The Economist Group

Cracking the content code

Guidelines for maximising content marketing ROI

Introduction

The dialogue of content marketing—the relationship it allows brands to foster with customers over the long term—makes sense in our always-on digital age. The average consumer is exposed to up to 10,000 brand messages a day, interacting with a brand six to eight times before becoming a customer. Content allows advertisers to cut through the noise by focusing on their audience rather than on themselves. That means being helpful rather than promotional and adapting the narrative for each step of a customer's journey.

"Content solidifies the brand's relevance and involvement in people's lives, essentially demonstrating why they might care," says Alison Tyrrell, head of content at Spark Foundry, a full-service Publicis Media agency with clients ranging from King (Candy Crush) to Avon and Marriott. "This is achieved via personalised, contextual and fluid experiences that build upon traditional messaging whilst leveraging relevant media environments."

In other words, content marketing programmes done properly are a heavy lift, requiring time, money and resources to manage. Marketers seem hesitant to initiate content marketing programmes because of the difficulty proving return on all that they've invested. "People retract and play it safe in times of uncertainty," says Adam Morton, managing partner, client services at media and advertising agency UM London, whose clients include Johnson & Johnson, Premier Inn, Rockstar Games as well as *The Economist*.

The ROI problem in marketing is nothing new. An advert for JWT, one of the first advertising agencies in the US, reads: "Guesswork publicity belongs away back in the early nineties, in the Dark Ages of Advertising". The nineties referred to are the 1890s; the advert ran in 1915.

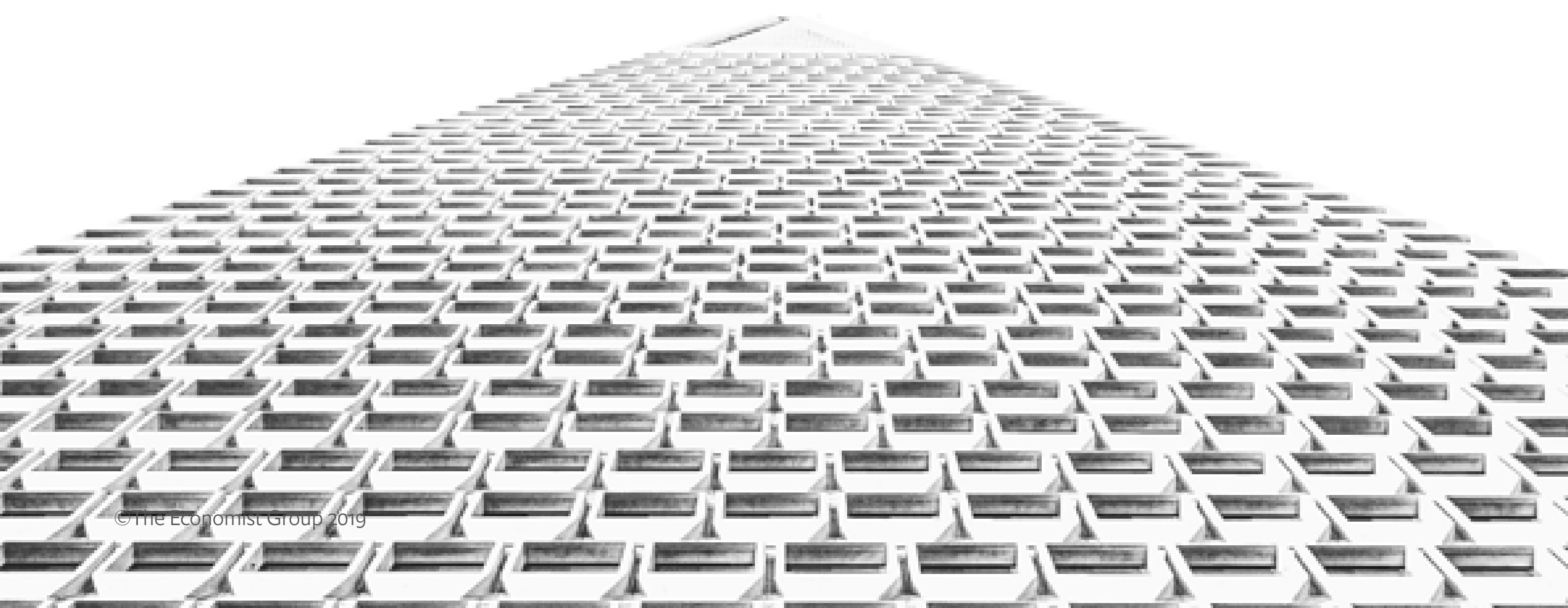
With countless new players in marketing today, from in-house content studios to consultancies, and so many more touchpoints—display advertising, native advertising, paid social, organic social, newsletters, email lead generation, etc.—the issue, put simply, is infinitely more complex.

