Introduction

GenZ to give marketers a run for their money

Marketers will be busy in 2017. At the top of their to-do list will be gaining a rapid understanding of the needs, aspirations and behaviours of Generation Z, also referred to as post-millennials or centennials. To be accepted by this key group, now 27% of the world’s population, marketers must develop mobile-led creative content that appeals to their imagination and passions for design and music.

Marketers will also innovate to build better brand experiences and connected consumer journeys. They will focus on developing more engaging content and using more sophisticated, brand-infused programmatic targeting and less intrusive media approaches to play their part in discouraging ad blocking.

Finally, they will take advantage of new technologies which enable cross media placements that work together to drive synergies and deliver enhanced ROI. Marketers who most enthusiastically tackle these challenges and embrace these opportunities will be leading the way in #gettingmediaright.
Brands will re-think their digital presence to emphasise co-creation, authenticity and transparency essential for connecting with Generation Z

Brand experience takes centre stage

Content marketing: a new wave of experimentation

The future of programmatic targeting will balance brand and behaviour to identify the most receptive audiences

Galvanised by fear, the online advertising industry will more aggressively respond to ad blockers

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Brands ramp up Gen Z efforts

After playing catch-up to evolve their approach to reach Millennials, marketers will move more quickly in 2017 to connect with Generation Z.

Gen Z, those born between 1997 and 2011, is estimated to count 2 billion members globally – approximately 27% of the world’s population. Described as frugal and brand-wary but also industrious and collaborative, Gen Z will capture a large part of a brand’s media and marketing focus and budget in the year ahead. This group will challenge not only how brands communicate, but the very notion of a brand’s authenticity and transparency in digital.

Gen Z is coming of age in a post-linear digital world. Knowledge about everything is at their fingertips and on demand whenever they want it. They’re also emerging at a time of institutional instability and consequently Gen Z presents a conundrum for brands because they place a high emphasis on personal privacy but also expect full transparency from brands.

Successful brands will embrace three paradigm shifts throughout 2017:

1. Brands will invest media dollars and focus activity in digital platforms that allow consumers to co-create a shared brand experience. Unlike the personalization coveted by Millennials, Gen Z will be hands-on – they want to try it, take it apart and re-create it.

2. Brands will give their target consumers a deeper look at themselves through owned media (social, apps, and websites). In addition to products and services for sale, brands will share their story, their purpose and details about their production processes so Gen Z can determine if the brand’s values match their own. This narrative will be further cascaded through strategically placed branded and sponsored content.

3. Brands will shift their focus to right-brained influence. The foundations of the internet and digital media were left brain, with a focus on the linear, factual and linguistic. Digital media for Gen Z will be right brain with a focus on imagination through augmented reality and virtual reality; non-verbal immersive formats and stronger visual imagery; and emotive through emphasizing music and narratives.

These shifts will help drive brand growth and increase the power of digital as a channel for brands to meaningfully connect with this audience.

#GettingMediaRight implication

Marketers should invest in digital platforms to offer Gen Z consumers opportunities to interact and co-create. Transparency and imagination will be important as well as experimentation with augmented reality and virtual reality marketing to reach this highly imaginative and visual audience.

Joline McGoldrick is Vice President of Insights and Product Marketing for the Media and Digital Practice of Kantar Millward Brown.
Brand experience takes centre stage

Connectivity has a fundamental influence on how people consume media and make brand choices. It gives brands the opportunity to increase reach exponentially. But nearly a third of consumers globally report that brands don’t deliver the same level of service online as they do offline, according to the latest Connected Life study from Kantar TNS. Marketers need to better meet the personal expectations of their consumers across different touchpoints.

The consumer journey has changed dramatically in recent years. Different types of consumers take different paths to purchase, and each use the internet in their own way. Diversity of purpose creates multi-modal brand touchpoints, so one shopper’s point of purchase may simply be a source of product information for someone else, or another person’s go-to place for cool content. Trends in Europe, for example show that consumers pass from social, to brand-owned, to offline touchpoints throughout the consumer journey. But in emerging markets there is a far greater preference to interact with brands on social at all stages. These differences create big challenges for channel owners, forced to play multiple roles and juggle numerous requests.

In the year ahead, we’ll see the number of touchpoints available to consumers continue to grow. And when comparing traditional digital touchpoints with mobile touchpoints marketers are faced with a greater risk of delivering an inconsistent brand experience. Nearly 90% of internet users own a smartphone, and the more connected a consumer is, the greater the challenge becomes for brands. Marketers should also be aware of younger consumers who have grown up in a connected world. They are impatient with disjointed online/offline models that are older than they are, and will move away from brands that don’t adapt.

