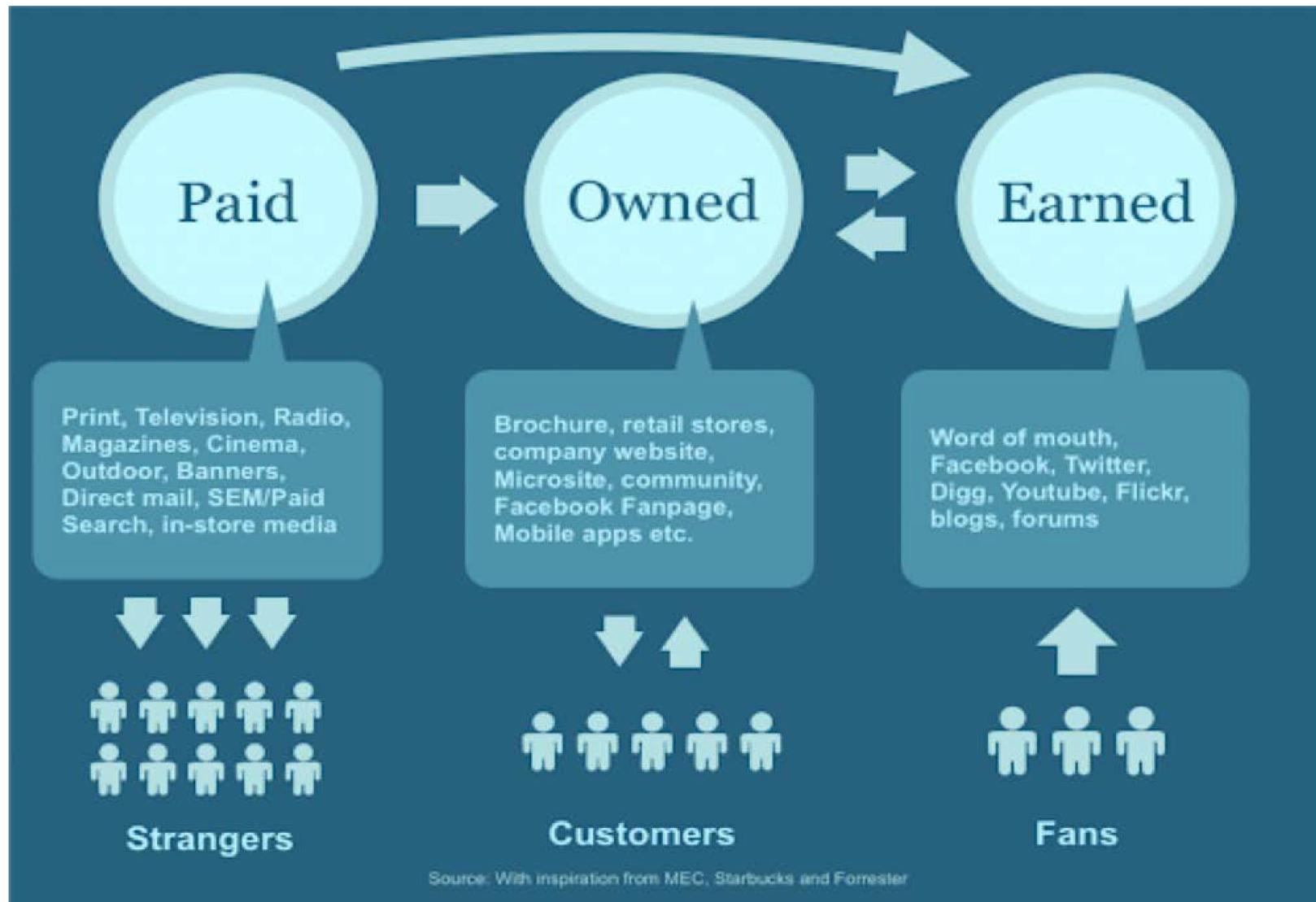




Advertising & new media: key concepts & scenario

Debora Bettiga

The new media landscape



Source: inspired by MEC, Starbucks and Forrester

Paid, Owned and Earned Media

Media type	Definition	Examples	The role	Benefits	Challenges
Owned media	Channel a brand controls	<ul style="list-style-type: none">• Web site• Mobile site• Blog• Twitter account	Build for longer-term relationships with existing potential customers and earn media	<ul style="list-style-type: none">• Control• Cost efficiency• Longevity• Versatility• Niche audiences	<ul style="list-style-type: none">• No guarantees• Company communication not trusted• Takes time to scale
Paid media	Brand pays to leverage a channel	<ul style="list-style-type: none">• Display ads• Paid search• Sponsorships	Shift from foundation to a catalyst that feeds owned and creates earned media	<ul style="list-style-type: none">• In demand• Immediacy• Scale• Control	<ul style="list-style-type: none">• Clutter• Declining response rates• Poor credibility
Earned media	When customers become the channel	<ul style="list-style-type: none">• WOM• Buzz• "Viral"	Listen and respond — earned media is often the result of well-executed and well-coordinated owned and paid media	<ul style="list-style-type: none">• Most credible• Key role in most sales• Transparent and lives on	<ul style="list-style-type: none">• No control• Can be negative• Scale• Hard to measure

Owned, Paid, Earned



The essence?

Advertising



Content



Engagement

Who initiates a contact?

Brand

Customer (if brand is prepared)

Customer

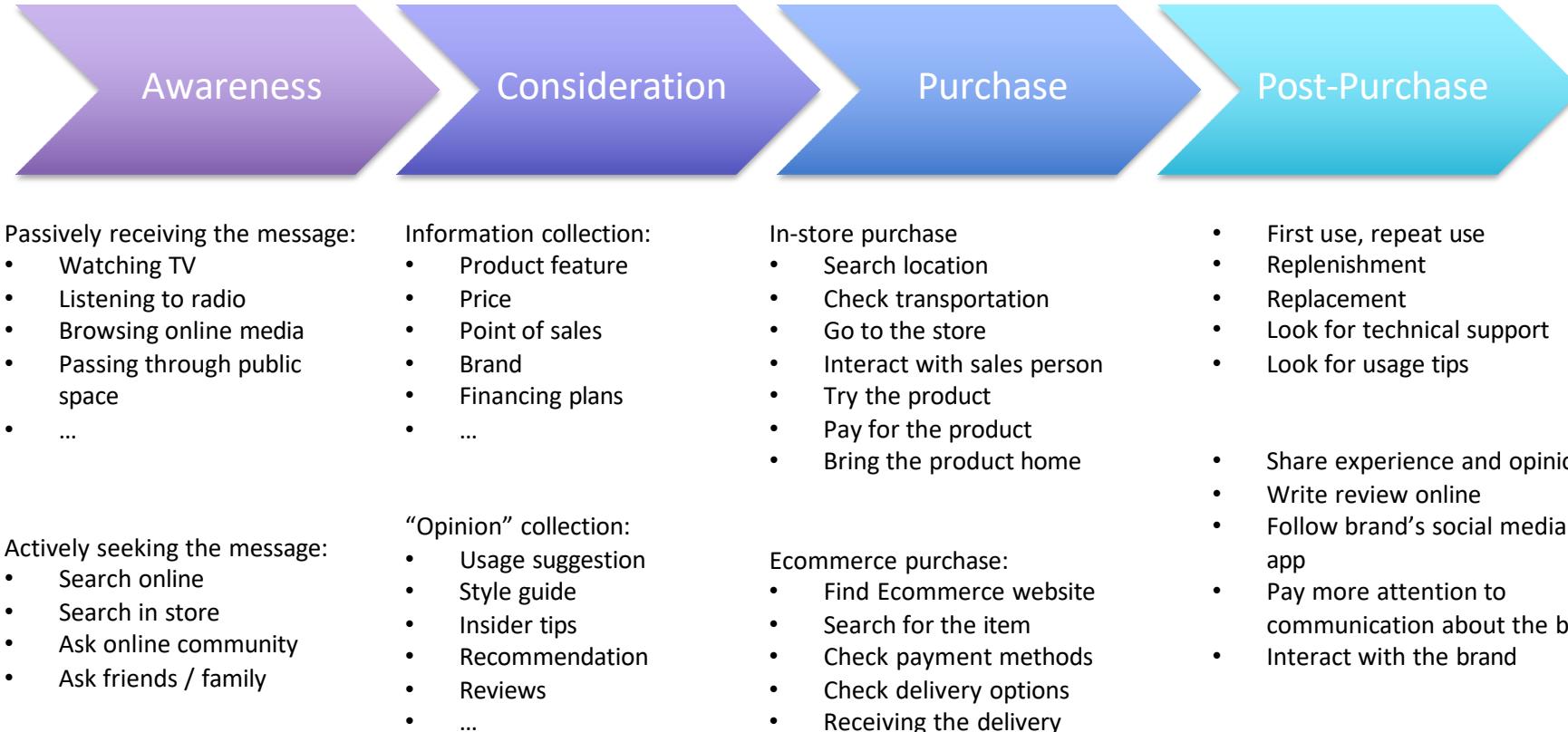
Form of communication?

