Real-time marketing

Why future campaigns will need to be planned less and managed more

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Launching a new campaign has always been a cause for celebration. Sometimes there’s a party. Strategies have been agreed on, ideas have been created, approvals have been obtained, space has been booked and materials have finally been released. Everyone sits back, breathes…and waits. Yet, today’s campaigns are much less like watching a child leave for college than watching a child being born: the real work has just begun.

In the future, maybe half of our efforts will take place after a campaign starts. Consequently, brand strategy is going to become less about planning and more about reaction.

This is because today’s campaigns are dynamic: content is shared, discussed and augmented by real people. Many marketers have understood this. But they have often assumed that all they need to do is produce content that is worth sharing and then “let go control of the brand.” Actually, the reverse is true: marketers must actively shape the campaign in real time.

Politicians, journalists and PR people are used to this; advertisers and marketers are not. But as social media moves from the edge to the center of the mix, we had better get used to it.

Perhaps most important, marketing effectiveness will become much less predictable. Until now, success has been determined in large part by the size of the budget, which in turn determined share of voice.

The future will look a lot more like the 2008 US presidential campaign. Few predicted the outcome. Funding was important. But success came to Obama, against the odds, from campaign management that was skilled and disciplined in responding to day-to-day events.

There are three main parts to real-time marketing:

**Dynamic content**

This is new creative. It’s stories and messages are developed in response to the audience’s reaction.

Classically, an ad turns into a PR story, which turns into a conversation.

We first learned about this with Dove’s “Campaign for Real Beauty” in 2006. The campaign started with a print ad that, innocently enough, featured “real women.” Instantly, the press turned it into a story, and people spontaneously started a debate around the issue. We rushed to build the campaign infrastructure to deal with this: a greatly expanded PR strategy, online capabilities for fostering the debate, then media that further provoked it (for example, billboards that asked people to vote by text message on whether the model was “wrinkled or wonderful”).
In this scenario, paid content is a catalyst. It gets the conversation going, both in the press and among the public. A recent survey found that 75% of Facebook users said that it was an ad that prompted them to “Like” a brand.

But now it can happen the other way around, too: a tweet can turn into an ad. This was what made the Old Spice campaign the most celebrated marketing of last year.

The paradox is that although dynamic content needs to be planned through an editorial calendar (like a magazine), much of it also needs to be made on the fly.

Conversation management

Conversations are increasingly the fabric of campaigns. When a campaign is retweeted, it is not simply passed along. Something is added: it is personalized, enriched and given life.

We like to think of conversations as spontaneous. But in marketing they need to be nurtured.

Ogilvy & Mather recently launched a campaign for Johnnie Walker in China. The campaign was started by Han Han, China’s number one blogger. He addressed the very topical issue of the new generation of Chinese now coming of age, often called the “Rubber Generation” because their elders think that they’re soft and lacking in ambition and drive. Han Han started the conversation by asking the simple question, “Do we have any dreams?”

This led to “Project Inspiration”: over 100 bloggers participated in the debate; a documentary film project was launched to depict the stories of 12 Chinese influencers; and the debate was featured on China’s two main chat shows (the equivalent of The Oprah Winfrey Show and The Ellen DeGeneres Show).

The campaign was a sudden success: there were over 20 million views of content; more bloggers participated than in any other Chinese campaign; and over 2,000 pieces of media content were generated, resulting in over $44 million of media value. All of this resulted in a 20 percent lift in brand metrics over a six-week period.

This was no spontaneous outbreak. Ogilvy carefully nurtured the contagion. The agency assembled a team of community editors who met every night and identified new topics or conversations. Content of interest was posted on the blog where it would not be missed and ensured the dialogue remained current. Modern campaigns are like bonfires that need to be constantly stoked to burn brightly. We estimate that two-thirds of the effect of this campaign came from active campaign management that simply wouldn’t have happened if we’d launched and left.

1. DDB Worldwide, October 2010.
Real-time optimization

This is a fancy way of saying, “Do more of what’s working and less of what’s not.” Most of this happens at a granular, practical level. And we’re only just beginning to see its effects.

The principle of optimization really comes from the world of direct marketing and, in particular, the good old A/B split copy test. The difference is that now we can do this on an industrial scale, and we can automate it.

With TD Ameritrade, for example, we evolved a host of different techniques to optimize areas as diverse as frequency, copy rotation, day part placement and graphic design.

First, we developed a “frequency capping tool” which automated the maximum number of exposures. Lead generation increased 15 percent, with no increase in budget. Then we developed a “copy rotation engine” of different executions to automatically serve up the better-performing ones. Lead generation increased a further 25 percent. Analyzing response by day part placement revealed that prospects won in the last hour of the trading day were much more valuable, so we aimed to “own” this last hour. This increased the value of acquired customers by 15 percent. Finally, we tested 243 different variations of the landing page (with green buttons versus orange buttons, for example). The results were often surprising (green buttons perform better, it turns out!). The conversion rate increased by 15 percent.

