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## Where Digital Marketing Is Heading in 2010 (Part 1)

**Millward Brown Breaks Down Location, Mobile, Display and Viral Video**

Posted by Ken Mallon and Duncan Southgate on [12.29.09](#) @ 06:00 AM



In our discussions about what will happen in the digital marketing industry during the next 12 months, one overarching trend emerged: The basic rules of brand building are just as important for innovations in the digital space as they are for traditional forms of communication.

Using new technology won't in itself bring success; your digital communications still need to be creative, engaging and relevant if they are to cut it during the second decade of this century. Here are the first five of our top 10 trends for 2010. (We'll post the [next five](#) here tomorrow.)

### Online display: Don't be blinded by the shiny and new.

In 2010, advertisers will experiment with new, larger ad formats. These formats may be initially attractive because they are different, but the basics of brand building beyond awareness shouldn't be ignored. Most of the new formats perform very well in the short term. Dynamic Logic has previously reported the high performance (brand impact) of video ads when they were first introduced. They found that video ad performance, relative to average ad performance, declined over a two year period following introduction as the novelty wore off. We'd expect this to be true for most of the new, larger ad formats and their progeny.

Ultimately, over the next several years only the fittest for these larger formats will survive. If they prove too intrusive, they may make people less favorable toward the advertised brand or the website on which they are served. Other advertisers and agencies will use these formats more cautiously, taking note of creative best practices gleaned from prior work.

### Viral video will move from art to science.

As online video consumption continues to rise, advertisers increasingly value viral viewings as a clear and visible sign that their campaigns are engaging audiences. In response, viral video analytics are becoming sophisticated. YouTube has enhanced its video analytics offer, and companies such as Visible Measures and Unruly Media are providing comprehensive viral

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monitoring services across multiple online video platforms.

This information will fuel a more scientific approach to viral campaign planning. Rather than just place videos online and hope an audience will come, advertisers will invest in viral seeding strategies. They'll promote their videos via online influencers, Facebook video-sharing applications and targeted, paid placements. Advertisers will also become smarter about developing and selecting ads with the most viral video potential before they employ the seeding. A recent calibration exercise for Millward Brown's Link pre-test, for example, identified the creative factors which explain most of the variation seen in levels of viral viewing.

While there are likely to still be more misses than hits in the viral space, the opportunity of being next year's T-Mobile "Dance" or Evian's roller babies is something many marketers will plan for.

**Gaming gets more social and mobile.**

The ability to access Twitter and Facebook from the Xbox game system is one sign console gaming is becoming a lot more social. Games such as "Uncharted 2" already allow you to tweet your progress from within the game and we anticipate seeing these features implemented in more games. Microsoft's Project Natal promises to bring even more interactivity to gaming by supplanting controllers with your actual body movements, improving immensely on a model created by Nintendo. Perhaps the most promising and category-busting idea appears to be OnLive, a games-on-demand service that allows you to play any console or PC game on your TV or computer, without the need for a console at all.

Gaming's reach is already significant -- "Modern Warfare 2" is the biggest entertainment launch ever -- but the social elements are going to make the growth exponential. The proliferation of mobile games such as Doodle Jump for the iPhone, which allows the user to interact with other players, brings gaming to the masses.

Dynamic Logic's research has already shown that gaming can be very effective in increasing brand metrics. As interactivity increases and gaming becomes ubiquitous, we expect more advertisers to enter this space. For example, in the fall of 2010, Disney will launch "Epic Mickey" for the [Nintendo Wii](#), the first major communication vehicle for a significant repositioning of this much-loved global brand.

**Mobile takes a bite out of online.**

According to the Mobile Marketing Association, total U.S. spend on mobile marketing will grow from \$1.7 billion this year to \$2.16 billion in 2010. Google's \$750 million purchase of mobile ad network Admob reinforces that 2010 will be a significant year for mobile. We expect to see more consolidation in the mobile space.