Brand to Customer

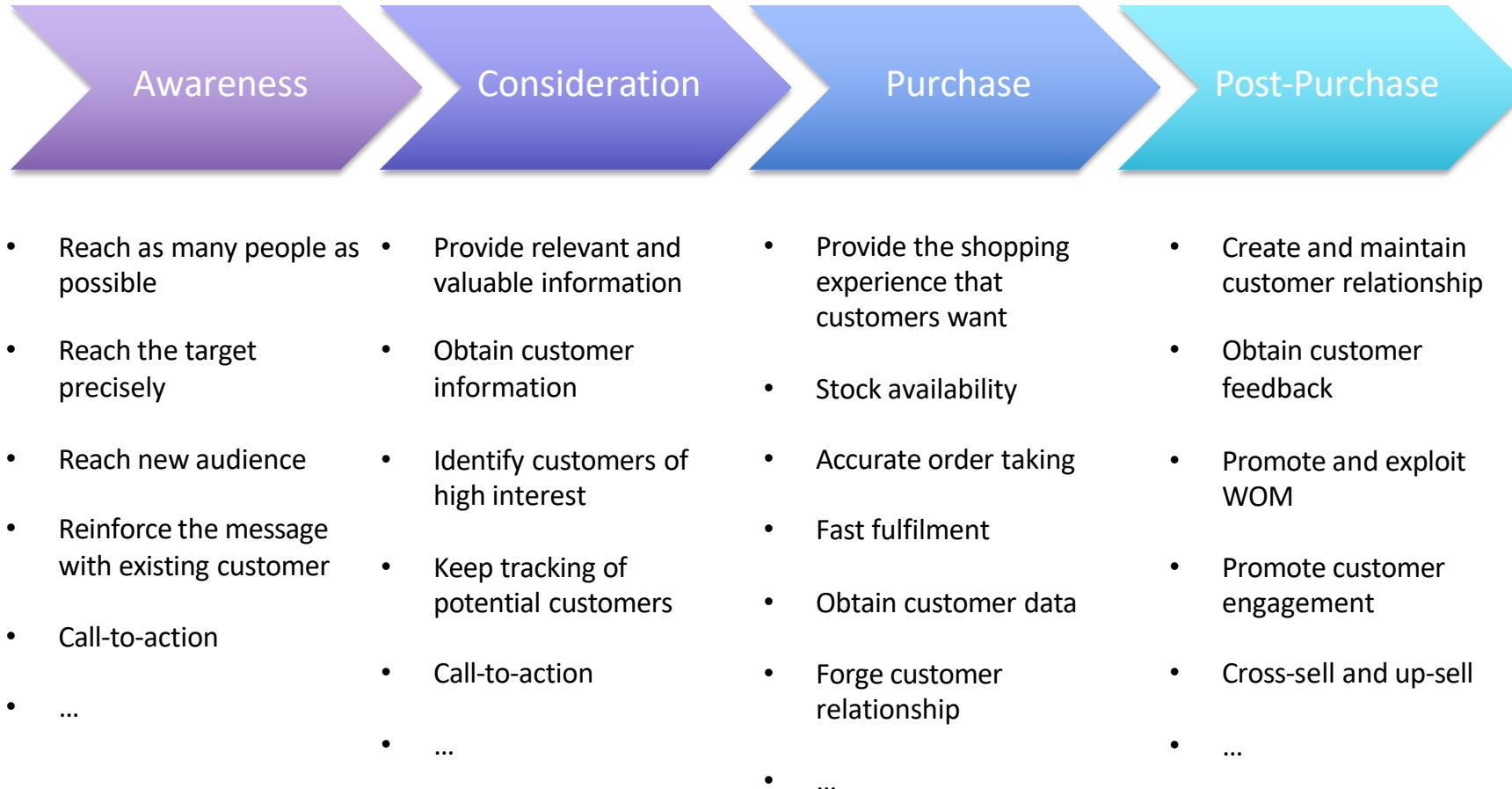
Interactive between brand and customer

Customer to customer

Purchase Process: Customer activities



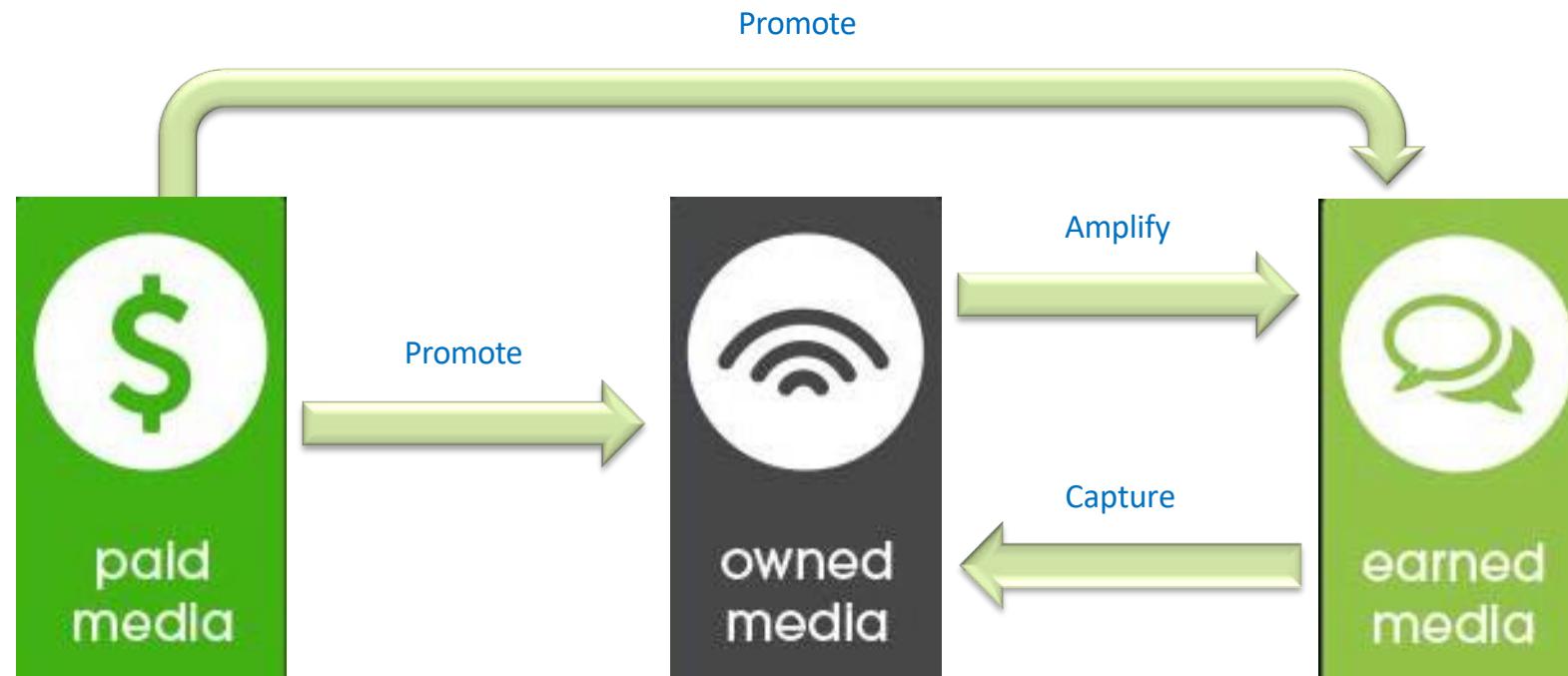
Purchase Process: Brand objectives



Purchase Process: Channel deployment



Integrated Multichannel Approach



Advertising

Advertising

Advertising is paid, non-personal communication transmitted through media such as television, radio, magazines, newspapers, outdoor billboards, direct mail, as well as internet, mobile devices, and so on.

It is the most commonly applied marketing communication program.

Advertising through mass media such as television, radio and outdoor billboards could reach an extremely large, although not specifically targeted, audience group

Purposes of Advertising

Strong Theory of Advertising

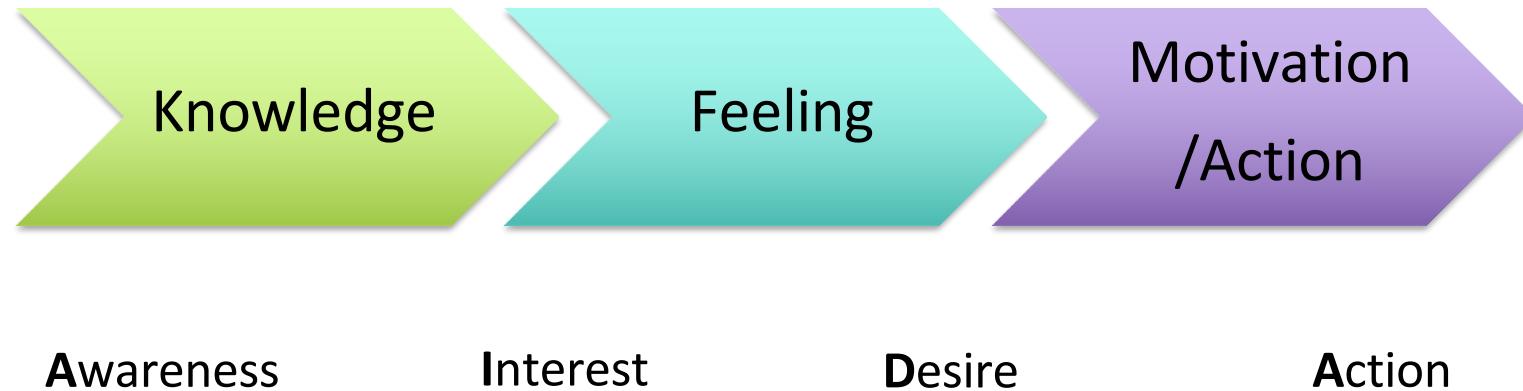
- Strong theory presumes that advertising has the power to inform, persuade, and sell

Weak Theory of Advertising

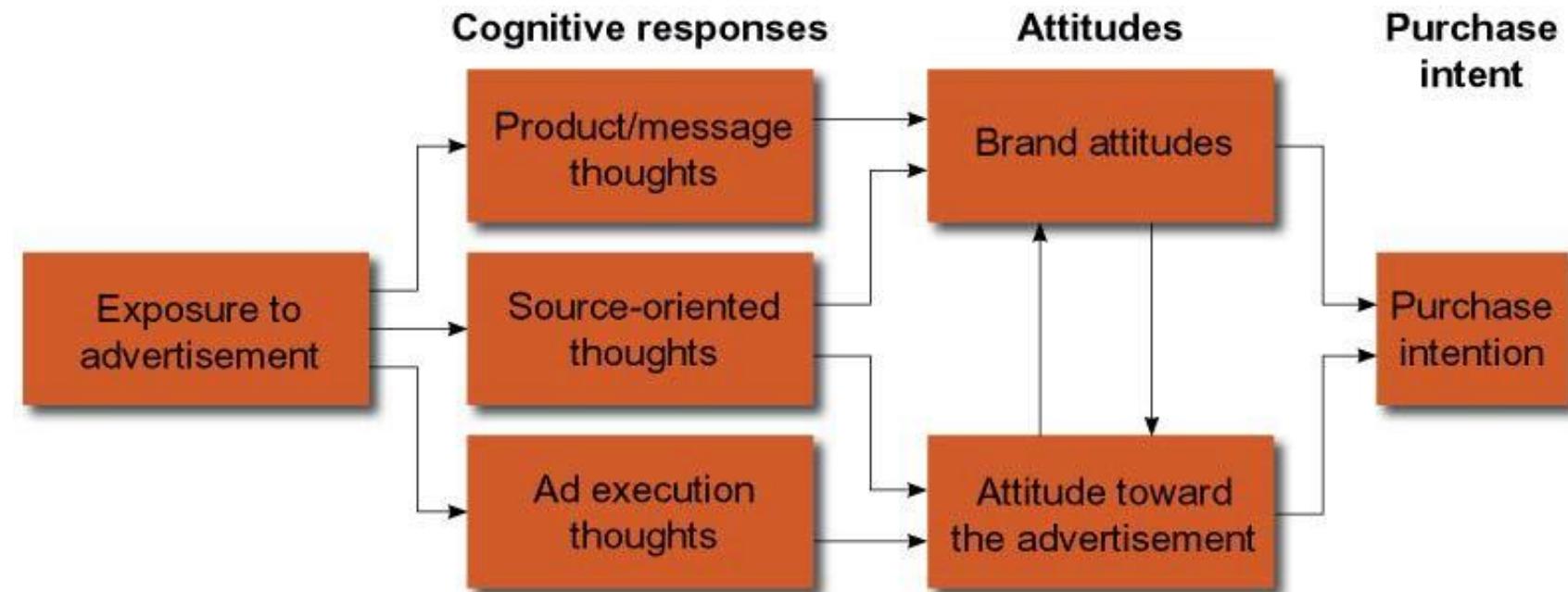
- Weak theory suggests that advertising is a reminder and gentle nudge towards a particular brand