Creating a single view of the customer is the first step towards delivering a consistent brand experience, across touchpoints – at the right moments. For example, in the Philippines McDonald’s delivered a hugely successful campaign, bringing together social and OOH. Drivers, frustrated by being stuck in traffic, were encouraged to visit a McDonald’s drive-thru, where changing daily specials were offered depending on the colour of the consumer’s car. This is a good indication of the thinking required to align touchpoints into a single view, but true consistency will require considerable time and investment, and for many established brands, this will be a longer-term focus on company structure and data management. But throughout all the likely changes ahead, marketers must concentrate on the experience they want to deliver to their customers; the essence of what they want their brand to be – and from there look at how it can be delivered across key touchpoints.

#GettingMediaRight implication

In the coming year, brands will need to focus on tone of voice; delivering a consistent experience, and identifying key touchpoints that will have the most impact and influence to deliver the best ROI.

Michael Nicholas leads the Global Connected Solutions team at Kantar TNS, where he advises clients on digital and integrated marketing activities. Michael also leads Connected Life, the world’s largest annual study about how connectivity is shaping customer behaviour in 57 countries.
Consumers don’t want brands per se; they want brands that are useful and accessible, or at the very least, entertaining. Marketers will continue to pull out all the stops to counter declining ad receptivity. In 2017, we’ll see more branded content and less regular advertising. Get ready for more native content, short and long form video, branded filters, and emoji and PR stunts.

But it won’t end here.

In the New Year, marketers will forge ahead with new technologies like 360 video, augmented reality, virtual reality and artificial intelligence (chatbots performing customer service and sales functions), making the landscape ripe for new creativity. However some of these formats are isolated, not shareable. Marketers will also closely monitor effectiveness as studies start to show which formats consumers find annoying and intrusive, particularly on mobile.

These advancements create new challenges for marketers. Far from a controlled consumer view of a brand (TV, outdoor, instore), marketers will face multiplatform, multi-device, in and out of walled gardens, all differently experienced by every consumer. Geotargeting will be seen as a commercial opportunity: KFC has used Snapchat geofilters instore, and Snapchat itself is using geofilters to let people know where to find a Snapchat vending booth. Brands will move quickly into customised/personalised creative content, delivered in a targeted way via programmatic buying. We will see more sequential content as marketers consider using retargeting for a more strategic and persuasive catenation of consumer messages. Consumers will stop seeing ads for a mattress they searched for, and bought, two weeks earlier.

Marketers will try to introduce emotion into this (supposedly) highly rational, data-driven ecosystem as a point of difference, and to create a longer term bond with the consumer. The desired outcome of any content marketing will depend on who they’re talking to, and what they want.

However, marketers will start to expect consistent metrics that they can compare, despite being in permanent beta. The lines between media and creative content will become blurred, and attribution (short/long term, brand/sales) will become more important.

#GettingMediaRight implication

Marketers will have to put away some money for experimentation with and creation of new content that will appeal to the imagination. Technologies like 360 Video, Augmented Reality (AR) and Virtual Reality (VR) will be used to develop immersive formats and stronger visual imagery.

Jane Ostler is Sector Managing Director, Media & Digital at Kantar Millward Brown where she leads the UK team working on digital evaluation with publishers, agencies and advertisers.
The future of programmatic targeting will balance brand and behaviour to identify the most receptive audiences

Programmatic targeting, done well, empowers advertisers to serve their media to audiences who will be most influenced – attitudinally and behaviorally. Done poorly, this targeting can be intrusive, creepy, off-point and ineffective.

In 2017, marketers will focus on finding the right balance between precision and intrusion. Advertisers and their agencies will align on the components of effective targeting based on brand affinity, interests and the appropriate demographics. We will see a shift away from simplistic blunt-instrument targeting based on a single input – be it behaviour (websites visited, items in a shopping cart), demographics, or stand-alone brand affinity.

Most marketers now understand that post-purchase targeting misses the opportunity to influence the consumer before they have decided on a brand. Effective targeting will successfully harmonize mid-cycle path to purchase variables with the requisite interest-based and demographic variables, and empower advertisers to identify the most addressable audiences for media activation. This shift in approach will help marketers and their agencies focus on brand effectiveness from the moment the media begins.