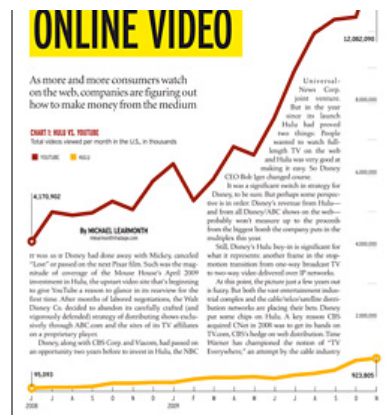
With Apple's iPhone, Google's Android and RIM's BlackBerry platforms making the smartphone choices more attractive to consumers and cost of access slowly coming down, mobile web usage numbers will increase. The iPhone alone has now reached 57 million units worldwide, the fastest uptake in the history of technology. The real innovation will be increased adoption of the next-generation mobile browsers that will make the mobile web look and feel more like the applications we know today.

While web-based mobile, despite its growth, still only reaches a relatively small number of people, this niche audience can be particularly attractive to some brands and we've seen many targeting successes. Mobile provides the ability to target by site, phone model, demographics and location, all of which can be useful to advertisers. In addition, Dynamic Logic's normative advertising effectiveness data already suggests that mobile is two to five times better at driving brand metrics than online, and we expect this differential to remain consistent in 2010.

All of this means that mobile may well start to take ad dollars which would previously have been spent online. Since it's a new medium, there remains some consumer resistance to mobile advertising, so we advertisers will initially favor the soft-sell approach of providing useful content in this space, rather than pushing hard-sell messaging.

**Here I am. Over here!**

The promise that technology would enable automated direct-marketing messages to be pushed to consumers with GPS-enabled mobile devices has yet to fruition. Consumers are understandably reluctant to broadcast their location randomly or to be interrupted by unexpected messages without their consent. Instead we're seeing a variety of innovative solutions created to facilitate geo-targeting of marketing messages (when in-aisle,



How should web video be valued and measured? Who are the most successful companies in this space? Who can you work with? This white paper answers those questions and more.

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in-store or in-proximity) as the number of GPS-enabled devices continues to rise.

Services such as the mobile game [FourSquare](#) contain a social-media element that allows users to broadcast their location to a network of friends and other users in their respective cities. The social element of this voluntary disclosure has allowed marketers to tap into an engaged network of users and offer special promotions based on reported location. We expect FourSquare and other apps with a hybrid location/social-networking component to grow significantly in 2010.

We also expect to see utility-focused location applications gain popularity on GPS-enabled mobile devices during 2010. ComScore has reported that 11% of their mobile panel is currently using map or direction-based applications on their devices, representing 41% year-on-year growth and potentially stealing market share from standalone GPS devices. How these applications are eventually monetized remains to be seen, but the "Minority Report" scenario of "push" location-based advertising is starting to become a reality through voluntary user disclosure of location.

Even if consumers won't share their location with brands, brands can share their locations with consumers. In this vein, marketers will increasingly make location a feature of their campaigns, as the recent [Levi's Twitter promotion](#) in Australia demonstrates.

~ ~ ~

*Duncan Southgate is global innovation director at Millward Brown and Ken Mallon is senior VP of custom solutions for Dynamic Logic. They wrote this piece with assistance from the Millward Brown Futures Group, a global knowledge sharing forum of Millward Brown and Dynamic Logic staff, which focuses on the digital trends that will have a significant impact in the next three years.*

## 9 Comments



By Icedad01 | Brampton, ON [December 29, 2009 09:21:41 am](#):

Good article with the necessary insight for those wanting to sell on-line advertising at the beginner and intermediate levels. The comment about "Don't be Blinded by the Shiny and New", in theory is dead on, especially for those still trying to find their niche in selling... Like anything, digital advertising will not sell itself, it's residual affect, however, will, unlike most other forms of media...

C. Liboiron

[Permalink](#)

By CINDY | CHICAGO, IL [December 29, 2009 10:30:45 am](#):

Interesting article with lots of information but I think the key statement was made in the first paragraph - "The basic rules of brand building are just as important for innovations in the digital space as they are for traditional forms of communication."

Working at an agency that strives to be on the cutting edge of innovative marketing, I see far too often someone suggest an idea that sounds really cool without every giving a thought to what objective the idea accomplishes. The best social/interactive/digital ideas should be designed to help clients reach their goals.