Each of these improvements is considerable in its own right; together, they transformed the marketing.

So this is a big shift. How do marketers prepare? We believe that there are six new skills to acquire.

1. Plan for talk

If brands aspire to be part of the conversation, they better have something to say. Alex Bogusky famously insisted that creative teams show a press release before any other piece of creative. This may be the right principle, but focusing on the moment of launch has often led to transitory “stunt” marketing.

Brands managed over the long term need to have a real point of view, not just create a controversy.

To articulate this point of view, Ogilvy often searches for a brand’s “big ideaL.”

Ragú’s big idea is “Feed Our Kids Well,” underpinned by the fact that there are two servings of veggies in every cup. Getting kids to eat better is a subject that moms voluntarily talk about a lot. So our campaign became “Mom’s the Word on Dinner.” It allows moms to share experiences and suggestions (“I call cauliflower white broccoli!”).

But building in talkability is not enough. The Ragú campaign was actively managed in real time. Search intent modeling informed the topics, and PR boosted awareness and provided new material.

2. Rapid response research

Most traditional research has been focused either on the past (what happened and why?) or the future (which of these two executions will perform better?). New research has to be about the here and now.

“Listening” will become a core practice. Ogilvy used careful analysis of listening-post data to help hotel chain Harrah’s change the offers and language in their advertising efforts. In online reviews, customers raved about the views from the hotel—a finding that would not have been picked up by any other means. Harrah’s now features those views in their ads, and that simple insight resulted in a 15—30 percent improvement in return on their online advertising.

Several years ago, we worked on Miller Lite in what would develop into a point/counterpoint argument over taste. We employed a political pollster to deploy “rapid response polling” to help refine the messages. Just as in a political campaign, we tested many different message variations, often overnight, and then rushed out creative. Miller used these and similar techniques to discover that (in the middle of the Atkins diet craze) a lower-calorie message had real traction. Share started to grow for the first time after many years of decline.

3. Rapid prototyping

All of Google’s products are released in beta. In fact, most of the tech world has embraced the notion of “perpetual beta” — the practice of releasing new features that have not been fully tested.

Marketing has to do something similar. We’re used to perfecting campaigns over periods of up to a year or more, but now we find that the world has simply moved on. We need to learn how to build something, get it out there, see what happens, learn and improve.
4. **Opportunistic media**

Media has come a long way in the last decade. We’ve moved from simple cost-per-thousand tonnage to a better understanding of environment-to-channel planning.

However, the increasing success of up-front buying has meant that much of media is simply buying space in the world that then has to be filled with content.

In the future, media partners will collaborate with agency teams to place media more flexibly.

An important part of IBM’s “Smarter Planet” campaign is the “op ad,” styled on long op-ed opinion pieces. This is a good example of what Larry Light, former CMO of McDonald’s, called “brand journalism.” Ogilvy has an editorial calendar for IBM, but these ads are placed in response to topical subjects. (A long-standing relationship between IBM and the *Wall Street Journal* helps.)

5. **Plan for the end**

Storytellers know that the end is as important as the beginning or middle. Perhaps more so.³

As Daniel Kahneman (one of the fathers of behavioral economics) has shown, the way in which an experience ends determines how we remember it. Kahneman calls this the “Peak End Rule”:⁴ the trip home can make or break our memories of our vacation, for example. TV producers embrace this principle: finales of series like *Friends* have added immensely to their popularity.

Not so in digital media. On the Internet, most marketing ends not with a bang but a whimper. It has become a retirement home for abandoned campaigns.

We must write better endings. One of the reasons Bing’s “Jay-Z Decoded” campaign worked well was that it lasted only a month, the answers were revealed and there was a winner. In short, it had a satisfying ending.

6. **Spread the payments**

If much of the work is done after the campaign launch, agency contracts will have to be rewritten.

A glimpse of the future can be seen in crisis management situations. During the Gulf of Mexico oil spill, Ogilvy PR had a team on the ground in the Gulf Coast region.

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These people worked day-to-day to build a site, monitor Twitter feeds and work with the press. In an extreme example of real-time response, our team tweeted in reaction to a live CNN report, and the tweet was read out on-air to clarify an engineering detail of the cleanup effort.

Think of this change as a shift from manufacturing to servicing. It’s much more akin to the way software is sold: there is a lower up-front investment cost but ongoing maintenance fees.

There have been many suggestions as to how to shape “pay for performance” agency compensation models. One of the most interesting is Procter & Gamble’s “brand agency leader” (“BAL”) model, in which one agency becomes the lead contractor and acts on the client’s behalf on hiring, budgets and payments for other agencies. The client is in effect outsourcing some of the marketing. Such a model could lend itself to campaign maintenance.

All this is a big shift, of course, but it will be worth it. “Real-time marketing” will make campaigns fresher and more alive, which will make them matter more. Ultimately, this will make them both cheaper and more effective. To achieve all of this, however, marketing has to learn to live in the moment!