Strong Theory of Advertising

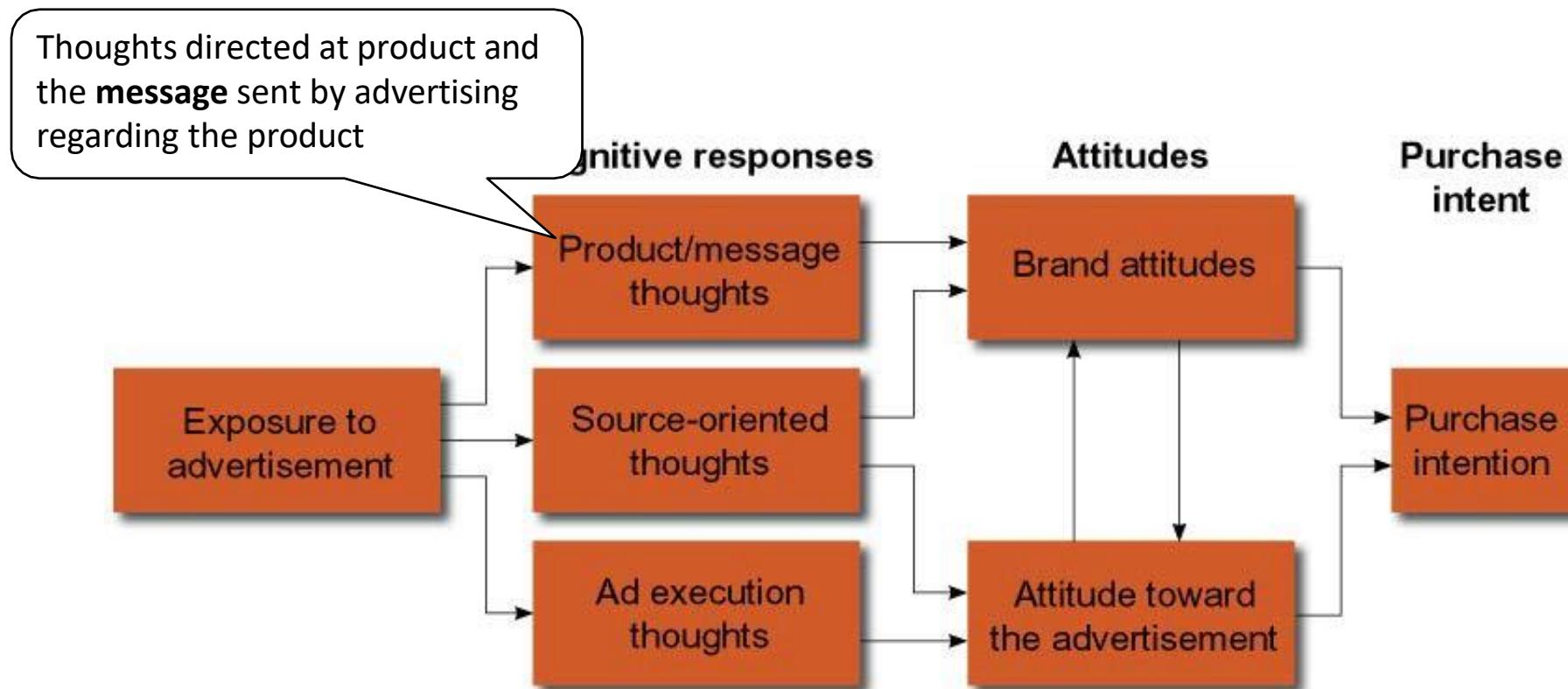
Strong theory suggests a more rational, sequential approach to advertising



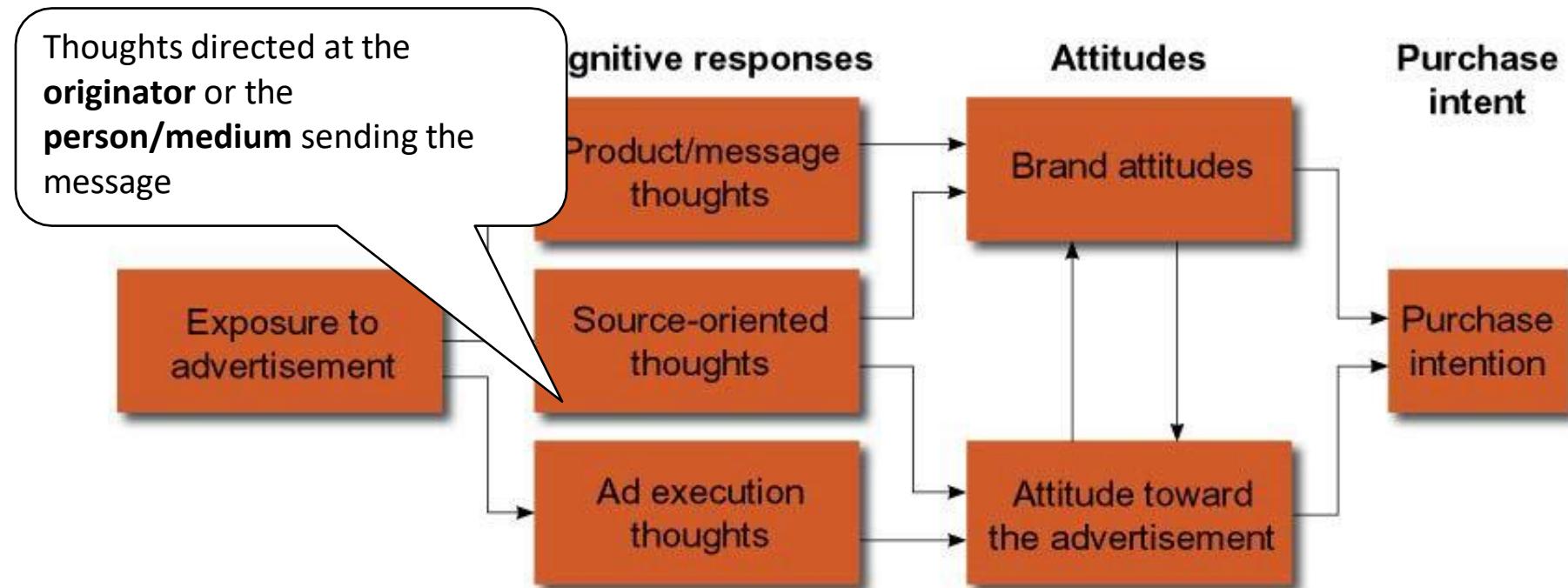
Stimuli Response Model



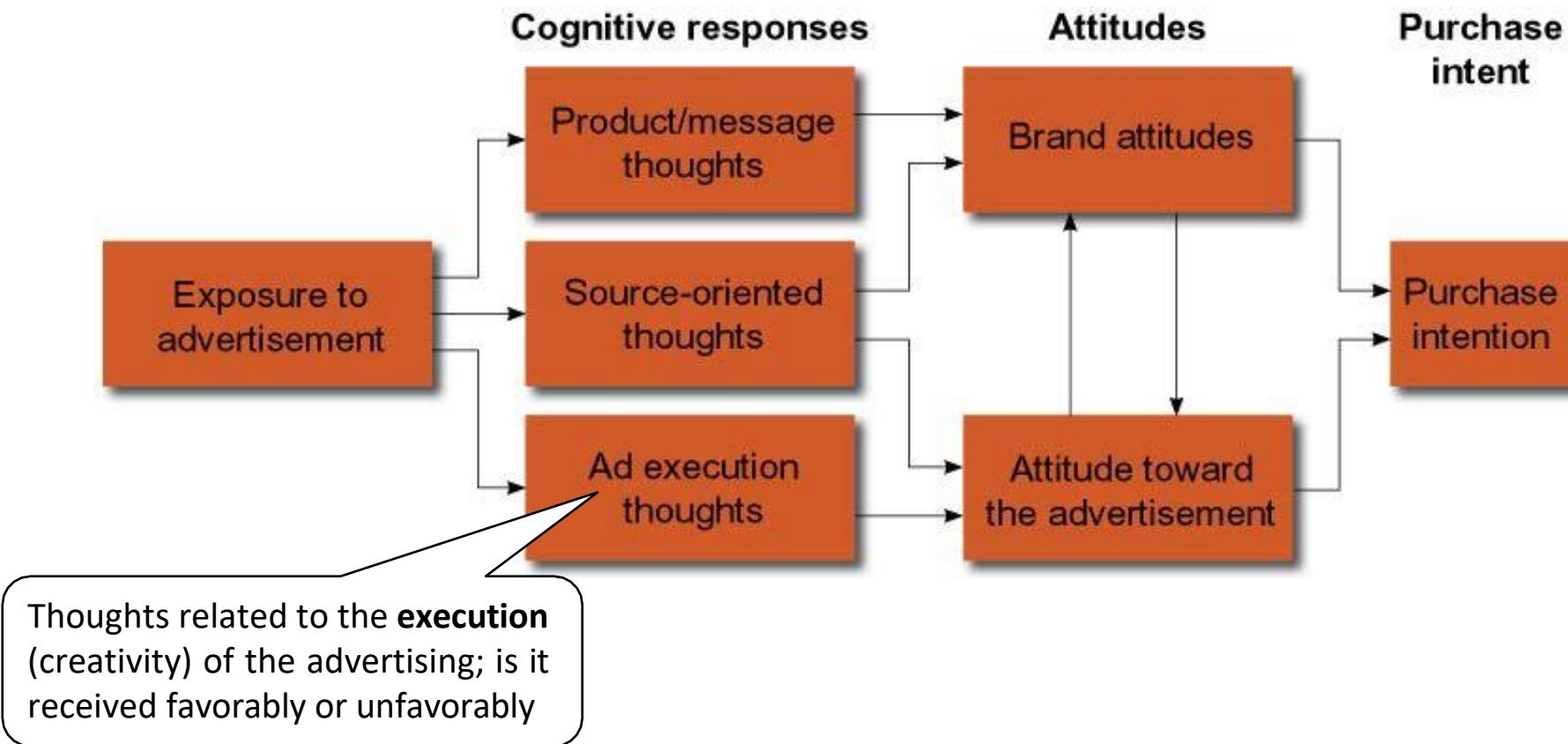
Stimuli Response Model



Stimuli Response Model

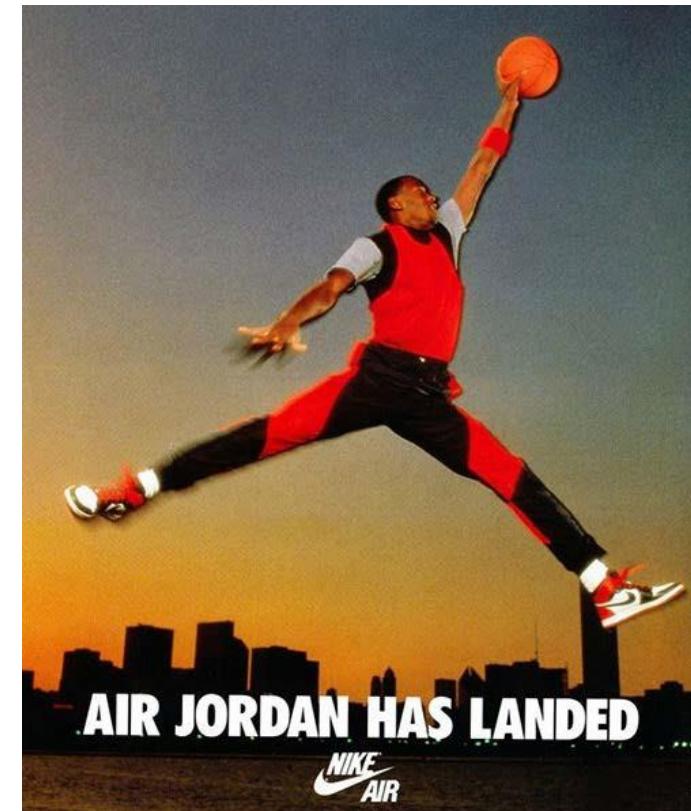


Stimuli Response Model



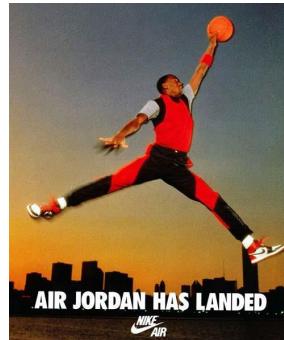
Stimuli Response Model

- Product and message: air-cushioned basketball shoes, performance
- Originator: Michael Jordan
- Execution: Air Jordan



