

PERSONAL CIRCUITS: THE NEW CONSUMER POWER

With an ever-growing array of new devices, media options and marketing activities vying for attention, consumers are creating personalized, media consumption “rituals” to control and cope with their increasingly media-centered lives. To find and engage with their desired audience, marketers need to identify, understand and infiltrate these “Personal Circuits.”

By Carla Hendra

“Three years ago I woke up to the fact that the majority of our campaigns, while impeccable as to positioning and promise, contained no big idea. They were too dull to penetrate the filter which consumers erect to protect themselves against the daily deluge of advertising.”

David Ogilvy, 1977

The proliferation of media, content and technology options has both liberated and overwhelmed consumers. More than ever before, they have access to what interests them, in the media channel of their choice, whenever they want it. To manage this almost infinite array of media options and the avalanche of marketing messages that accompany them, consumers create “Personal Circuits” – *unique and habitual behavior patterns of media consumption across preferred media distribution channels, technology platforms and content types.*

Consumers have always formed media consumption habits, selecting the content and media channels they most prefer. However, these habits are rapidly evolving as consumers take advantage of the emerging range of media options and control technologies at their disposal, creating a sense of individual empowerment. Both enabling and protecting the consumer, Personal Circuits are forcing marketers into the challenging position of engaging with individual consumers *on their terms*, a daunting power shift. Yet for the marketer who understands the Personal Circuits of his desired audience, there are more opportunities

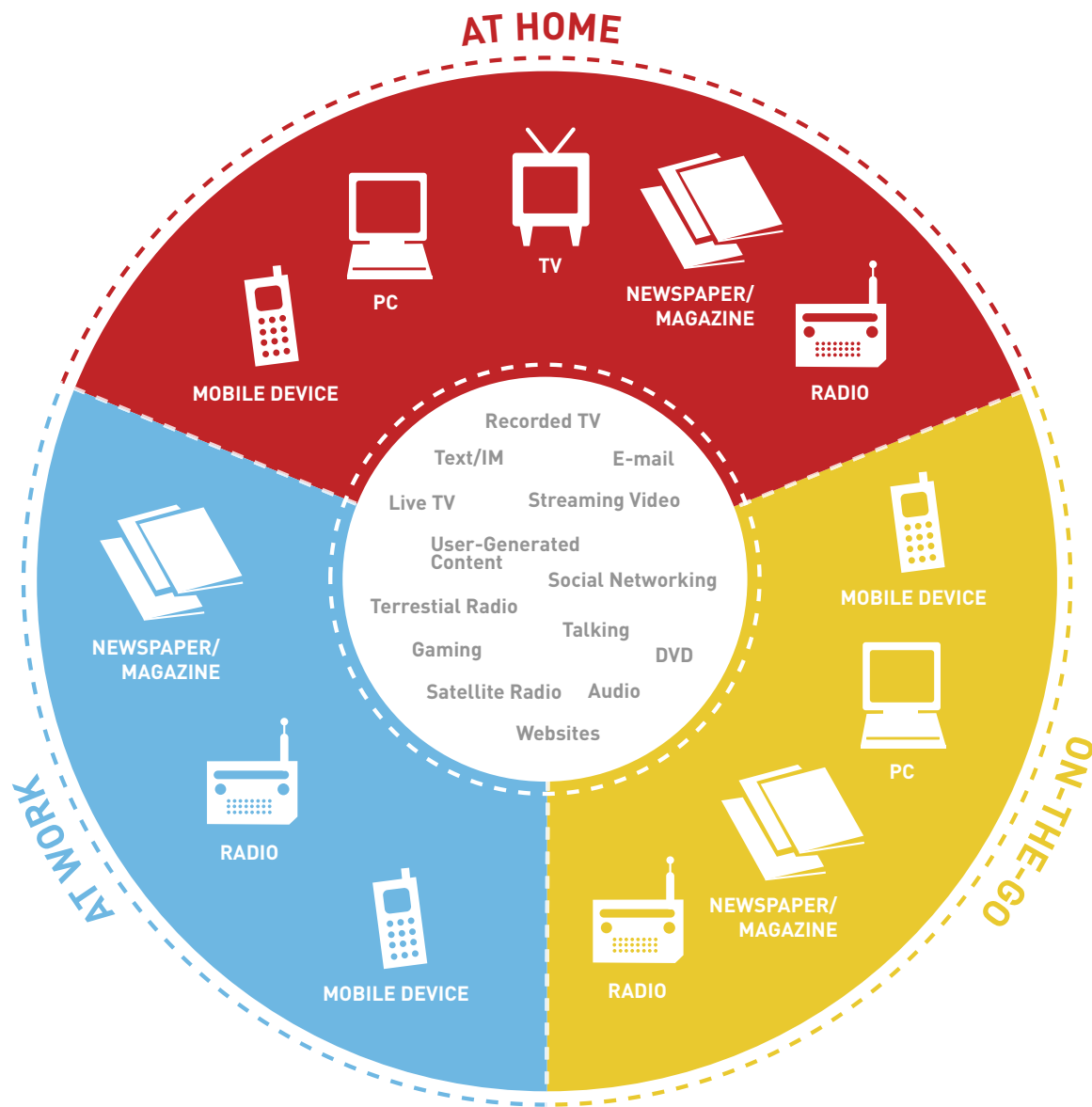
for brand relevance, engagement and loyalty than ever before.

