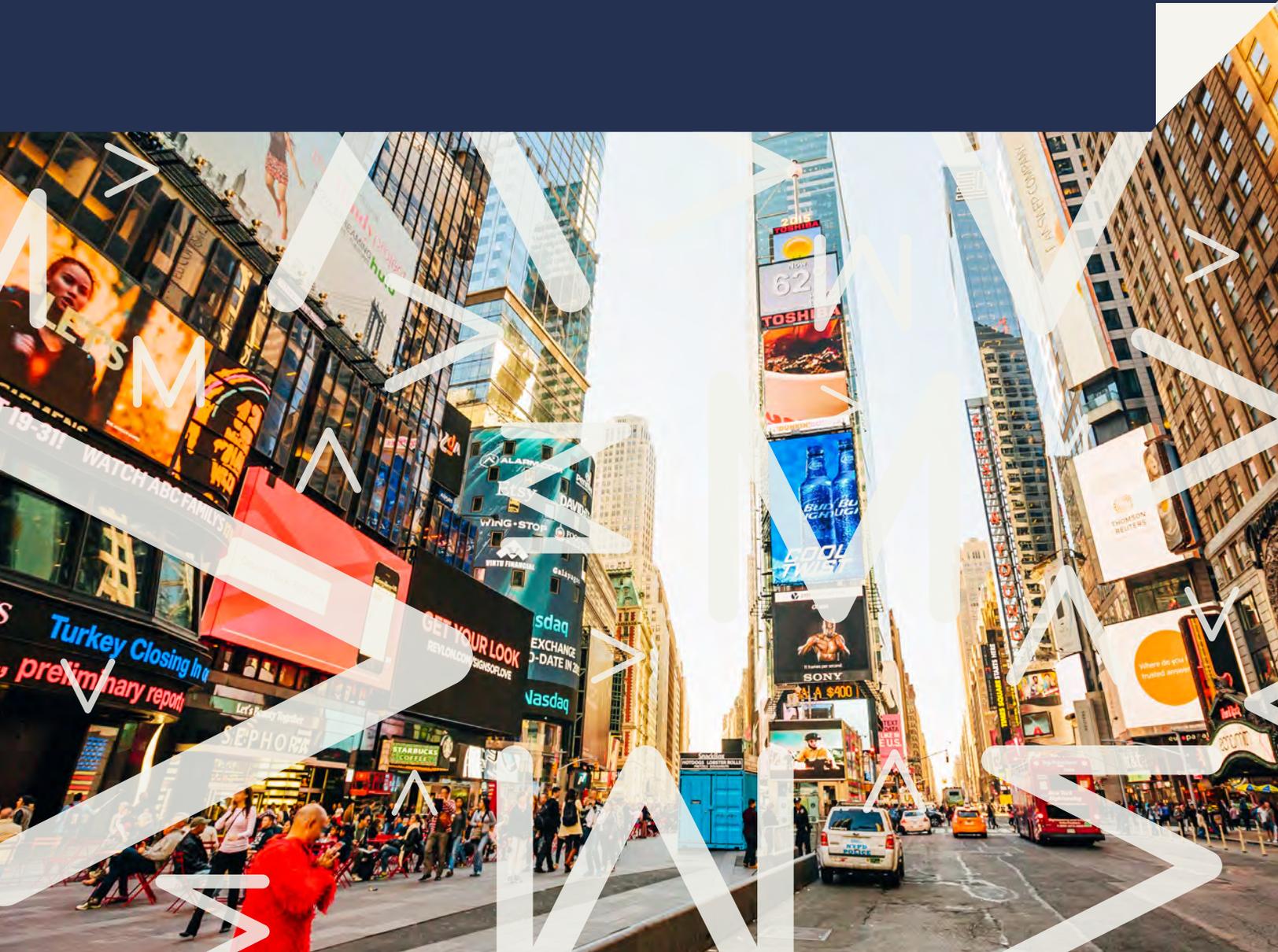




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Advertising and Brand Awareness: 6 Perspectives on What Works



Introduction

As advertising continues to evolve, media buyers have a lot of questions. What's working? What's not working? How can I best build brand awareness and engage with prospects in today's environment?

The AMA shares your curiosity. In this e-book, we explore the value of print advertising, creating standout content marketing, what makes remarketing effective, the future of social media spending, and the power of personalized ads.

The result is a good overall perspective on the advertising landscape and considerations for developing a winning media-buying strategy.