The trend is only set to continue. According to Ms Tyrrell, "Over the next few years we'll see a continued evolution in how we make narratives even more personalised and relevant, leaning more into the behaviours and needs of the audience and further offering a value exchange."

However, just as technology and the internet have rendered marketing more complicated, they have also made our understanding of its effectiveness more nuanced and meaningful—taking big chunks of guesswork out of the equation. "Marketing ROI is not only here to stay, but is going to get more sophisticated and ever-more important," says Michael Brunt, chief operating officer and publisher of *The Economist*.

With this in mind, and as part of our ongoing efforts to improve the delivery of ROI for our clients, The Economist Group's analytics and insights team analysed the performance of our content marketing programmes produced over 12 months: more than 50 microsites created for clients across the US, EMEA and APAC and all industries—luxury, consumer, tech, finance, professional services—as well as all media units.

This paper will highlight our five key findings to achieve more successful content marketing campaigns. Brands can use these insights pre-, mid-and post-campaign to maximise marketing ROI.



How to approach the marketing ROI challenge

40%

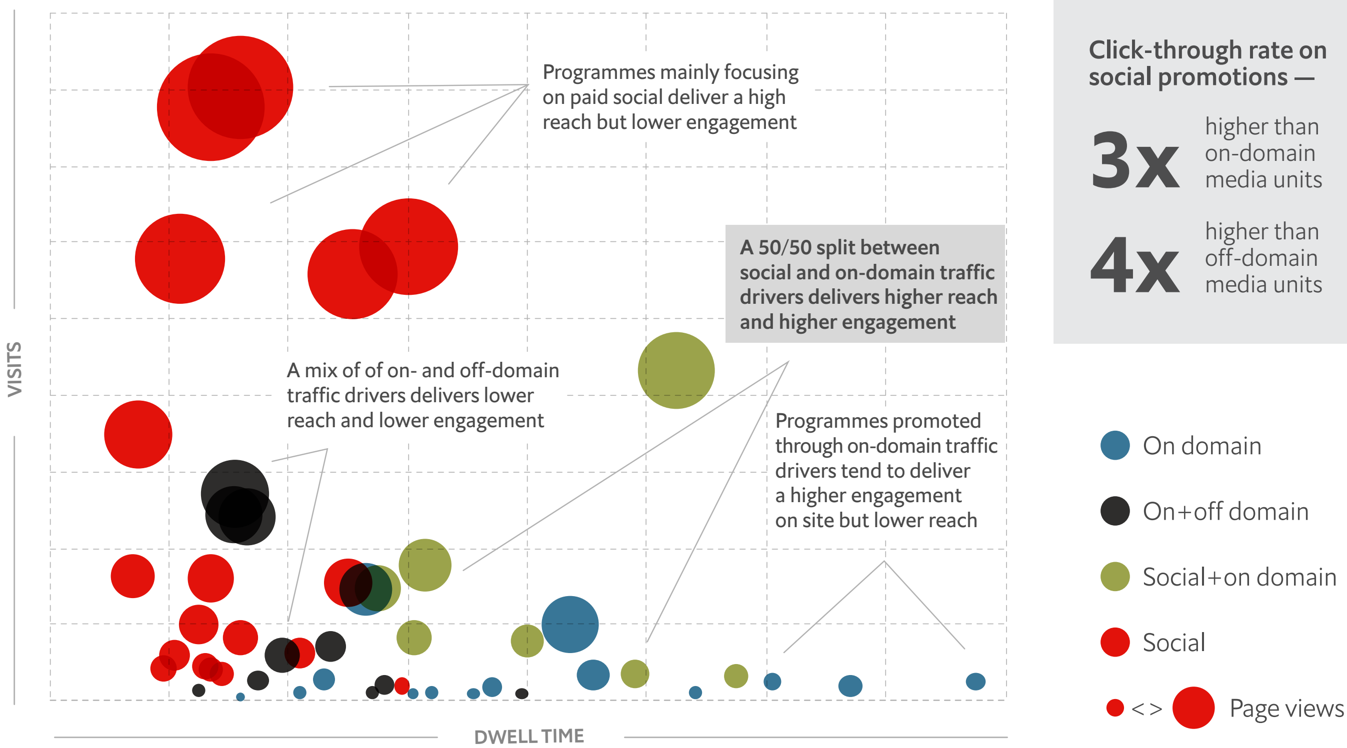
higher average time spent by visitors driven to the site by on-domain amplifications compared with visitors coming from off-domain or social amplifications