Marketers who do this successfully will amplify the power of their digital creative and influence the most appropriate and receptive audience for their brand.

#GettingMediaRight implication

In markets where the right data platforms exist, marketers should explore how to integrate brand affinity data into their media buying, beyond just behaviour.

Andy Gallagher, Vice President, Targeting & Media at Kantar Millward Brown works with leading global advertising agencies, media companies, and adtech firms to help them target and measure their digital and TV audiences, and measure ROI.
Galvanised by fear, the online advertising industry will more aggressively respond to ad blockers.

Digital Advertising Fights Back

Digital advertising has had its wake up call and can no longer hit the snooze button. The industry has been jolted into action by the continued rise of ad blocking software across desktop and mobile devices, and forecasts of billions in lost advertising revenue. We predict marketers will fight back with genuine improvements for consumers.

In 2015, IAB Tech Lab launched a programme of “lean” ad principles, advocating that digital ads should be light, encrypted, non-invasive, and support a user’s decision to choose what ads they see. September 2016 saw the launch of the impressively broad Coalition for Better Ads, and the industry will soon launch a new ad portfolio which should kill off pop-ups, forced countdowns and auto expands – the most annoying and disruptive of ad formats.

More confident that UX basics will be addressed, publishers will be proactive in trying to win the hearts, minds and screen space of consumers. Marketing campaigns will focus both on deterring new ad blocking users and discouraging existing users. The ethics of ad blocking will also be questioned as software providers increasingly attempt to profit from ad authorisation.

Meanwhile, the technical ping-pong against ad blockers will continue. This will return short-term dollars to publishers but will override consumer wishes, so the safer long-term strategy will be to address the core concerns which have drawn people to ad blocking.

Kantar Millward Brown’s annual AdReaction study, to be released in January, identifies the top three reasons people install ad blockers: ads interrupt and annoy them; they are concerned that ads slow down their devices, and they don’t find ads relevant. Expect to see the digital advertising industry urgently responding to these specific challenges throughout the coming year.

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#GettingMediaRight implication

Ad blocking is now everyone’s problem to solve. Advertisers need to create more compelling content which will be relevant in the contexts where it is placed. Publishers need to reduce advertising clutter, and focus on polite, user-responsive formats. Media agencies need to improve targeting, using more frequency capping and retargeting judiciously to reduce irritation.

Duncan Southgate is Global Brand Director for Media & Digital at Kantar Millward Brown. He has over twenty years of brand, communications & media research experience.
Media synergies will become more important than any single channel and the collective weight of all channels put together. Marketers will be focused on understanding the role each media plays within a broader plan and how they rub off to produce synergistic effects.

The concept of synergies has been around for some time but what has changed is the planning aspect and the application of a discipline to the selection of channels to maximise its impact. Cross media studies conducted by Kantar Millward Brown show that globally 25% of media effectiveness has been attributed to synergies, and nearly 40% in APAC. These numbers are not only growing but increasingly we are seeing non-TV synergies emerging as advertisers and agencies start to get their heads around this.

The two broad parameters needed to leverage synergies are – creative synchronisation and media duplication and phasing.

A “big idea” is important for creative synchronisation to occur, but it’s also about adapting the message to the medium and following a common theme across a campaign. For example, it’s unlikely that a 30 second TV ad will work as well on YouTube or Facebook because these media have different characteristics. But they offer opportunities for forming different kinds of relationships that meet consumer needs at different times and occasions.

Optimising media duplication and phasing can go a long way in driving synergies but as a first step, marketers will need to ensure that every medium has a role to play within the broader media mix. Roles will be in terms of driving ‘reach and or frequency’ or various aspects of how people think, feel and make decisions about the brand.

Synergy will become a part of any multi-media analysis

In a media landscape of ongoing dramatic change, advertisers will more aggressively adopt multiple media alternatives to reach and connect with their audiences throughout 2017. Synergies will become more important than any single channel and the collective weight of all channels put together. Marketers will be focused on understanding the role each media plays within a broader plan and how they rub off to produce synergistic effects.

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#GettingMediaRight implication

Marketers should adapt the message to the medium whilst maintaining a common creative theme. It’s also important that every medium has a specific role to play within the broader media mix to best drive synergies.

Stratford Rodrigues, Media & Digital Director, APAC at Kantar Millward Brown is a leading expert in media, digital marketing, and media effectiveness analysis.
For more information, visit www.millwardbrown.com