

Win in the New Normal

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THE RUNDOWN

Engagement. For many, the word has become a cliche. It's time to take it back. Whether you're trying to win the White House or the shelf wars, engagement is critical. Action doesn't happen without it. Our digital lives have changed how we interact with each other and how brands engage consumers. At Google, we're interested in the "how" of engagement. We've interviewed industry visionaries, the world's biggest brands, cutting edge content creators, and researchers who are codifying our experiences. We're aggregating all our beliefs and learnings, here, into The Engagement Project.

Engagement. For many, the word has slipped into cliche territory. It's time to take it back. Whether winning the White House or winning the shelf wars – engagement is critical. Action doesn't happen without it. And at the end of the day, that's what we as marketers are all trying to do: move people to act, now or in the future. That's how we are defining engagement.

Today, as everything from political funding to packaged goods relies on consumers who live in an increasingly digital world, the opportunities for us, as marketers, to drive engagement have exploded. Technology has given us new ways to reach out and connect with people – and to receive signals in response that enable fluid, and ongoing conversations, 24/7. This is both amazing and overwhelming.

In the accelerating swirl of chaos, excitement, and yes, sometimes fear, the brands that win will prioritize *engagement over exposure*. They will flip the traditional approach of using mass reach to connect with the subset of people who matter on its head. They will super-serve the most important people for their brand first and use the resulting insights and advocacy to then broaden their reach and make the entire media and marketing plan work harder.

TODAY'S CONSUMER BEHAVIOR

The consumers shaping what matters in content and culture today look very different from the ones many of us grew up as or thinking about. This generation has grown up living digital lives. This has fundamentally changed their relationship with media and technology – and with brands. They don't want to be talked at, but they do want to be invited in to the discussion. They thrive on creation, curation, connection and community. As a result, we call them **Gen C**. The behaviors of Gen C have less to do with the year they were born and more to do with their attitude and mindset. For example, while 80% of people under 35 are Gen C, only 65% of Gen C is under 35¹.

Gen C cares more about expressing themselves than any generation before. They're using social networks and content platforms to define their sense of self. They are what they discover, read, watch, share, "like", +1, comment on and retweet. More than half of Gen C use the internet as their main source of entertainment, and 66% spend the same or more time watching online video as watching television².

Conversation drives Gen C, especially when it's aligned with their interests. They are hungry for content that they can share and spread, no matter where it comes from: other people, content providers, brands. They expect their friends to do the same. They use online interactions to learn about news, entertainment, products and services. We find that that applies even to YouTube specifically. 50% of Gen C reports talking to friends about it after watching a YouTube video. 51% say that watching a YouTube video about a product or service has impacted their purchase decision. Overall, this is a more networked psychographic than we've ever seen. The majority – 85% – of Gen C relies on peer approval for their buying decisions.²



The under 35 set will be 40% of the population by 2020. But more importantly, by then, we'll all likely be Gen C. So figuring out how to connect with this generation today is critical.

For a deeper look at Gen C click <u>here</u>.

THE **MEANING BEHIND** THIS NEW NORMAL

At Google and YouTube, we see Gen C behaviors happening every day. But while understanding *what* they are doing is important – understanding *why* they are doing it is even more valuable.

To get at this *why*, we partnered with cultural anthropologists, psychologists & digital creators to explore the meaning behind these Gen C behaviors. Here's a taste of what we uncovered:

THEY'RE ALL ARTISTS

In the days of film, photos and videos were reserved for special occasions. Today, Gen C has a camera in their pockets, so the stuff they capture and curate looks more common, ordinary, even pointless at times. But the ordinary-ness of it all is what is extraordinary. Pictures of the everyday-ness around them allow them to find new meaning, as if they are seeing things for the first time.

Giving them a reason to see the newness in the everyday gives them a reason to capture it.

THEY LIVE-CURATE THEIR EXPERIENCE

As Gen C creates an increasingly detailed visual record of their lives, they simultaneously curate and share it with their communities and the world. They record every detail and then curate that content to reflect their personal values and how they see the world. In fact, 1 in 4 upload a video every week and nearly half upload a photo every week². It's their way of controlling how they want to be perceived by others, and in sharing and getting feedback from their communities, it reinforces their sense of self.