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Why Print Matters

As marketers' investments in print advertising continue their steep decline, experts explain the medium's relevance in the digital age.

The last several years have been rough for newspaper and magazine publishers, who historically have relied largely on print advertising dollars. But despite the dramatic rise in digital, print isn't dead, experts say.

Print circulations are down, but in many cases, that means that publications' readership has been culled to only the most engaged, which is a desirable trait, from an advertising standpoint. The primary challenge with print is demonstrating the ads' effectiveness, but experts argue that there's a solution.

"Print is interesting because it actually provokes people to read it," says Britt Fero, executive vice president and head of strategy in the Seattle office of New York-based ad agency Publicis. "Just buying it or getting it in the mail provokes the reader to engage in

a way that digital doesn't. If you have time to read a magazine, then you're going to really engage with the ads in there. Print ads should inspire you to look at them even longer."

The Pros of Print

"Print is still a top-of-funnel medium," says Andy Blau, senior vice president of finance and advertising at New York-based magazine publisher Time Inc. "It's really for establishing brand worthiness in the marketplace, for establishing the value of the brand, for communicating very broadly, with broad reach, to the right target audience. It's really pure brand advertising. And digital tries to do some of that, but it's still much more of a direct response. People measure digital with click-throughs and conversion rates, and you can't necessarily maintain marketing of a brand through digital alone."

"Print is all about that consumer engagement, where people are physically holding the ad in their hands."

Advertisers have to factor in longer lag times for measuring print ads' impact, Blau says, but it's worth it in the end because of print's longer shelf life and higher potential for reverberations beyond the initial reader. "There are methodologies for proving ROI for print, but it's not instantaneous like it is with digital for a variety of reasons: It's a physical product, it takes time to arrive at a person's house ... and there's a pass-along and an audience reach that accumulates over at least two weeks." In other words, patience is required, but it's possible that a print ad's value extends well beyond its CPM.

Leave it to a publishing executive to make the case for print advertising, but Fero agrees. "People are in different mental spaces when they choose to engage with a printed magazine versus digital content. Magazines, and print in other forms, serve as inspiration, and they also can be informational. ... What does the reader want to get out of those five minutes that he spends with that particular title? This is really where, in marketing, you can actually add value to a medium because the reader is looking for a very specific kind of content, versus just talking about your brand."

Sponsored content or native ads are the trendiest way to serve up publication-specific content in an attempt to engage readers, but print ads also offer such versatility through image selection and messaging cues, Fero says. "There's a beauty to a lot of magazines, which is why people still engage with them. Where print is really excelling, though, is

thinking about how you tie to that content directly. ... You can use print to tell multiple stories about a brand.”

“Many readers look forward to their time with their print brand,” says Mickey Galin, executive vice president of research and director of business development at GfK’s Mediamark Research and Intelligence group in New York. “We believe that readers often consider magazines to be their friend and would be unwilling to do without their favorite brands. The overall experience of consuming print brands pairs content with advertising in a seamless way [so that some] readers actually want to see the advertising that’s carried in the [print] brands that they consume.”

Addressing the Cons

Print might not be as effective for all advertisers, especially those marketing time-sensitive offers, she adds. “You have to bank on the fact that your product or service doesn’t require immediacy because there’s often a long lag time between publication and people actually reading it.”

Moreover, you’ll likely have to do more legwork to demonstrate the results of your print investment than you would for a digital ad buy—but those results can be worth it. According to a 2014 study by GfK Panel Services, magazine and newspapers have the highest ROI, at 125%, compared with other ad mediums including TV and digital, which weigh in at 87%—and that’s ROI in concrete revenue terms.

Marketers can include QR codes, or set up ad-specific URLs and “vanity sites” so that they can track how much traffic is generated from a particular print ad, and the tried-and-true “How did you find us?” question on a lead gen form still works, as well, says Aaron Padin, head of art and design at J. Walter Thompson New York. Print ads also can be fertile ground for engaging creative that spurs on social buzz, he says. “Good print can spread in a new way since people will tweet about it. They’ll mention it on Facebook,” which means that marketers can leverage social listening platforms for a more well-rounded perspective on a print ad’s performance.



