more comfortable with the notion of "calculated risk." With marketing budgets stagnant, it's critical that money is allocated against initiatives that demonstrably contribute to top- and bottom-line growth. Yet the discomfort with new channels is blocking the way.

An effective marketing organization finds ways to balance the best of traditional- and new-media strategies, separately and together, to influence the customer. Marketers can move closer to creating such balance by hedging their bets with a test-and-learn approach on smaller-scale pilots.

The marketing and consumer landscapes have been undergoing tremendous changes in the past five years. The trick to avoid getting left behind in this brave new world is to embrace the impact, implications and influence you and your organization may have by moving a just tad into the unknown.

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