Giving them a way to add their own uniqueness to an experience gives them a reason to add it to the collage of their lives.

THEY'RE ENERGIZED BY SHARING

Sharing is about more than just clicking a button. When they share a video or an image, they're not just sharing the object, they're sharing the emotional response it creates. Posting, commenting, liking, repinning or +1ing, across the increasingly visual web is how Gen C feels alive.



Create content that reminds Gen C of their own capacity for excitement, happiness and vivacity – gives them a reason to be a personal advocate.

THEY CRAVE AUTHENTICITY

Gen C is savvier than any generation before them when it comes to advertising. They know when they're being marketed to and, according to Shane Smith, co-founder of VICE, have "the best bullshit detectors in the world." (A full Q&A with Shane will come later in our series.) They want real, thoughtful, authentic. They want to create their own art, instead of being invited to experience someone else's masterpiece. They want to discover and disseminate, instead of following something or someone else's version of what they should care about.

Giving them content that matches *their* definition of quality has become their expectation, not a nice to have.

MARKETING HAS MORE OPPORTUNITY TO MAKE MEANING

We all crave the ability to make meaning with our work and with our brands. The needs and behaviors of Gen C demand it. Well-thought-out, useful and interesting branded content has more opportunity than ever to contribute meaning to people's everyday lives. But there is also greater risk than ever from messaging that doesn't feel authentic, relevant, personalized, and participatory. This means that we need to think about media and marketing in a different way.

ENGAGEMENT > EXPOSURE

Historically, our media plans have focused more on exposure and broadcasting than engagement and response. Yes, of course, we did the best we could to try to find the most engaging shows, we fought over the most engaging pod position, etc. But media was primarily a game of exposure.

We focused on reaching as large an audience as we could and hoped or planned that of that 100%, we would eventually whittle down to the, call it 5%, of people who actually cared and mattered for our brand. We focused on reach because our ability to measure engagement – how well our marketing was driving the desired audience to action – was lousy.

Most traditional media still have pretty low signal strength. There's little way of directly measuring consumer response. In the absence of those signals, we prioritized things like reach and frequency as the best proxies we had for engagement.

But today, there is a better way. Nearly every new media platform that has emerged in the last 15 years – search, mobile, social, display and online video – has strong signal strength. These new media give us the opportunity to connect directly with people – and to be able to



tell whether they are actually engaged with our messages, through user choice, interaction, sharing, or actual conversion.

And Gen C wants to give us signals of their interest. They are looking to connect directly with brands that create experiences that offer something relevant and valuable, and they expect that we'll be ready and willing to act on those signals and continuously improve the quality of our interactions with them.

FLIPPING YOUR FUNNEL

So, why don't we *flip* that 100% winnowed to 30% winnowed to 5% funnel? Rather than starting by thinking about how to reach or broadcast to as many people as possible to get to those who matter, what if we began with engaging those who matter the most. We could prioritize surfacing the 5% – and make our entire plan better by learning from their interactions and leaning on their advocacy to expand our reach in a smarter way. We wouldn't be abandoning "reach"; we'd be reorienting our thinking towards greater "engaged reach"?

By turning the reach-driven funnel upside down, we're in effect creating an 'engagement pyramid'. The engagement pyramid isn't just about retention and growth of our existing customer base. It's about starting with the 5% who will be most interested in what we have to say and most willing to speak for us. This group not only includes current customers, but also those most likely to influence others toward your brand. This is the group whose insights and advocacy can better inform and enhance our broader media plan, maximizing our overall engaged reach.

Some of the hottest brands that have emerged over the last 10 to 15 years – companies like GoPro, Starbucks, Amazon, Warby Parker - naturally use an Engagement Pyramid approach. For the most part, they've only existed in an era of high signal media so they gravitate towards it naturally. They start by making something that people love, invest in higher engagement media to connect with the people who matter most, and then use their insights and advocacy to build further scale. This is in contrast to the traditional approach of finding 100 people who fit a general audience profile, advertising to all of them and hoping somebody drops to the bottom of the funnel.