“There’s a misconception among advertisers that print ads are much more expensive than digital, **but the gap is much smaller than you would think.**”

In most ways, ROI from print ads is still very challenging to track directly, and many returns are softer than CEOs want to hear—although marketers should make the case for their worth, Padin says. The real value in print advertising is in brand awareness and perception, and in getting your message to be top of mind in the long run, he says. “Whether the print ad is about driving traffic to a website or simply building brand awareness, I look at whether the brand is moving overall. That’s the biggest, and simplest, success metric.”

Long Live Print

In 2015, Time Inc. announced that it would expand its current programmatic-buying platform from solely digital ad buys to include digital and print ad bundles. “There’s a misconception among advertisers that print ads are much more expensive than digital, but the gap is much smaller than you would think,” Time Inc.’s Blau says. “We thought that by launching print programmatic, we could expose print to a whole digital buying community that never considers print.”

While one of the goals of this program is to provide more accurate ROI metrics for print publications, that technology is still far from perfect, says Sam Cox, vice president of global media at New York-based MediaMath, the software provider that built Time’s platform. “The idea is that we can use the tools that we’ve traditionally used for digital closed-loop attribution and start to use them for other forms of media, but that’s going to take a lot of work with audience syncing over the next few years,” he says.

Fero warns that if publishers start selling print ad space in the same way that digital ads are sold—by demographic rather than title—they run the risk of marring what makes print ads, especially in magazines, so special: continuity of content. “With print, I have to be interested enough in the totality of the content of a magazine to subscribe to it,” she says. “Online, you can find me alone, looking at me solely through my demographic, but when I’m looking at a magazine, that matters much less.”

Padin agrees that what continues to make print ads valuable is the (nearly) undivided attention that readers give to magazine and newspaper content, rather than multitasking like they do when consuming digital content. “Print is all about that consumer engagement, where people are physically holding the ad in their hands,” he says. “That’s something I directly tell clients and their C-suites. You want to reach people where they are, and that’s what print is now.”



Targeted Ads Can Improve Click-through Rates by 670%, Change Consumer Behavior

You are what you click, so long as the ads are properly targeted.

Evidence from a recent study, published by the Journal of Consumer Research, found that behaviorally targeted ads have the potential to change how consumers feel about themselves.

Researchers from Ohio State University found behaviorally targeted ads can improve click-through rates by as much as 670%, when compared with ads that are not behaviorally targeted.

“Given its effectiveness and the growing frequency with which it is used, it is important to understand how consumers’ psychological responses to behaviorally targeted ads may

differ from responses to non-behaviorally targeted ads and to ads that use more traditional forms of targeting (e.g., demographics) and whether measures like click-through rates adequately capture the consequences of this growing form of advertising,” the study’s researchers, Rebecca Walker Reczek, Christopher Summers and Robert Smith, wrote in the journal.

Researchers undertook four studies of students to measure what effect behavioral targeted marketing had on consumers:

In the first study, researchers found that participants were more inclined to buy a Groupon from a “sophisticated” restaurant when they thought the ad was targeted for them based on browser history.

The second study showed participants ads from a high-end watch brand that was believed to be targeted or non-targeted, then asking subjects how sophisticated they believed themselves to be. “Participants saw the targeted ad as reflective of their own characteristics,” researchers wrote in *The Harvard Business Review*.

In the third study, study participants saw themselves as greener and more willing to buy products advertised as such and donate to pro-environmental charities after seeing the targeted ad.

Limits to behavioral targeted marketing were seen in the fourth study, as researchers found that there needs to be some modicum of interest in the subject being targeted in order for the best success. Past behavior must be considered.

“Importantly, however, we find that adjustments in consumer self-perceptions in response to behaviorally targeted advertisements depend on the plausibility of the connection between the label and past behavior,” they wrote in the study.

There are many upsides to behavioral targeted marketing, Reczek, Summers and Smith wrote for HBR, but targeting must always be accurate, managers must consider the impact of the campaign beyond click-through, and organizations should realize that transparency can be a benefit to themselves and the consumer.



There needs to be some modicum of **interest in the subject being targeted** in order for the best success.



CMOs Say Social Media Spending Could Nearly Double by 2022

Spending on social media is predicted to rise 89% over the next five years, according to The CMO Survey.

According to the August 2017 release of the survey, social media currently takes up 9.8% of a marketing budget on average, CMOs say, with their social spending expected to rise to 13% of the budget in a year. In five years, the CMOs surveyed expect social media to be 18.5% of the budget.

Leading the way in the charge to spend more on social media will be B-to-C products, which the CMO Survey says will consume 31.9% of the budget on social media by 2022.