Click-through rate on social promotions —

3x higher than on-domain media units

4x higher than off-domain media units

1. Promotion in trusted environments performs best for engagement



Based on an analysis of more than 50 microsites created for The Economist Group clients over 12 months (2017-2018).

While there have been many articles in recent years about the death of the banner ad, the first insight from our comprehensive analysis found that on-domain traffic drivers—Economist.com, Digital Edition (our weekly classic app) and the Economist Espresso app (with our daily news briefing)—actually drive the highest engagement across all hubs.

There is an inherent halo effect in doing a branded content programme with a particular publisher. Both brand and environment play into that, but not in the way that some marketers might think.

The Economist Group found that content promoted on domain, regardless of the brand on the content, gets better engagement than when retargeted elsewhere. “Some of that has to do with the mindset of the audience and the credibility of the domain that you are in,” says Mina Seetharaman, chief strategy and creative officer at The Economist Group. “We are a brand-safe environment. Our readers know they can trust our editorial content and have also come to learn that we put quality branded content in front of them as well. As a result, that halo of trust translates into strong engagement with our client programmes.”

2. Custom content delivers highest engagement

This credibility carries through to bespoke content. As our analysis shows, content that is custom created by a publisher on behalf of a brand performs better in terms of engagement than repurposed content from a brand. "If readers subscribe to us or regularly return to our site," says Ms Seetharaman, "they come to us because they have a trust in the reputation and quality of our content." They expect the same rigour from commissioned content.

One example is Expect the exceptional, a global programme for analytics firm SAS, that explored how data unlock new possibilities in business, policy and beyond. "The programme aimed to spark conversations around the power of data-driven insights in unexpected areas with The Economist Group's global audience of business leaders and decision-makers," says Jennifer Chase, senior vice president, global marketing and shared services at SAS. "We wanted to transcend conventional analytics conversations."

A dedicated hub on Economist.com included research-driven thought leadership from The Economist Intelligence Unit (EIU) on the use of data and analytics for economic and social development alongside SAS-branded custom content (from slideshows and animated videos to video interviews and articles). This content explored data's impact on space exploration, connected health devices and more. Creative media executions—including SwipeStack interactive stories and Snapchat—promoted the site over a six-month flight.

The programme was one of The Economist Group's strongest-ever performing content campaigns, exceeding most benchmarks by more than 200%, including page views and total visits. A post-launch brand study found 52% of visitors left the site with an improved opinion of SAS. Ms Chase says that SAS anticipates expanding on the programme, particularly on mobile and social channels.

"SAS invests in brand-to-demand strategies with trusted media partners to support our awareness and mindshare goals of relationship-building with our target audience in new ways," she says. "We look for partners who are willing to experiment with new digital capabilities and create rich experiences for our audience to not only experience the content but to connect it back to SAS's leadership in data and analytics. We're interested in partners who can also advise on content types paired with placements and can provide direction on demographic and psychographic trends. The ability to reach a global audience, with credibility and at scale, factored heavily into our decision-making process."