Though I write this from my desk at Google, this isn't really about advocating one media type or another. Different media channels – and different platforms by channel – will drive engaged reach in very different ways depending on the brand and the objective. It's also not an attack on TV. I grew up in the TV industry. I believe that TV still has a huge role to play in many brands' marketing mixes, and that again, different properties will deliver different value at different times for any particular initiative.



What I am advocating though is rethinking the planning and sequencing of our media strategy – and the amount of attention focused on engagement vs. exposure. I want us to cut to the chase; to figure out how to reach the people and moments that matter most faster – and to use signals, insights, and endorsements – to make our whole plan more efficient and effective in whatever media can best help meet our goals.

CONNECTING THE DOTS

I know that all of this may feel conceptual and perhaps a bit overwhelming. Below are a few thoughts we've found to resonate with brands and teams that are shifting their thinking along these lines and looking for concrete ways to implement an engagement-centric approach. These are only intended to be thought starters – we will dive into greater depth on these and related topics in future Engagement Project installments.

LET YOUR AUDIENCE FIND YOU

In this new normal, everything is on demand. Ensure that when your audience is asking for something from you – either passively by reading or watching related content or actively by searching or subscribing – that you are present, and that what you have to say adds real utility or magic to their experience. This requires thinking about campaigns less like peaks and valleys and more like rolling hills. In other words, you need to be "always on" because Gen C is "always on".

PRIORITIZE CONTENT, BEYOND COMMERCIALS

The increasingly visual and social web means that the nature of your advertising needs to change. While posting the glossy photos from your photo shoot or your :30 TV commercial online may be part of your approach, it shouldn't be your entire approach. Today's audiences want to hear the depth of your story, learn about your products and understand why you exist. Authenticity rules the day. Consider how you can expand upon the :30 commercial with deeper content, like making-of videos, expert interviews or live announcements. And, you don't have to create your story by yourself. Some of today's most successful brands realize the power of their fans to help generate content that they in turn surface to a broader group.

DRIVE PARTICIPATION TO STEER THE CONVERSATION

Gen C thrives on participation. People are talking about everything they encounter and sharing their experiences with friends. Just because you're not there to steer the conversation, doesn't mean it's not happening. In the new normal, your brand is not what you tell people it is; it's what they say to each other about you when you're not around. That's always been true, but now, for the first time, you can find out what your audience is talking about and make your brand an authentic part of it. You can jump into the middle of the conversation and try to guide it in one direction or another. Digital isn't just about



asking someone to visit your social platforms, or giving them a coupon, it's about creating experiences that add value to the community your brand is a part of.

INCORPORATE BETTER SIGNALS

There are many high-signal platforms that provide deep insights into what works best for your brand as you try to engage your most important customers and prospects. For example, know your share of voice in search that same way you do in TV. Identify how much time people are willing to spend with your brand. Look at the endorsement rate of the content you create or support. Let's work together to find correlations between metrics like these and the economic outcomes for your businesses. The immediacy of digital signals allow you to optimize not just your digital strategy, but your whole marketing and business plan.

ENGAGE WITH US

What do you think? Does this ring true to you? Where have we missed the boat?

In the coming weeks we will continue with detailed looks into things like the creative process, new thoughts on measurement, and media planning. If there's something specific you'd like to see, give us a shout. We've also worked to gather lots of examples from across industries of this thinking, but we're always keen to find more. If you have an example to share, please get in touch.

You can reach us at theengagementproject@google.com, share your thoughts in our survey, or follow us at ThinkwithGoogle and @ThinkwithGoogle for updates.

Sources

- 1: YouTube Quant Survey with Ipsos, april 2013, ComScore Videometrix, March 2013, e-Marketer
- 2: Gen C YouTube Audience Study, March 2013, Google / IPSOS / NowWhat