Stimuli Response Model

Attitudes toward
Advertisement



Attitude toward
Brand



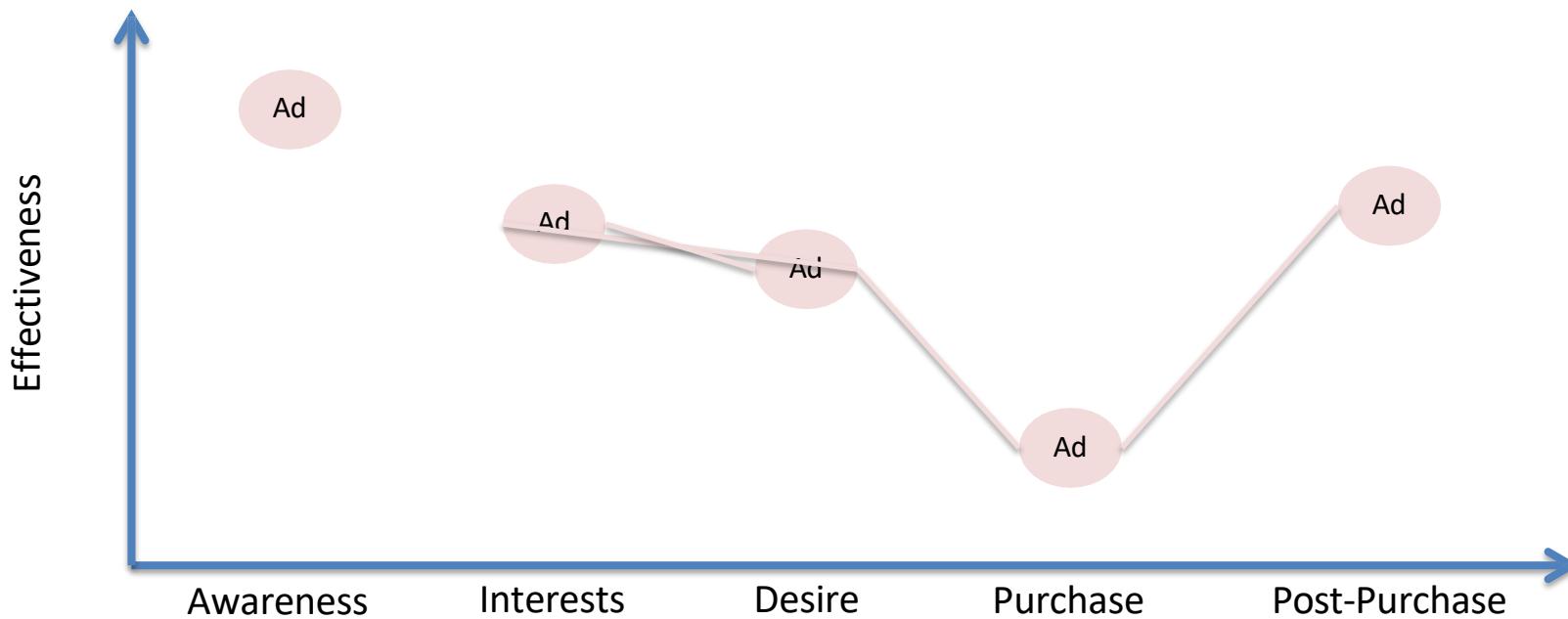
Purchase
intention



Strong Theory of Advertising

Strong theory presumes that advertising has the power to inform, persuade, and sell.

While it is clear in practice that advertising could inform, and contribute to brand's image, the ability to persuade and to sell (especially in short-term) remains a dubious claim.



Strong Theory of Advertising

Thus, a modest view of strong theory suggests that advertising could be effective in:

- Create brand awareness
- Stimulate interest and trial
- Praise features and benefits
- Create positive brand association and image
- Differentiate the brand from competitors

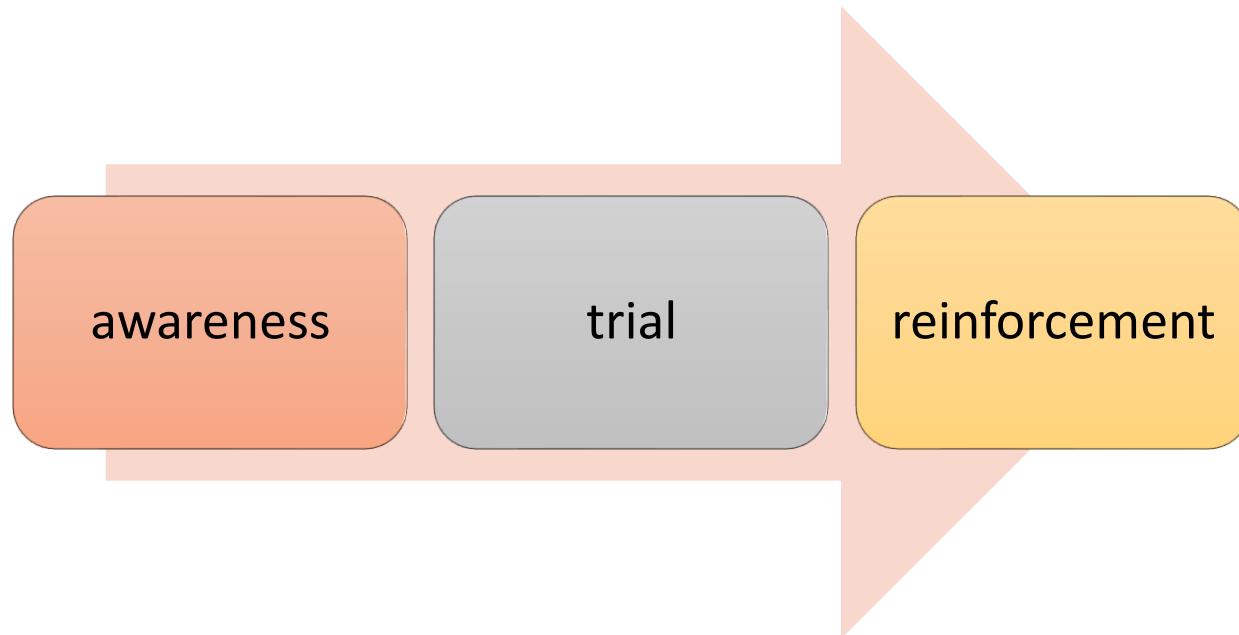
Weak Theory of Advertising

Weak theory sees advertising as less powerful. In particular, the challenges faced by advertising include:

- Lack of credibility: content of advertising, being totally controlled by the company, is neither neutral nor unbiased
- Consumer trust shifts: as decades gone by, consumers' trust in advertising has been sliding (not plummeting though)

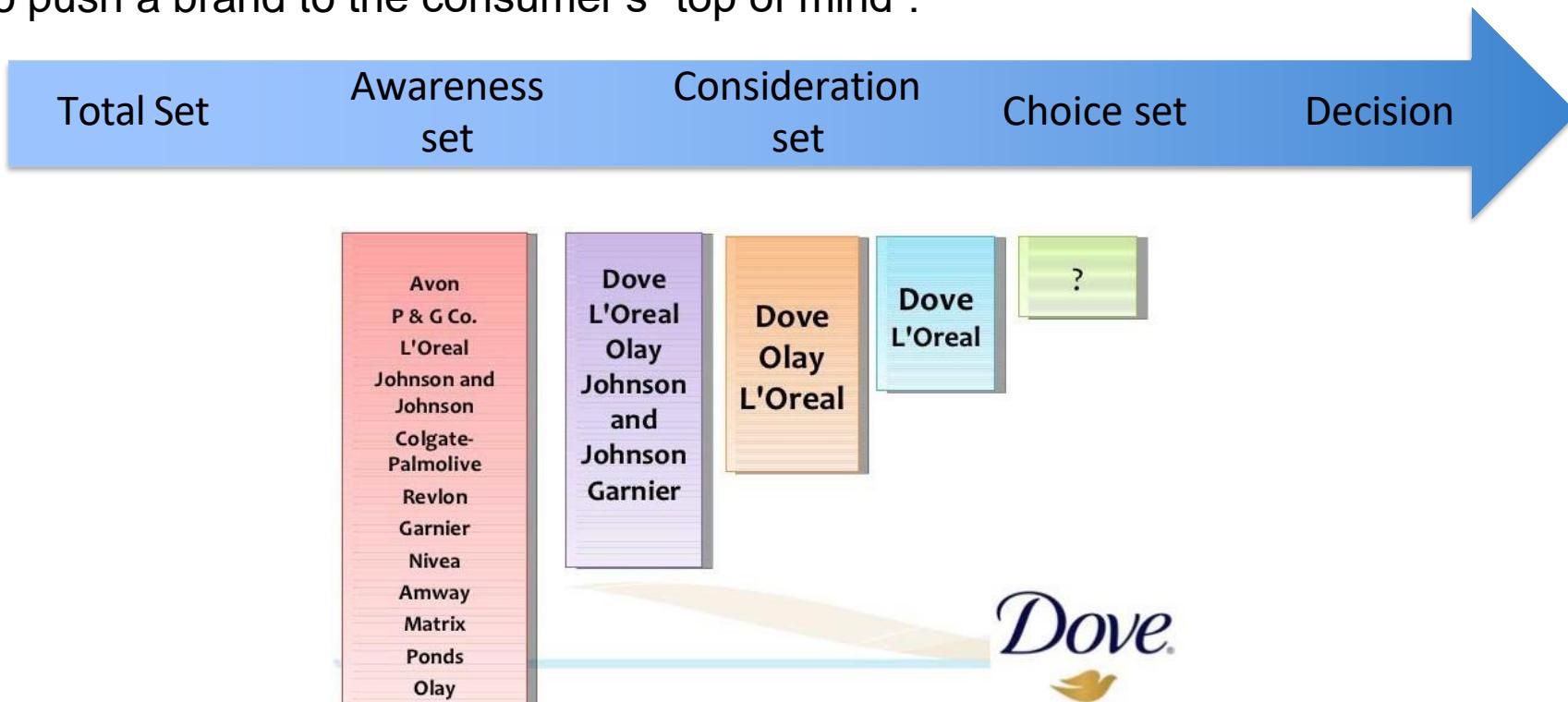
Weak Theory of Advertising

- Weak theory of advertising suggests an alternative, that a greater part of the buying experience is rooted in past experience.
- Thus, having become aware of and eventually trialed a product, advertising serves to remind and reinforce the decision made.



Weak Theory of Advertising

From the weak perspective, advertising helps to maintain a brand within the consumers' recollection of brands. Among the advertisings received by a consumer, some seeks to enter a brand into the recollection, while some strives to push a brand to the consumer's "top of mind".



Weak Theory of Advertising

Consumers' involvement in purchase process varies in different product categories.

When consumers have **low involvement**, instead of actively seeking information on a particular offering, they continuously, regularly, but large subconsciously scan the environment in order to identify anything that might be worth considering in greater depth.