The Basics

The three forces that have the most significant impact on the formation and appearance of an individual’s Personal Circuit are the *location, distribution channel* and *frequency* of an individual’s preferred content or activity. **Location:** The three places consumers engage with media: at home, at work or “on-the-go.”

Distribution channel: The media vehicles, devices and options at a consumer’s disposal: TVs, PCs, DVDs, iPods, DVRs, radios, mobile phones, etc.

Frequency: The frequency with which a consumer engages with their preferred content or media activities (e.g., hourly, daily, weekly or monthly). Content that is updated less frequently, such as that in magazines and weekly TV programs, requires Personal Circuits to have daily, weekly and even monthly dimensions. Content that is updated more frequently (e.g., hourly), such as web/electronic media,⁶ is becoming the heart of the Personal Circuit.



“My hypothesis is people have a ‘lap’ of sites they go to every day or every week... those sites become part of their regular procedure.”

Jim Spanfeller, CEO, Forbes.com
Adweek, September 12, 2005

With the wide array of media consumption patterns possible, no two consumers’ Personal Circuits will be identical, making the current definitions of “mass media” and “scale” progressively more obsolete. However, the more marketers know about their target audience, the more they are able to identify those traits, concerns, interests and behaviors that may reveal similar Personal Circuits tendencies. In a world of infinite choice and variation, Personal Circuits are the new audience aggregator...though on a much smaller scale than marketers have been accustomed to. If we think about this phenomenon in television advertising terms, we might describe the path from broadcasting (network TV) to narrowcasting (direct response TV)

to microcasting (interactive TV) and eventually to “nanocasting” (personally addressable digital TV).

An Illustrated Expression

One of the simplest ways to demonstrate Personal Circuits is to show the content and channel preferences of various media users. Every day, consumers are presented with an almost infinite number of content and activity options, each distinguished by its particular channel.

The Personal Circuit below represents a 16-year-old male with a love of gaming, music, sports and entertainment. Jason is active on several gaming platforms (PSP, X-Box, PlayStation), he uses an iPod, he has some preferred TV shows (like *The*