Mr Morton from UM urges his clients to work closely with publishers—"taking their advice, not trying to shape things too much and make content too brand-centric". He continues: "There needs to be an element of trust—providing brand guardrails to the publisher that aren't too constrictive, which allows the content to feel native to its environment."

"Brands get blinded by their own agenda," adds Ms Tyrrell of Spark Foundry, "and with all good intentions they can sometimes roll back into the comfort of traditional marketing halfway through production and become less value-driven. If your content is helping to solve a problem, helping your audience and adding to their experience, then it will cut through the noise of competitors."

While a publisher's distribution capabilities are important—on-domain drivers for content produced in-house by a brand can help expand the brand's audience and maximise the value of its content investment—publishers can also offer unparalleled insights into their audience and provide a psychographic match through custom content.

"We understand what our audience is most likely to read about, because we test this constantly on our own content," says Mr Brunt.

> **"We wanted to transcend conventional analytics conversations."**
>
> Jennifer Chase
> Senior Vice President
> Global marketing and shared services
> SAS

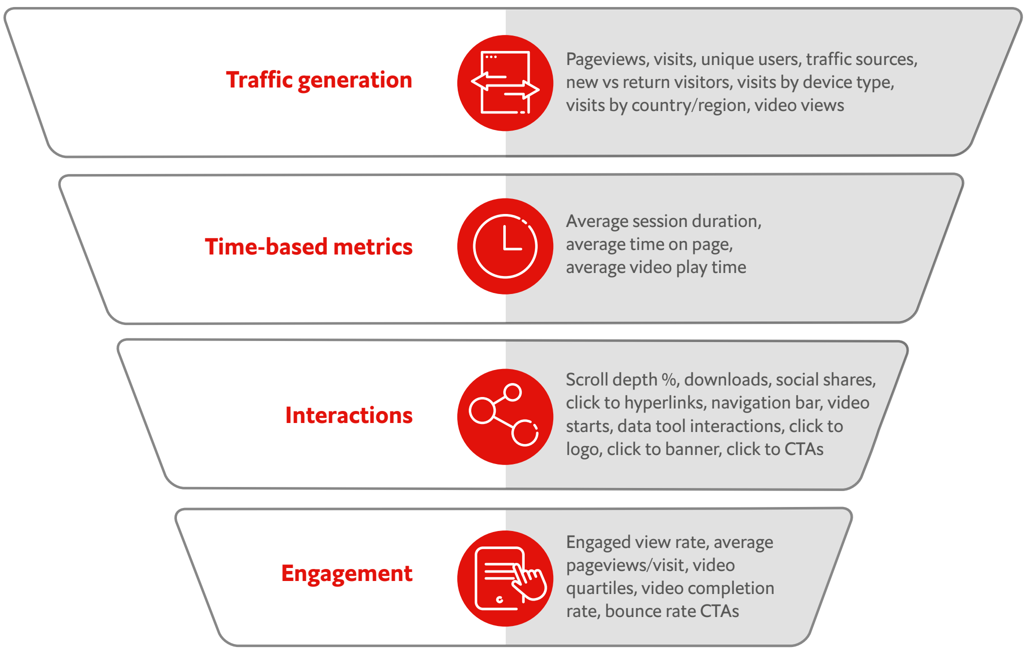
3. Add paid social to achieve the content 'sweet spot'

Compared with on-domain drivers, paid social amplifications—which tend to be consumed on mobile—deliver higher reach but lower engagement. Our research showed that the best-performing hubs tend to follow a media split of 50% of traffic delivered through paid social and 50% through on-domain media.

This combination creates a content "sweet spot", where brands get engagement as well as awareness, thus offering the best outcome—since the more time consumers spend with your brand, the more likely they are to remember your brand, come back and use it.

However, engagement and reach are often considered opposing KPIs, which is a pain point for advertisers. Our traffic-split insight helps tackle that challenge. At The Economist Group, we've developed a calculator in-house that allows us to determine the budget split between social and traditional online traffic drivers to achieve this content sweet spot.