- Low involvement may be pertaining to a product category in general, for example, FMCG
- Low involvement may also be attributed to a particular stage of purchase process. For example, when a customer is not in need of a new car, he/she has low involvement regarding information of cars. However, advertisement of cars may put certain brands in their "awareness set", so that one day when the need emerges, the consideration could be deepened



Weak Theory of Advertising

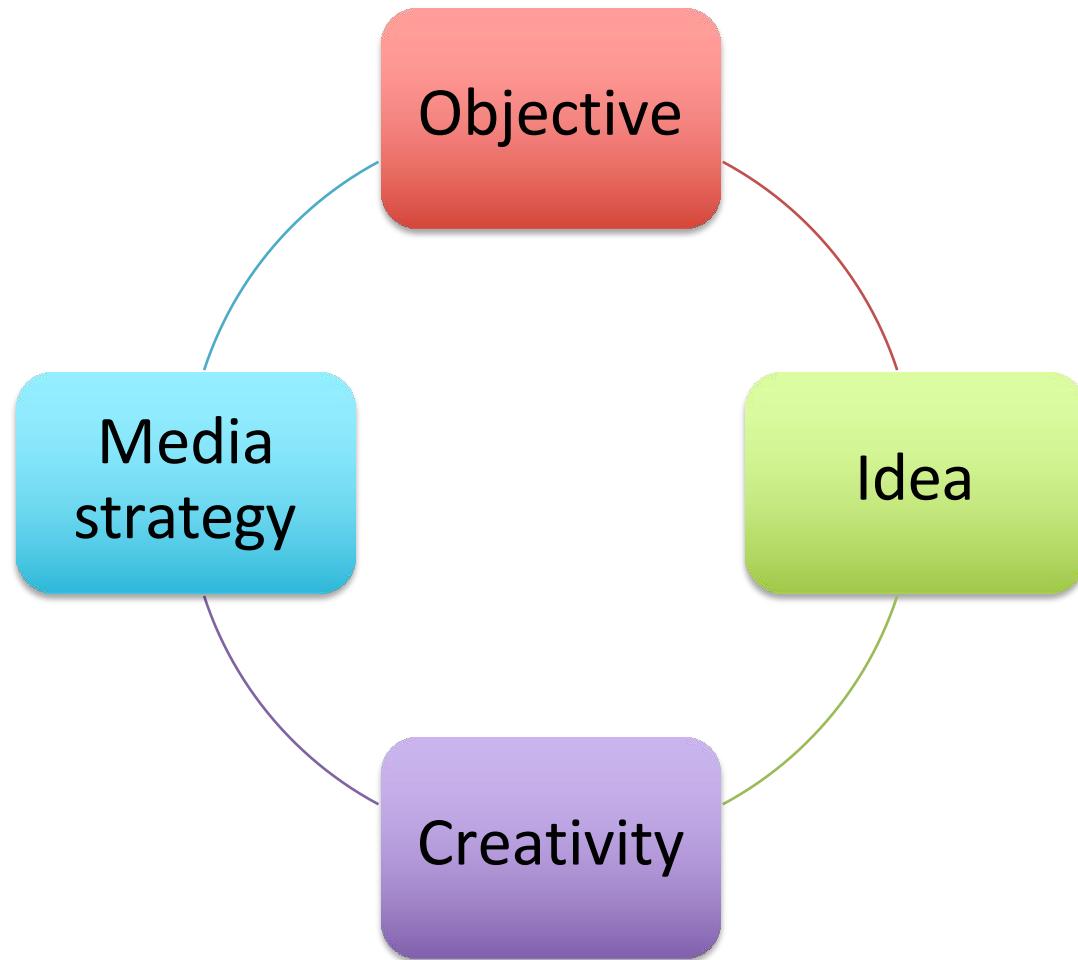
In weak theory of advertising we have to also consider that:

- Consumers are skeptical
- Consumers' attention and memory are selective

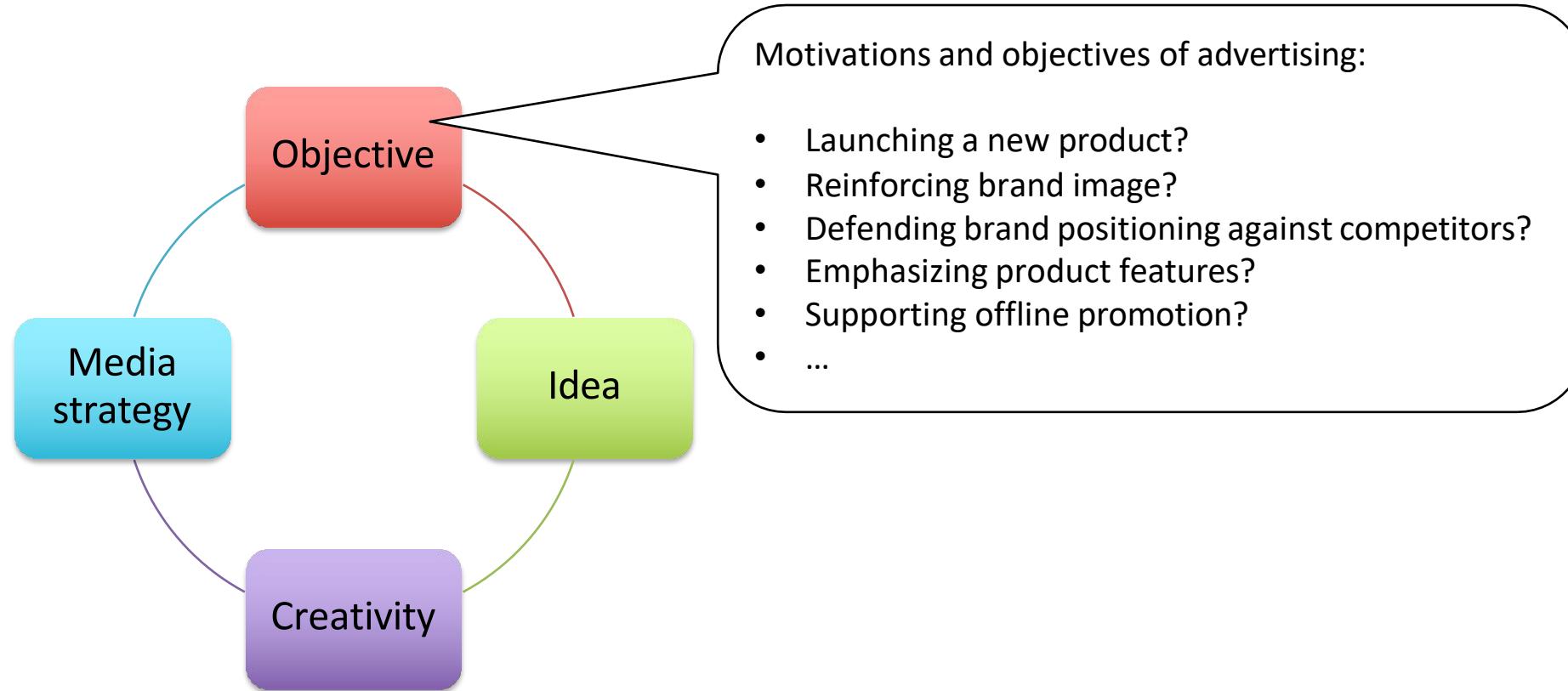
Thus, weak theory of advertising suggests that:

- Advertising could strive to create awareness and brand image
- Advertising mainly supports existing buyers to reinforce their past experience and to improve the chance of repurchase