On the other side, the most conservative social media spender will be B-to-B brands, which are predicted to spend 13.7% of their budget on social media in five years. This

product category is currently well below the average, as B-to-B product companies currently spend 6.8% of their marketing budget on social media.

Social Misses Projections, Impact Remains Unproven

This predicted wave of spending comes after years of CMOs over-predicting social spending. For example, CMOs predicted in 2012 that they'd be spending 19.5% of their budget on social media by August 2017. The actual spending was 9.8%.

Integration of social media may be an issue. Asked to rate how effectively social media is linked to a firm's marketing strategy on a scale from 1 to 7, CMOs responded with a 4. This is down 0.1 from February 2017.

Perhaps even worse is how few CMOs can prove that social media contributes to their company.

When asked to rate the question "To what degree does the use of social media contribute to your company's performance?" from 1 (lowest) to 7 (highest), CMOs gave a 3.3.

Marketers also have difficulty proving the value of social media, as 45% say they have been unable to show the value of social media, and 38.6% say they have a "good qualitative sense of the impact, but not a quantitative impact."

The survey, sponsored by Deloitte and Duke's Fuqua School of Business, had a response rate of 349 marketers.

38.6%
of marketers say they have a "good qualitative sense of the impact, but not a quantitative impact."

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We're here to help you reach your goals!





Marketers Are Blogging 800% More but Getting Nearly 100% Fewer Shares

As marketers have gone all-in on content creation, they've forgotten how to stand out.

Brand marketers are blogging 800% more, on average, than they were five years ago. However, the average number of shares per post have declined by 89%, according to a report from TrackMaven.

Kara Burney, director of content at marketing analytics provider TrackMaven, says marketers have fallen into an “activity trap.” By this she means marketers have gone all-in on creating content without seeing good metric results. While focusing on content is a good thing, marketers have mistakenly made traffic numbers the linchpin of success and lost efficiency in the process, she says.

“They’re just churning out content ... but not seeing a return,” she says of the average

content marketer. “One of the things this report puts numbers to is the feeling that there’s a lot of wasted energy and resources in marketing right now. We’ve gone so all-in on digital that we haven’t figured out a way to scale it.”

TrackMaven’s report shows that in the period from September 2015 to August 2016, brands posted in excess of 3,000 times with fewer than 500 social shares per post. Four years earlier, by contrast, brands posted fewer than 10 times on average and saw approximately 3,000 social shares per post.

“We’re going in two different directions: putting out way too much and getting much less for it.”

More Competition Means Less Efficiency

Increased competition in blogging means less visibility for the average piece of content, Burney says.

“Marketers are struggling to be heard across competition. There’s so much content out there, not just from other brands, but you’re competing against BuzzFeed, Vox, The New York Times and other major media companies,” she says. “There’s a finite amount of user attention and way too much content to get processed.”

Marketers will often choose the busiest time of day to post blog entries, as many end up publishing on Tuesdays and Wednesdays. These are the two busiest days of the week and offer some of the lowest numbers for average shares per post.

“As we’ve gone all-in on digital, we’ve forgotten how to stand out,” Burney says.



“Marketers are struggling to be heard across competition. There’s so much content out there.”

Making a Better Blog

Marketers can stop wasting time and energy and start beating the competition by spending less time creating multiple blog posts and more time on fewer, higher-quality posts, Burney says.

“Focus on a few high-value, high-production pieces—like a massive report or in-depth blog post on the topic—and then distribute that in valuable pieces that can be consumed on each social network,” she says. “The customers we’ve seen doing that are seeing a much higher return on the content they’re creating.

Doing this provides immediate value for social media users, she says, thereby allowing content marketers a chance to break through the noise of content competition.

A Challenge to CMOs

This report challenges CMOs and content marketers to set the right goals for their blogs, Burney says.

“Setting goals around pure traffic [is a misguided goal] in many industries, particularly on the B-to-B side,” she says. “It’s really easy to find a way to generate traffic; it’s much harder to find a way to generate quality visitors. For B-to-B in particular, a smaller number of quality visitors trumps a higher number of low-quality visitors.”

Marketers who see no return from blog posts are likely setting the wrong traffic goals, she says, so there may be a need to change how metrics and goals are set, as well as how content creators do their job.

Additionally, marketers must refine their editorial calendars, Burney says. Content calendars should reflect what will be posted in future months but be flexible enough to factor in new input. While having an editorial calendar is important, so is holding onto content fluidity.