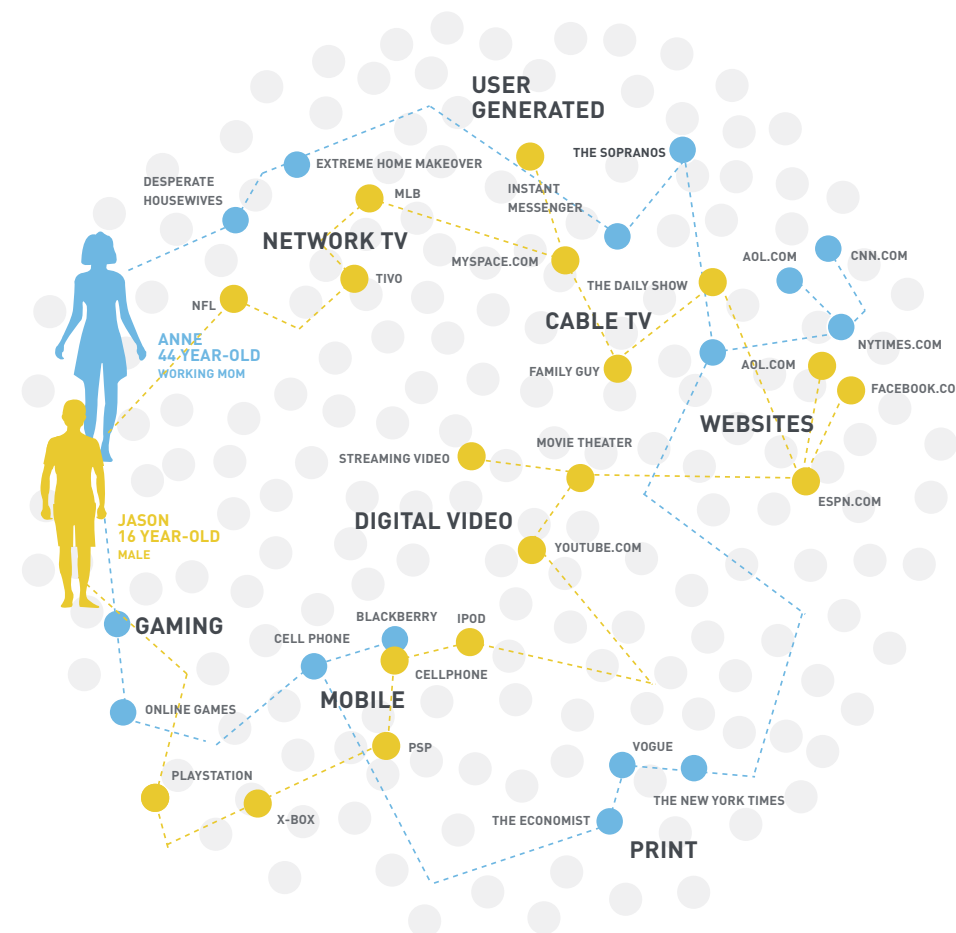
Daily Show and *Family Guy*), and he is an active user of Instant Messenger. On the internet, he primarily visits sports and social networking sites.

Because of the unlimited number of channels and content types available, one 16-year-old male may look wildly different from another 16-year-old male. Some may be major TiVo users as opposed to real-time TV viewers, while others may be heavy online gamers instead of console gamers. However, the more we learn about Jason, the more we are able to identify his interests and behavior patterns and group him together with other like-minded individuals – regardless of their demographic profile – who may have a similar Personal Circuit and similar value.

Below is a representation of Anne’s Personal Circuit. A working mom in her mid-forties, Anne has many different habits, contact points and

demands than Jason. She is more likely to use TV and print publications to get her news. But she also uses the web for news. She reads fashion magazines and shops online for many personal and household needs. Anne also happens to love online gaming (women 40+ are the largest users of online games²).

Though Anne’s Personal Circuit is unique to her, her circuit may overlap with others. If Anne and others like her (not demographically alike, but who share Personal “Circuitry”) are the target customer, then knowing the Personal Circuit pathway is critical. It tells us how their time is spent, what is important in their lives and how to engage them in a way that is contextually relevant. It may be that there is something that Jason and Anne share in common – despite their widely divergent demographics – that allows us to identify them as a mini-target audience (like gaming).



IMPLICATIONS

1. Understand: Build the foundation for Personal Circuits through audience segmentation and insights.
2. Connect: Make relevance imperative over all else.
3. Create: Develop campaign variations based on distinct Personal Circuits.
4. Grow: Understand what sources influence a Personal Circuit.
5. Modify: Frequently adjust marketing plans to accommodate the continuously evolving Personal Circuits of customers.
6. Evaluate: Adapt the way marketing investments are measured.

TO LEARN MORE:

This is an excerpt from “Personal Circuits: how consumers are taking control of media and what it means for your marketing.” It contains the findings of a research study fielded by OgilvyOne North America that illustrates Personal Circuits in action among two key generational cohorts: today’s emerging consumers (Millennials) and today’s dominant consumer group (Baby Boomers). To find out more about Personal Circuits, please contact Mish Fletcher, Worldwide Marketing Director, OgilvyOne at mish.fletcher@ogilvy.com