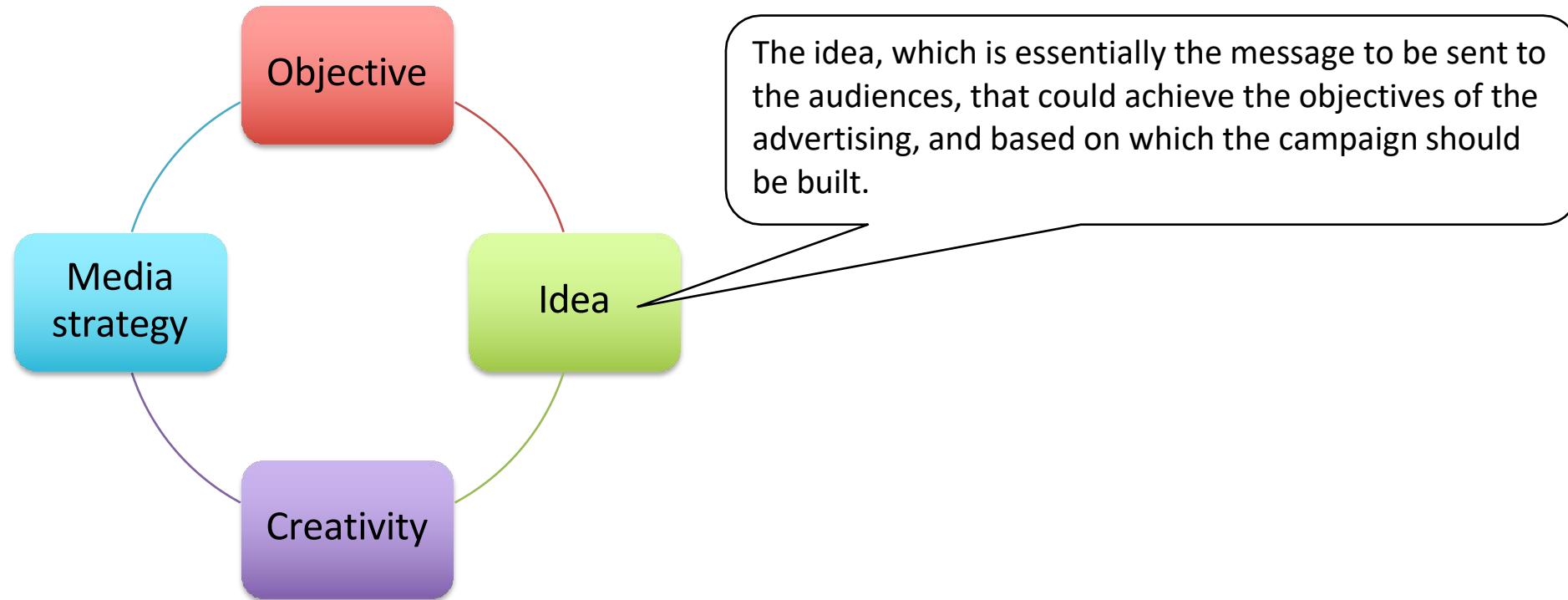
Advertising Elements



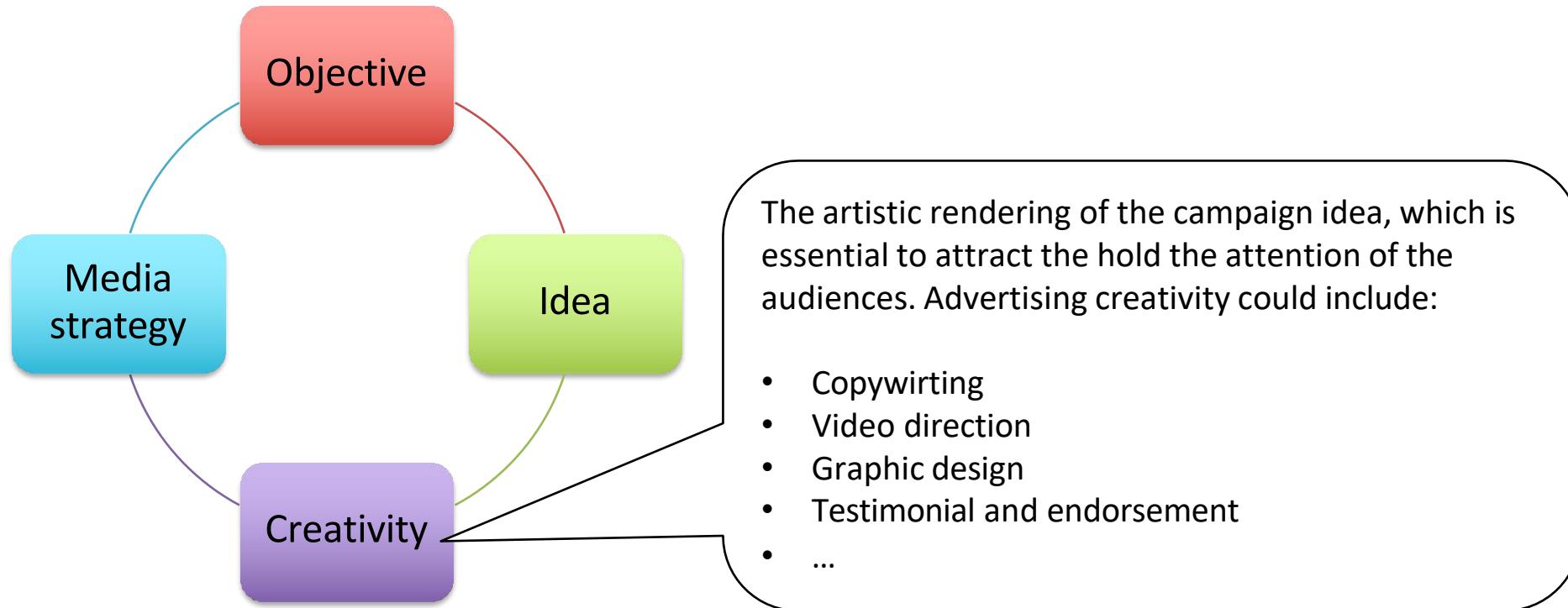
Advertising Elements



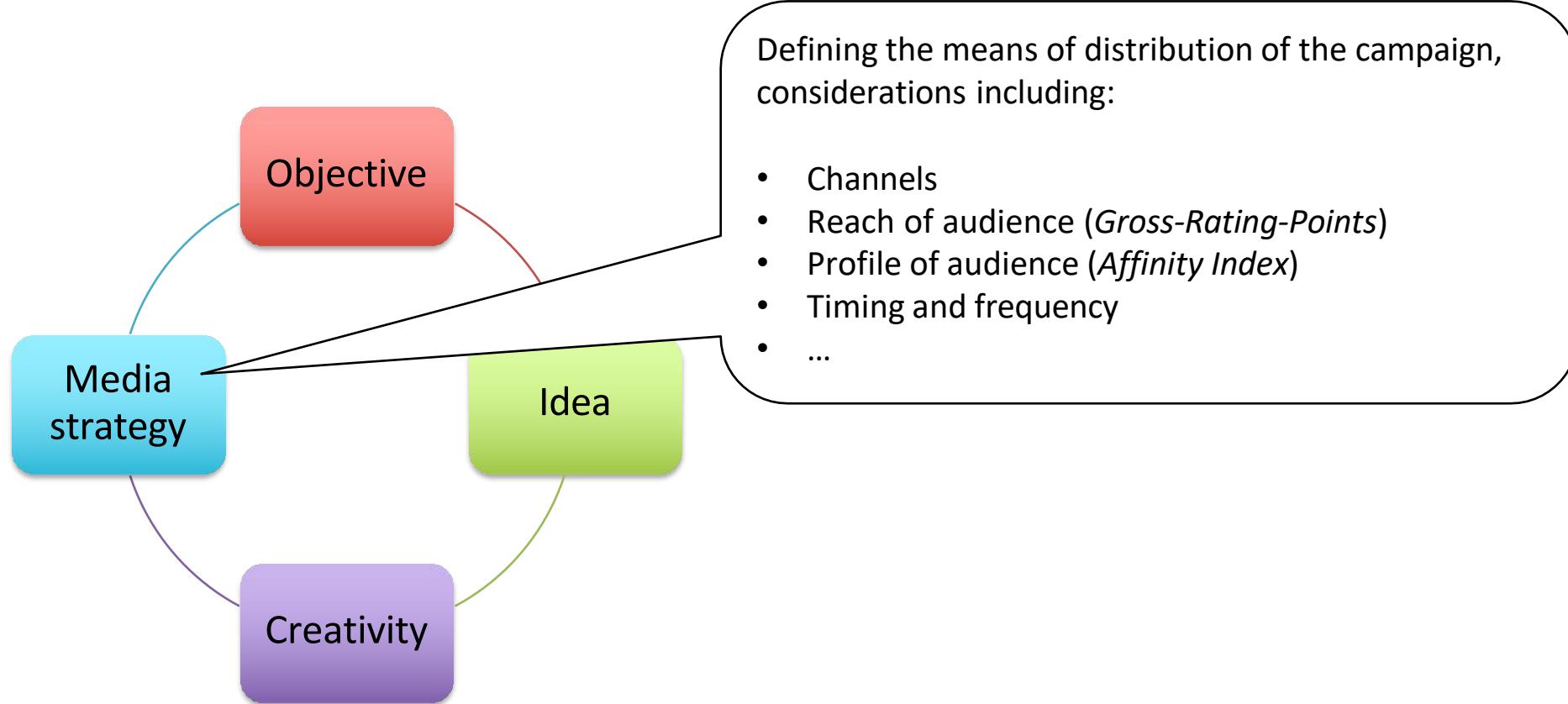
Advertising Elements



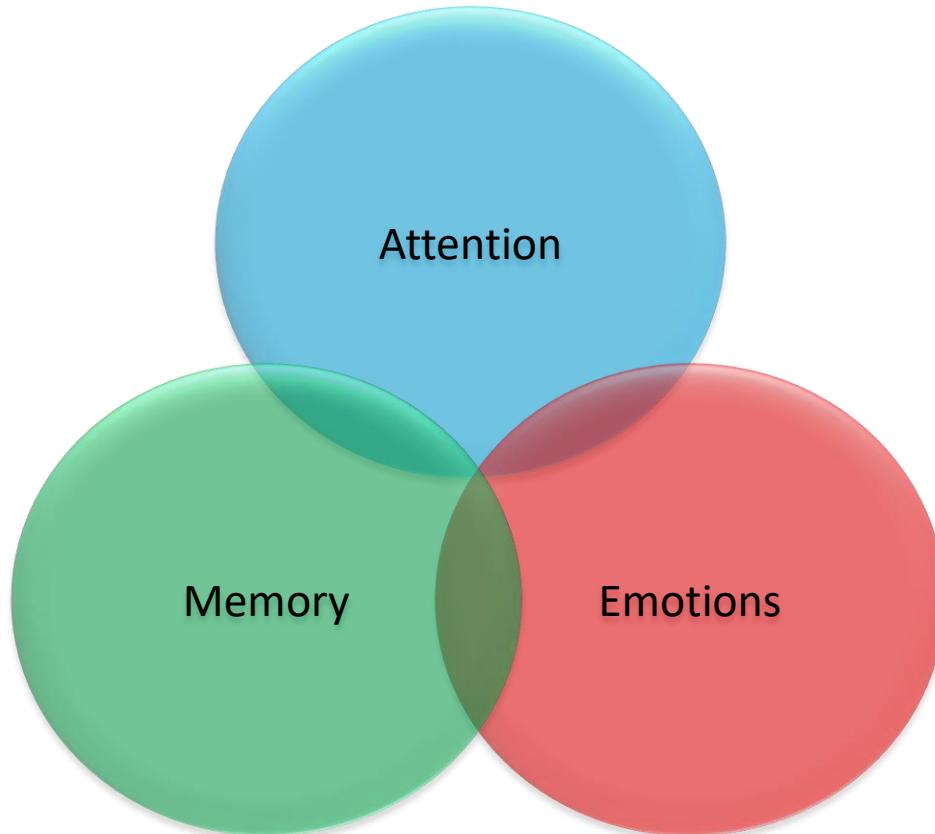
Advertising Elements



Advertising Elements



Key processes advertising should elicit: attention, memory, emotions



The attention war

In 2017, Netflix Chief Executive Reed Hastings had found the enemy. And it was not a rival streaming service like Hulu, but a biological imperative.

“When you watch a show from Netflix and you get addicted to it, you stay up late at night,” Hastings told analysts. “**We’re competing with sleep, on the margin.**”

Two years later, Netflix, on a similar theme, said in a shareholder letter, “**we compete with (and lose to) Fortnite more than HBO,**” referring to the extremely popular online video game.

Three drivers of attention:

- Past experience
- Top-down attention: intentional allocation of resources to a predetermined object, element or space, e.g. attention to the laptop brand we researched previously. Can be enhanced based on consumer needs (relevant items)
- Bottom-up attention: in processing of new stimuli the brain select “salient objects” (salient items)

Attention

Past experience



Attention

Facilitators of top-down attention:

Salience bias: consumer focus on information that are more prominent to them (current needs, predetermined objects..)



Attention

Facilitators of bottom-up attention:

1. emotionally relevant stimuli:

Primary → food, water, sex, danger

secondary → learned stimuli, e.g. brand

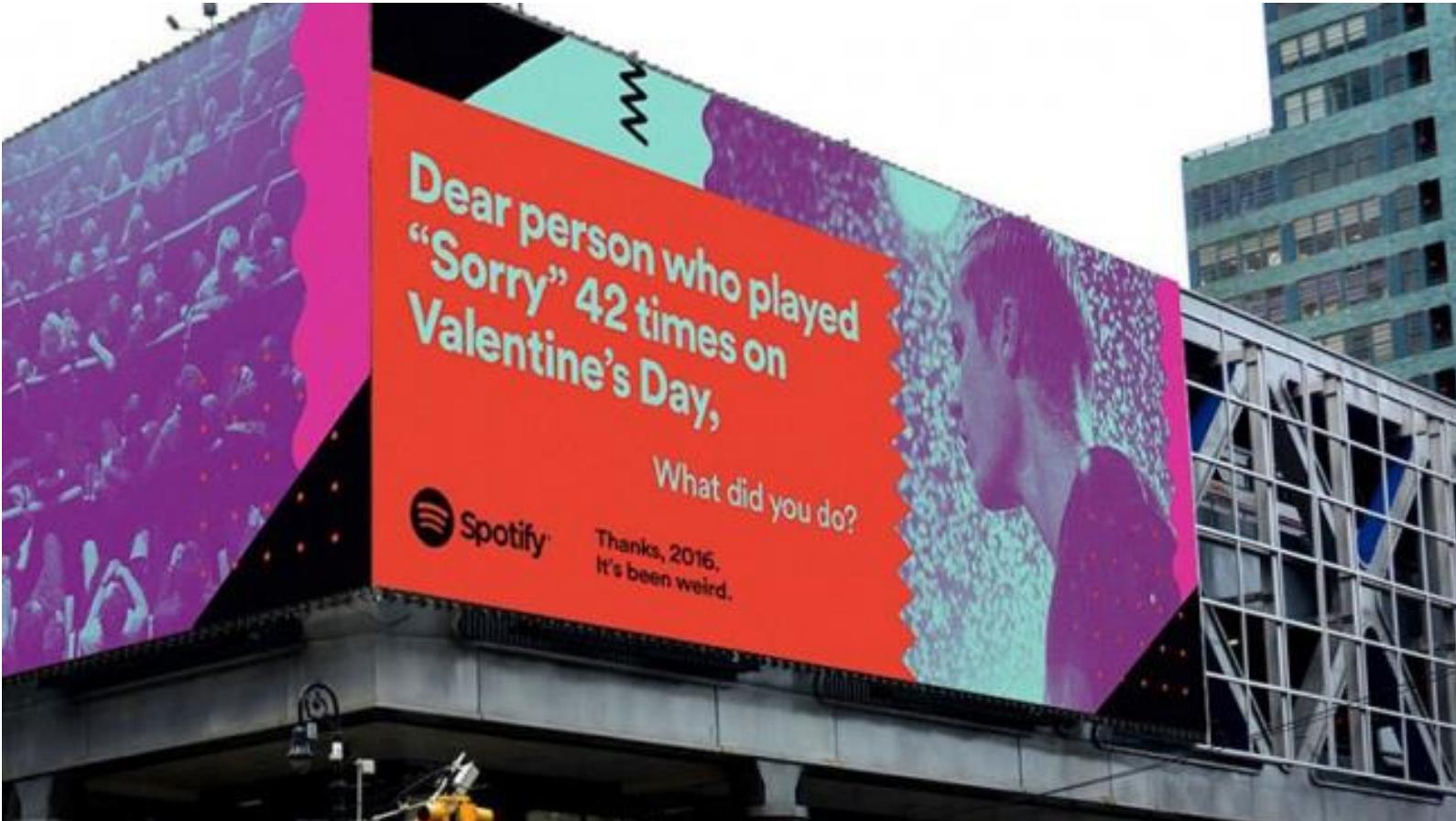


GUCCI嫉妒香水專櫃：台中中友百貨C樓 1F・高達SOGO 3F 總代理：台灣藍調股份有限公司 (02)8773-1818

Attention

Facilitators of bottom-up attention:

2. Unexpected/mismatching events



Attention

Facilitators of bottom-up attention:

3. Moving objects



Attention

Facilitators of bottom-up attention:

4. Focus

The advertisement features a central image of a smiling baby sitting on a white surface. To the left of the baby is a small green balloon with a white rabbit illustration. To the right is a blue balloon with a white elephant illustration. Above the baby, the Cetaphil logo is displayed with the word "new!" in pink. Below the logo, the text "MADE BY SKIN EXPERTS" and "TRUSTED BY MUMS" is written in green and blue respectively. Four bottles of Cetaphil Baby Skincare products are shown in a row: Gentle Wash & Shampoo, Ultra Moisturizing Bath & Wash, Daily Lotion, and Shampoo. At the bottom, three icons are displayed: a blue starburst with the text "Paediatrician Recommended", a green circle with five stars and the text "Made In Europe", and a black circle with the text "0% Colourants Mineral Oil Parabens".

new! Cetaphil Baby Skincare
MADE BY SKIN EXPERTS
TRUSTED BY MUMS

Paediatrician Recommended | Made In Europe | 0% Colourants Mineral Oil Parabens



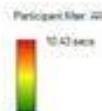
Ex... gentle for the most sensitive skin.

So, you have sensitive skin; add the chemicals and moisture to it and you have diaper rash.

Baby Wipes' unique high-absorbency natural-blend cotton pads are cotton-soft, extra thick, gel-free protection for your baby's sensitive skin. The chlorine-free materials and absorbent polymers is non-toxic and non-irritating. Clinically tested and pediatrician recommended for babies with allergies and sensitive skin.



If you are not satisfied with the Baby Wipes leakage protection, you will get your money back. Read more about our leakfree guarantee at www.baby.com.



E... gentle for the most sensitive skin.

So, you have sensitive skin; add the chemicals and moisture to it and you have diaper rash.

Baby Wipes' unique high-absorbency natural-blend cotton pads are cotton-soft, extra thick, gel-free protection for your baby's sensitive skin. The chlorine-free materials and absorbent polymers is non-toxic and non-irritating. Clinically tested and pediatrician recommended for babies with allergies and sensitive skin.



If you are not satisfied with the Baby Wipes leakage protection, you will get your money back. Read more about our leakfree guarantee at www.baby.com.

Attention

Context matters:

1. The amount of time and resources allocated in processing a message is greater in emotionally arousing context.

Implications?

2. Inattentional blindness: if the consumer is focusing on a task less resources are available to monitor the surroundings: advertisers need to put greater effort to make communication be noticed

Attention

Psychological effect of colors:

- Colors have larger effects in low-involvement processes
- Colors affect perceptions (e.g. judgement of flavour identity is connected to color)
- Colors are related to product functionalities
- Colors transmit the price-related information

Team Exercise

Identify an advertising campaign that successfully meets the criteria to capture consumer attention. On which elements it works?

Memory

We can recognize thousands of faces, tens of thousands of words.. why?

Memory was essential to survive in complex environment (e.g. food danger) → brain extracts patterns from stored information to prepare us for future decisions

Brain quickly storage incoming information in the hippocampus and then file away important pieces in the neocortex

Memory

Our memories colour what we perceive and do, how we interpret the world

Memories decay fast: in the first hour after an event we loose 50% of learned information, within the first 24 hours most of them. After 24 hours, memory stabilizes.

Forgetting is slower for meaningful information

Memory

Mere exposure effect: the more often a stimulus is presented, the easier it becomes to mentally process it → new stimuli require 10 to 20 exposures

- Stimuli easier to process are liked more
- Mere exposure does not imply that consumer remember the stimulus consciously



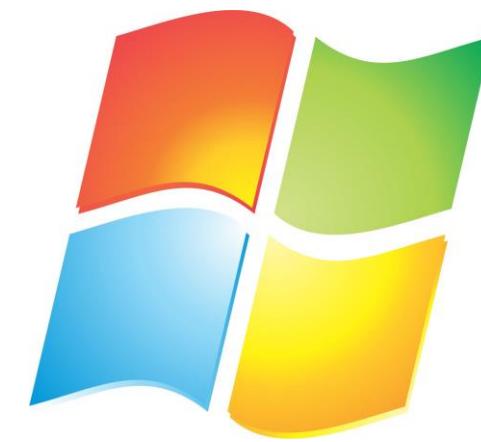
Memory

New information that fits with existing memories is better encoded and less vulnerable to decay → reactivation of associated existing knowledge

Tying new information to existing memories can be an effective marketing strategy: easier to storage information + extra cues made by existing memories

e.g. using same music or headline in all adv campaigns across time

e.g. brand testimonial





Ω
OMEGA

**QUANTUM OF
SOLACE**
7

Memory

Memories that are connected to emotions (both positive and negative) last more

Advertising, product trail, or customer service that convey emotions or are delivered in emotion evoking contexts are more memorable

Emotions

Emotional information has prior and faster processing in the brain and leads to increased memorization:

- through increased attention to emotional stimuli than non emotional ones
- even when attention is limited

Emotions

Emotions in advertising

1) First step: customers see adv message

Ads with low emotional content are more frequently skipped than ads with high emotional content. Balanced advertisements (information + emotional appeal) work better

2) Second step: customer start conversation about the adv content

Adv eliciting emotional responses spread more among consumers and push discussion around the brand



**ATTIMI DI GIOIA NELL'ARTE
CERCA LE OPERE NEI MUSEI
E CONDIVIDILE SUI SOCIAL**

AGOSTO AL MUSEO

#attimidgioia

 **museitaliani**

Napoli. Museo
di Capodimonte
Agostino Carracci
Democrito
1598 circa



Creativity: Advertising Formats

Consumers are exposed to a vast amount of advertisements (some studies suggest a single consumer could be exposed to 300-20,000 advertising impressions per day). Thus, the creativity of advertising must be able to gain immediate attention.

Some formats of advertising that have gained success including:

- Demonstration
- Testimonial / Typical-person endorsement
- Expert endorsement
- Celebrity endorsement
- “Slice of life”
- Comparative advertising

Creativity: Advertising Formats

Demonstration

- To suggest the way that the product could be used in the advertising
- To illustrate the effectiveness of the product
- Demonstration could be an effective way of communicating product usage extensions as well



Creativity: Advertising Formats

Testimonial / Typical person endorsement

- The advertising uses an “every-day” type of person, or a person that the target customers could relate to, to convey the advertising messages



Creativity: Advertising Formats

Expert endorsement

- The advertising uses an “expert” in an area relevant to the product to convey the messages, for the effect of “validity”
- The expert could be either “real” or “fictional”



Creativity: Advertising Formats

Celebrity endorsement

- The advertising uses a celebrity to convey the messages
- The celebrity should be appropriate for both product and target audience
- The greater the influence that the celebrity has on target audience, the more effective the communication could be
- However, celebrity endorsement is costly; and negative events in the celebrity's personal life may have negative effects on the brand

Creativity: Advertising Formats

Slice of life

- An artistic production depicting everyday experience, in which the message of the advertising is embedded
- Audiences should be able to relate themselves to these experiences



<https://youtu.be/oJ68Ut293sl>

Creativity: Advertising Formats

Comparative advertising

- Direct or suggestive comparison of the brand with its competitors
- Aims to convey brand positioning, or other superiorities of the brand against competitors



Creativity: Advertising Tactics

Within these broad formats, there are also some tactics that have seen success, including:

- Logical appeal
- Emotional appeal
- Humor
- Erotica
- Shock
- Fear

Creativity: Advertising Tactics

Logical vs. Emotional appeal

- Logical appeal explains the reasons why to choose the advertised products, usually, on a functional level
- Emotional appeal involves the intangibles, they appeal to consumers' ego, desires, aspirations, etc.



[https://youtu.be/rdQrwBVRzEg?si=9rs2iczy6L
S5dsG1](https://youtu.be/rdQrwBVRzEg?si=9rs2iczy6LS5dsG1)

Humor

- Humor is one of the most commonly used tactics in advertising, because it attracts attention, and if it is well done, it could be more memorable and more likely to be passed on
- Humor was found to evoke more positive response and reduce skepticism
- However, humor could be more subjective to cultures



<https://youtu.be/S1ZZreXEqSY>

Creativity: Advertising Tactics

Erotica

- Advertising with sexual imagery is one of the old tricks that attract attention.
- The use of erotica has changed (in general) from more explicit image to more sophisticated suggestions
- However, erotica in advertising is also easy to trigger controversy and backlash.



Creativity: Advertising Tactics

Shock

- Using unusual, unexpected way to deliver the message, thus to make the consumers think about the message
- Shock advertising not only attract attention, but it also often generates prolonged conversation and word-of-mouth



Creativity: Advertising Tactics

Fear

- Advertising using the fear of consumers for their or their dependents' physical well-being, social status, security, etc.



Advertising Performance

- Unaided recall
 - Under the assumption of strong theory that high impact advertising will be recalled, respondents (consumers) are surveyed about which brands' advertisements they could recall
- Aided recall
 - Under the assumption of weak theory that advertising is only a “nudge”, respondents are surveyed if they could recall when the brands/products are presented to them

However, neither unaided nor aided recall can be directly related to desirable brand perception and brand sales

Advertising Performance

Attitude Scale

- Attitude scale measures consumers' attitudes towards a brand
- By measuring pre-campaign and post-campaign attitudes, brands could attempt to gauge whether the campaign contributed to influencing consumers' attitudes towards the brand



Digital advertising types and format

- Classified advertising
- SEM
- eMail Marketing (DEM)
- Display advertising
- Video advertising
- Digital audio
- DOOH (digital out of home)
- Native advertising
- Influencer marketing
- Branded content

Classified advertising

Classified advertisement is a small message or advertisement that is placed in newspapers, magazines or periodicals. These messages are generally grouped under specific headings, also called classifications, in a separate section. Classified advertisements are comparatively low-cost ads.

