

What's Your Digital Strategy?

by Michael Atkin

A survey conducted by the ANA and Forrester in February 2016 has put some dimensions to the widely discussed trend for marketers to consider when expanding their own in-house digital capabilities. In the study, 31% of the 128 advertisers surveyed say they have added internal capabilities to manage programmatic ad buying. According to the ANA's analysis, reasons given for this shift include concerns about fraud—particularly bot traffic, the lack of perceived transparency in programmatic buys, viewability, and the direct purchasing of inventory from media owners. And in a separate study, released in March 2016 by Technology Business Research, a survey of 240 ad technology users in North America and Western Europe estimates that only 40% of digital ad budgets are going toward what they term “working media,” with 31% of budgets paying for technology to process the buys, and the balance of 29% going to pay for agency services.

These most recent surveys add more fuel to the ongoing discussion of how to take maximum advantage of audience targeting, efficiency and accountability opportunities offered to marketers by digital media platforms.

“But Yet I Run Before my Horse to Market”

However, the fact remains that having the right strategy is the single most important ingredient for a brand's success in the marketplace. Defining the customers and their needs and interests, and establishing a specific creative position for the brand. Assembling intelligence about the competition's particular strengths and weaknesses. Determining the

allocation of marketing funds in the vast array of media opportunities to deliver the message. Deciding on the specific measurements to be used to gauge progress toward goals. These fundamentals have to be worked out carefully before any discussion of execution can take place. All this has been well known for a long time—yet strangely, when it comes to discussions about digital media, we see and hear and read a lot about implementation, much less about digital strategy. Why is this?

It turns out that strategy is not so easy with digital media. In addition to all the noisy, distracting discussion of the latest technologies, digital media present unique new challenges for marketing to grapple with. First, digital media offer connections that can radically change the relationship that a company has with its customers. This often means a fundamental rethinking of the organization itself, in addition to new ways of creating message content. Taking full advantage of digital entails a more direct engagement and dynamic give-and-take with the customer. And this may call for upending corporate structures and protocols that have been in place for decades.

Another difficulty arises because digital media are so adaptable to playing different roles in a customer's journey toward product purchase. This puts a premium on defining new steps in that journey, creating strategies for digital media that are unique to each brand's competitive posture, and importantly, integrating them into an overall media plan. In light of these difficulties, it is understandably tempting to jump into the executional and tactical aspects of digital, instead of coming to grips with the harder strategic issues.

A New Approach to Digital Strategy

To help our clients work through these issues, we have created a new strategic framework for digital media evaluation. This framework looks at the roles that digital media can play in three critical areas of potential importance to the brand:

1. Dispositional: creating awareness and preference that predisposes the audience to consider and choose the brand
2. Conversational: making emotional and human connections
3. Transactional: moving to concrete action; providing direct access to solving the audience's needs.

Using this new framework, we help our clients tailor their digital strategies to their brand's specific needs—needs rooted in marketing fundamentals, rather than the chase for shiny new objects.

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