We have spent years talking about how important it is to make an emotional connection with the consumer yet we so often get caught up in the "shiny and new" and completely disregard the emotional benefit to the consumer.

I love where the industry is going but I also believe we need to revisit some of the tenants that have worked well in the past.

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By ccilejdr | Washington, DC [December 29, 2009 11:27:29 am](#):

Interesting article. On a related note, I've been trying to find research/metrics around digital or Disc-based marketing -- using digital content on a DVD via direct mail.

Anything out there on this?

[Permalink](#)

By contrarian2 | Los Angeles, CA [December 29, 2009 11:36:36 am](#):

Fine points, but all secondary. The key is, with consumers having literally millions of choices in the digital universe but time to visit only a very-tiny percentage of them, the advertising that generates those visits is ineffective because the creative model has been rendered obsolete and ineffective by not being adjusted to account for the 21st century's explosion in media and technology. Since that is at the core of the industry and everything in the article depends upon eyeballs, the ROI advertisers will receive is, literally, a fraction of what it could be.

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By Cheryl | Lummi Island, WA [December 29, 2009 02:35:43 pm](#):

Can anyone tell me how much more water Evian has sold because of those babies?

[Permalink](#)

By boomermarketing | Carlsbad, CA [December 29, 2009 04:27:32 pm](#):

What's wrong with everyone out there? The new media basically belongs to Generation "Y" or the Echo-Boomer, not the Boomer generation or the older part of Gen-X. Get real and start going after these other generations who have the money to spend. Each generation brings their own media with them through their life cycles. The majority of Boomers and Gen-X are tied more to Radio and TV, They don't want to look at a bunch of video commercials on their cell phone.

For your information, the following is the exact years of the generations we are talking about.

Boomers: 1946-1964

Gen-X : 1965-1976

Gen-Y : 1977-1994

I hope this gives you a better understanding of Generations and the media. For further research go to [www.generographics.com](http://www.generographics.com)

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By gunther | Los Angeles, CA [December 29, 2009 07:11:06 pm](#):

Nicely constructed info, but haven't we already seen these elements in full swing for some time now?

These stats also are channel-specific, as opposed to consumer or community-centric, wherein lies the real opportunity for engagement and the "soft-sell" conversion that you describe.

Figuring out how communities share information and content is far more important than channel-adoption -- which, as you allude to, is secondary. After all, people now sell products and services to other people.

As you also know, consumptive behaviors and user archetypes are constantly changing, and these aren't purely functions of 'digital' or 'analog', 'online' or 'offline', but rather experience extraction, creation and recreation.

As for "being smarter about developing and selecting ads", what all of this data tells us in sum is that no one really cares about ad-like objects... people crave experiences, and if that means disguising ads as entertainment, then so be it, but the reverse is not likely, at least not anymore.

Perhaps we should be really focusing on things like:

- adaptive analytics (how we move with markets, not channels)
- publishing units versus ad display units (dynamic content versus messages)
- geolitics making mobile more than a channel or platform (ex: gowalla)
- socializing the more 'traditional' forms of media through these stronger content offerings and extensions (OOH, print, radio & TV)

Best,

Gunther Sonnenfeld

@goonth

[Permalink](#)

By Kevin | New York, NY [December 30, 2009 07:09:47 pm](#):

"Mobile takes a bite out of online."

Like a flea bite on an elephant's butt...

[Permalink](#)

By ELLEN | SEVERNA PARK, MD [January 4, 2010 10:08:11 am](#):

"If they prove too intrusive, they may make people less favorable toward the advertised brand or the website on which they are served."

The key to trends predictions that will pan out is whether consumers WANT the message and the delivery system. Most of the predictions in this list seem to recognize and respect that, which is nice to see. The one that concerns me is the geo-targeting associated with games. Are we tricking people - especially younger people who are not as skeptical or sophisticated - to give up their location so we can market to them later? That's adness.













Cheers,  
Ellen Moore  
Carton Donofrio Partners, Inc.  
StopTheAdness.org

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