Types of classified advertising:

- **Regular Classified advertisement:** normal text advertisements and are charged per letter or line or column. No graphics, typeset by the publisher of the print media.
- **Classified Display Advertisement:** include a logo or a visual image and have a border surrounding the text advertisement. Typically priced more than the regular classifieds and are charged per size (pixels/length).
- **Display classified advertisement:** costliest kind of classified advertisement. Minimum size: 3 centimeters and it can be of any size in height and width. Advertisers can also choose to have their display classified ads in color too

Classified advertising

Objects of classified advertising:

- **Recruitment**
- **Property**
- **Obituary**
- **Matrimonial**
- **Business proposals (e.g., promo)**
- **Announcements**
- **Educational**
- **Personal**

Search Engine Marketing (SEM)

a modo mio

All Videos Shopping Images Maps More Settings Tools

About 1,750,000 results (0.75 seconds)

Lavazza A Modo Mio - Acquista Online - lavazza.it
Ad store.lavazza.it/A_Modo_Mio/Macchine ▾
Le macchine da caffè che trasformano le miscele migliori in espresso perfetto.
Torino, 1894 · 120 Anni di Passione · Spedizione Gratis da 46€ · Store Ufficiale · Cultura Del Caffè
Tipi: Capsule Caffè, Macchine Caffè, Tazze Espresso, Tazze Cappuccino, Ricambi Macchine, Portaca...
Offerte Macchine Espresso Accessori Lavazza
Capsule A Modo Mio Grandi Classici

A Modo Mio Coffee Machines - Capsule System | Lavazza
www.lavazza.com/en/at-home/espresso-cappuccino/amodomio/ ▾
The Italian Coffee Shop At Home. ... Lavazza's passion for coffee has led to a system made up of blends, single-origin selections and a range of machines suited to meet your every need. The Lavazza A Modo Mio system, allows you to transform the very best coffee blends into a café ...

I'm just interested in a product category, not a specific brand yet.

I already know the brand/product that I'm interested in!

macchina espresso

All Images Shopping Videos Maps More Settings Tools

About 488,000 results (0.69 seconds)

Shop for macchina espresso on Google

Image	Name	Price	Offer	Seller
	Macchina caffè espresso a ...	€199.00	Musetti Srl	
	LA PAVONI PROFESSION/	€577.00	Coffee Italia	
	SAECO HD8423/11	€99.99	mediaworld.it Free shipping	
	PROMOZIONE MACCHINA ...	€109.00	CialdaMia	
	SAECO HD8423/22	€109.99	mediaworld.it Free shipping	
	X1 Macinato Marsala - ...	€549.00	illy online shop Free shipping	

Lavazza A Modo Mio - Prezzo Speciale Macchine - lavazza.it
Ad store.lavazza.it/ ▾
Sconti dal 15% sulle macchine espresso A Modo Mio
Tipi: Capsule Caffè, Macchine Caffè, Tazze Espresso, Tazze Cappuccino, Ricambi Macchine, Portaca...
Capsule A Modo Mio Grandi Classici
Accessori Lavazza Lavazza - Jolie

Search Engine Marketing (SEM)

- SEM is a particular case of online advertising. Brand can only initiate the advertisement when the potential customer is searching for certain keywords
- The associated keywords should not be limited to what you are trying to communicate, especially if the level of novelty of this message is high
- You need to anticipate which keywords are likely to be used when your potential customers are performing searches related to your offering
- The potential customers should already be conscious about the need that your offering is trying to satisfy

Search Engine Marketing (SEM)

Proper insights on target customers' search engine behavior is key.
Experimentation and learning are inevitable as well.

Advantages

- Extremely targeted: catch the customers who are already looking for related information
- Potentially low cost
- Keyword advertising is highly flexible

Limitations

- Not effective at raising awareness in general
- Depending on the potential customers to initiate the search
- Highly restricted for cases with high level of novelty
- SEO is potentially costly and less flexible

Basics of SEM

Quality Score is Google's metric for search campaign performance that is given as a score out of 10. This score determines the position and price of a PPC search ad. The score is based on:

- Click-through rate (CTR).
- Relevance of each keyword to its ad group.
- Landing page quality and relevance.
- Relevance of ad text.
- Historical Google Ads account performance

Basics of SEM

Google Search advertising is based on CPC (cost-per-click).

Each advertiser offers a bid for specific keywords. Then, a weighted average (Ad Rank) is run (automatically) to combine:

- Bid amount
- Quality score
- The Ad Rank thresholds (minimum thresholds that ensure minimum quality)
- The context of the search –When calculating Ad Rank, Google checks the search terms that the person has entered with the keyword, the person's location at the time of the search, the type of device that they're using (e.g. mobile or desktop), the time of the search, the nature of the search terms, other ads and search results that show on the page, etc.

E-mail marketing

Key concepts:

- Open rate: % of receivers opening the email
- Click rate: % of receivers clicking on a link in the email
- Bounce rate: % of undelivered messages
 - Soft bounce: out-of-office, over quota
 - Hard bounce: dismissed email address
- Unsubscribe rate: % clicking on «unsubscribe»

Display advertising

- Text ads
- Image ads
- Video ads
- Rich media
- Remarketing ads
- Native ads



In-image advertising
Ad spaces contextually displayed in the editorial images



<https://instapage.com/blog/what-is-in-image-advertising/>

Video advertising

Youtube ads

- Skippable video ads
- Non-skippable video ads
- Bumper ads (up to 6 secs)
- In-feed video ads

Position (for video):

- Pre-roll: before the video
- Mid-roll: during the video
- Post-roll: after the video

Video advertising: new formats

Video outstream

Advertising unit not integrated in the video content (e.g., In-banner video, In-article video, In-feed video, Interstitial video, ...)



Video outstream: evolving offers

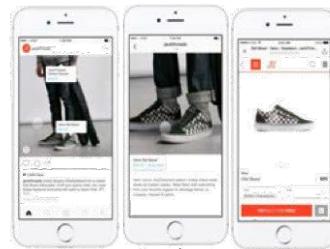
Experiential videos



360°



Augmented Reality



Shoppable



Conversational

user scrolls



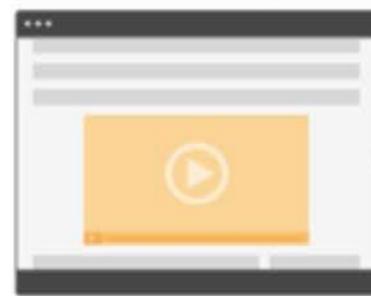
video not visible

player appears



video <50%
visible

video plays



video > 50%
visible

video pauses



video <50%
visible

Credits: mov.ad

Digital Audio advertising

Audio content through connected devices such as smartphone, tablet, PC, SmartTV, Connected Cars, Smart Speaker, even with no need for a screen.



Digital Audio advertising: types

Recorded spot

Native
ads

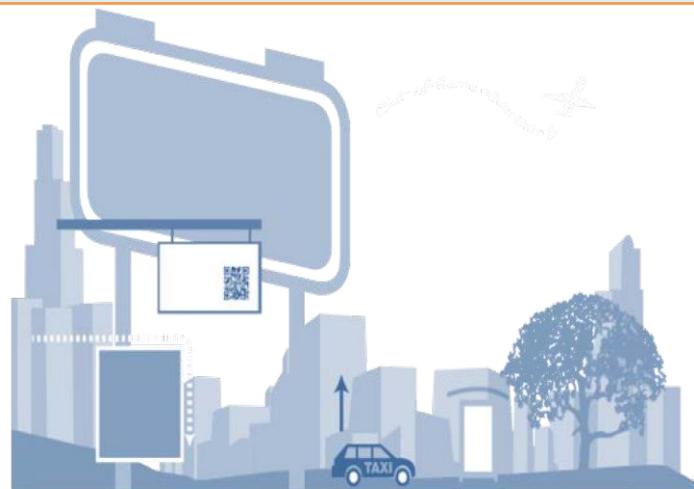
Branded
channel/
playlist

Branded
podcast

Interactive
audio ads

Digital Out of Home (OOH)

Digital content in public spaces (e.g, malls, shops, stations, streets, etc.)

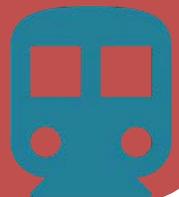


Digital Out of Home: areas

Airport



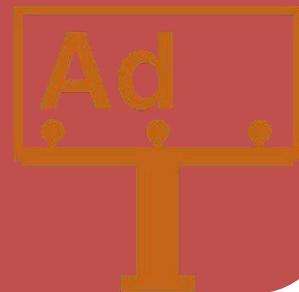
Subways & Rail



Street Furniture



Billboards



Digital Out of Home

Airport



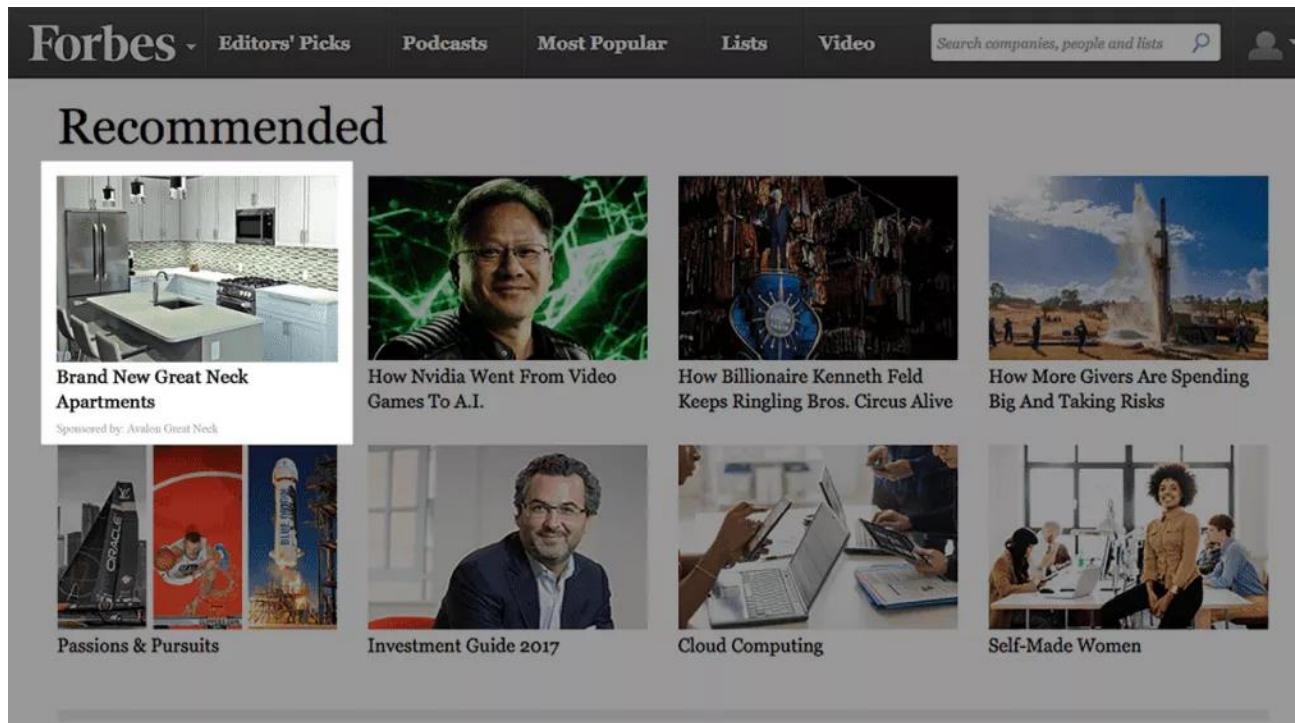
Su



Native advertising

Native ads are advertisement which resemble to the editorial content and are cohesive with the page content and design.

They are anyway a form of advertisement.



Influencer marketing

Form of social media marketing involving endorsements and product placement from influencers

77% of Italian consumers look for information about products on social media (Osservatorio Multicanalità 2020)

Branded Content

“Branded content” refers to content that is sponsored by/promoted by a brand that is nonpromotional in nature.

Therefore, “branded content” is synonymous with “sponsored content.”



<https://youtu.be/jD8tjhVO1Tc>

The role of OTT in the Media Landscape