“Things are changing so quickly and if you’re not keeping track of what’s going on in your industry, you’re locked into that activity trap again,” she says.

By promoting fluidity, she says marketers can take some of the bureaucracy out of blogging.



Marketers can start beating the competition by spending less time creating multiple blog posts and **more time on fewer, higher-quality posts.**



Ad Retargeting Frequency

Q&A with Kirthi Kalyanam

Professor of Marketing, Santa Clara University



Remarketing has become a necessary tool in marketing, but even seasoned professionals aren't sure which frequency works best. Will high frequency of ads every day annoy potential customers? Will low frequency go unnoticed?

Kirthi Kalyanam believes he and fellow researchers had an aha moment in a recent study.



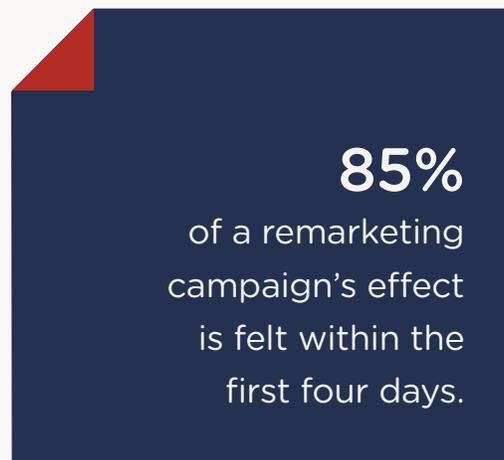
“The Timing & Frequency of Retargeting: Large Scale Field Experiments at BuildDirect.com,” studied daily impression frequency caps of zero, five, and fifteen for BuildDirect’s website. The study’s results were resoundingly in favor of high-frequency remarketing, which beat zero-ad- and five-ad-per-day frequency in effectiveness each of the four weeks studied.

Researchers found timing is also an important factor, as 85% of a remarketing campaign's effect is felt within the first four days.

“Our informed hypothesis is this is due to competitive interferences,” Kalyanam says.

“When people are shopping, they look at other people's websites and go there. Because of that, everyone starts retargeting them. Your ability to reach them becomes weaker and weaker within four days. Because of that, if they didn't reach you in week one, week two is not effective.”

Marketing News, the AMA flagship magazine, spoke with Kalyanam about remarketing's evolution, its future and a possible change in how remarketing frequency is viewed by marketers.



Q Can you explain your study, as well as why you wanted to look at the frequency of remarketing?

A Remarketing started out very narrowly as something called retargeting. Retargeting became extraordinarily popular on the web when people observed you came to a website and after that, if you didn't do something they wanted you to do, they would come back and advertise to you. That was the original kind of retargeting.

As you may recall, that conveyed all the display inventory into intent inventory. Before that, display was being shown to people based on demographics and there was no behavioral intent behind it. Now all of the sudden, we could connect display inventory to intent, an extraordinary innovation. ...

We have evolved to ... before I show you advertising, I'm going to show advertising to people who I know have been on the website, and I have some contact with, versus people I have not [had contact with]. That's now spread to other areas. Of course, e-mail is an area where if you have my purchasing e-mail address, conceptually, you should be able to do different types of remarketing to me. It's also becoming more popular in search advertising where platforms like Google allow you to do more and more remarketing. Facebook is doing some of the stuff too. This whole area has become quite interesting.

Q So marketers can have a better grasp of who they're marketing to now?

A Correct. It's ironically connected to the famous saying, “Half the money I spend on advertising is wasted; the trouble is I don't know which half.” Remember that famous

quote from John Wanamaker? I think what he was saying was one half of advertising was wasted because I don't know if it works, but now I think I'm advertising to people who are already my customers, but I'm still not sure. So [the remarketing issue] captures that extremely well-known saying in a new light.

That's a pretty powerful realization for us. In the future, there are going to be tremendous opportunities to study the impact of marketing on existing customers or people you actually know something about versus people you know nothing about. This whole notion of remarketing is going to become broader in scope. Just because someone is a customer doesn't mean you should stop marketing to them. It's a very competitive landscape, and if you don't continue to market to them, your competitors will start chipping away at you.

Q Right, and return customers are your most valuable, from what I understand. You need them to keep coming back.

A Yes. The frequency was something that both practitioners and academics became very interested in, because it was a well-known issue in advertising about how much frequency you need before you get people's attention. Now, with internet-based advertising, you actually can look on the individual level at how some people get different frequencies than others and start understanding how frequency works. That drew our attention.

Just because someone is a customer doesn't mean you should stop marketing to them.
It's a very competitive landscape.

Q Was it surprising to find in your study that high frequency paid off? That seems to run contrary to what many marketers think. I'm sure you're familiar with the popular feeling of not wanting to annoy customers.

A We have discovered something very unique that will also require additional work. It can be different in different situations. One issue is philosophically, how do you make sure you hit the right frequency? There's a big concern out there that higher frequency will be annoying to your customers, but at least to the extent we've looked at it, we don't see much evidence of that yet.

The third thing in our study is the timing, we looked at remarketing and frequency, but also timing. The timing issue was should I hit you right away or should I wait? And that's a very powerful idea. You come to the site, don't buy something and leave, should I retarget you right away or should I wait?

Q I thought it was interesting to see that without remarketing in week one, week two's effectiveness saw huge drop.

A That is powerful. ... Quite simply, it is a reminder that people need to forget, which means it works better later than earlier.

Q Do you mean remarketing works better later in the day? If a customer went to a website early in the day, for example, would it pay off to not send a remarketing ad until evening?

A Yes. In general, later in evenings, later in the week, later in another week. How long does it take for you to forget? If you're going to commit very quickly, within hours, then we should reach you within hours. If you're going to commit within days we should reach you in days. [The customers] need to forget, that's all.

Q Do you see this study changing how the industry works? Or perhaps starting a chain of other remarketing studies?

A I did not expect the amount of excitement that this presentation caused. After I presented it, I got about 20 e-mails from people in the remarketing business who are doing programmatic ad sales [or] doing analytics. Once we had demonstrated a fairly nice, robust methodology to run these kinds of experiments and the extremely powerful insights you get out of it, people look at it like, "We should be doing this for our clients."



Trust Matters for Impactful Advertising

As the advertising landscapes changes and the array of channels for placement keep growing, executives are becoming more concerned about their brand's reputation.

That's the focus of a report from the CMO Council called "Brand Protection from Digital Content Infection: Safeguarding Brand Reputation Through Diligent Ad Channel Selection." It's based on a survey of more than 300 senior marketing leaders.

The overall theme is marketers are losing trust in advertising agencies. And marketers in the survey fear that relationship breakdown may ultimately lead to a bigger problem of customers not trusting their brand.

When a company's ad appears next to questionable, hateful or misaligned content, brands suffer. In the report, 43% of companies have already had reputation problems after a negative adjacency incident and 66% of consumers will defect from a brand after a negative ad experience.

The good news is there are steps brands can take to make sure they're connecting the right way with customers through platforms that don't tarnish the reputation of their company.

Go Premium

Consider balancing your marketing strategy by buying ads in premium channels. While they do come with a higher cost due to limited availability, these placements help you make sure you're ads align with quality content.

"We want to elevate beyond simply not appearing near objectionable content; rather, our goal is to ensure that our ads are showing up in the right place, with the right context, at the right time," says Maggie Chan Jones, former Chief Marketing Officer of SAP.

Theresa Palermo, Executive Vice President and CMO, Vera Bradley shares a similar view saying, "We mitigate risk by limiting ad placement within reputable media brands or established platforms."



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Consider Your Appearance

Customers want to feel a connection to the brands they spend money with. Their aspirations have to be your aspirations. Because of that, marketers need to make sure their ads are correctly aligned with the customer's vision.

"We engage in direct conversations with our preferred publishers about our areas of focus so that they can help us identify and craft customized opportunities where we will benefit from the halo of their brand as well as contextual alignment with our messages," says Lisa Manganello, Managing Partner and Head of Integrated Brand Marketing for Morgan Stanley.

There is good news for advertising agencies, too. They can play a part in helping win back trust through more intentional ad placement. The report says half of CMOs are developing new ad guidelines to ensure placements are on target and nearly a third expect the issues of negative adjacency to be solved by their media-buying agency.

As you plan your advertising and marketing for 2018, keep in mind that the AMA itself is a great channel for getting your message to engaged decision-makers.

With a global reach of 3+ million, AMA is where marketers across the field turn for the latest knowledge and resources. We can help align your thought leadership with AMA content, connect you with prospective customers and grow your brand awareness.

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