The metrics funnel



While many brands are very focused right now on getting publishers to use their editorial social handles to promote paid programmes organically, algorithms on social platforms simply won't provide real scale. While The Economist Group has millions of followers on social, organic posts reach only a small percentage of them. For brands looking to target specific segments, paid social is the most effective method for reaching that audience. A pray-and-spray approach with social media messages will not keep a brand top of mind.

Earned, on the other hand, can amplify the effect of paid. "Often campaigns noted for their earned media value have actually had a lot of paid support behind them," says Mr Morton. "The more paid you put behind content, the more earned and added value you're going to get off the back of that."

This applies to content more generally: At the end of the day, content programmes need media support. It's not a *Field of Dreams*—if you publish it, they won't necessarily come. You have to send them an invitation, open the door and let them in, and that's what traffic drivers do.

Media, social or otherwise, are an integral amplification component of content.

4. Interactive data tools and bespoke videos perform best

Our analysis shows that content programmes hosting an interactive data tool or video offer the best performance across reach and engagement.

In 2017 Barilla Foundation came to The EIU with the primary KPI of raising awareness, particularly among global policymakers, around food sustainability. At the core of the solution was the Food Sustainability Index, an interactive data tool that assessed the progress of countries around the world in their pursuit of sustainable food systems. For Luca Di Leo, head of global media relations at Barilla Foundation, creating an index with best practices and rankings was essential for the programme to be useful for policymakers as well as to generate global awareness via media coverage.

He felt that The EIU was the right partner for three main reasons: "first of all, its reputation in the world of journalism, data collection and research", he says; more specifically, its expertise in building scientific tools such as the index for a high-level audience; and, finally, its global reach, including mainstream and social media. "These are messages that need to get to every single person around the world," he says. "How each single individual eats has an impact."

Amplification of the programme had to be strategic given Barilla Foundation's wide-ranging awareness KPI, including policymakers and journalists as well as international organisations, donors, students and the general public. A PR package, a briefing paper presented by EIU editors at carefully selected events and blogs on timely topics by influential figures—Kofi Annan, for one—also supported the success of Barilla Foundation's programme, now going into its third year.

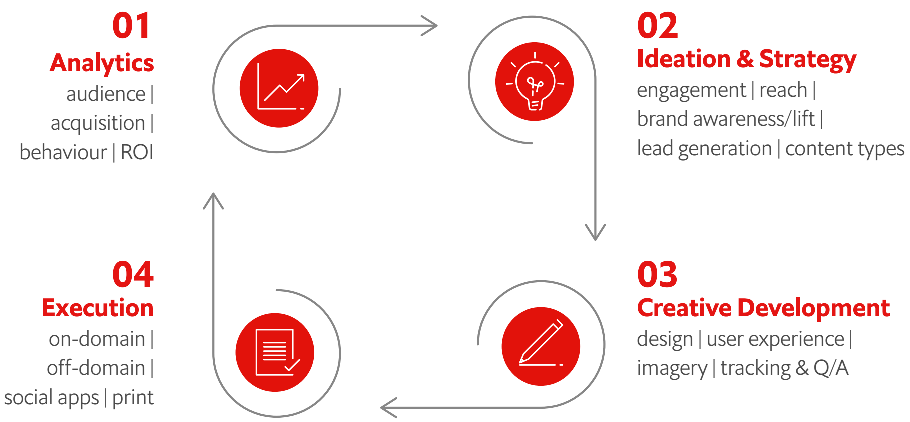
While the programme's effectiveness at driving change towards a more sustainable global food system is very difficult to measure, especially in the short to medium term, for Mr Di Leo, media coverage—which included *The Guardian* and Reuters—was essential to prove ROI. Following a six-month campaign, the programme delivered more than 500,000 page views, with an average session duration two times longer compared with the benchmark. To top it off, the programme won for the best creative solutions-led content marketing campaign at the AOP Digital Publishing Awards in June.

Crucial to Barilla Foundation's success, beyond the index, was defining its key performance indicators from the outset. KPIs outline how a client will demonstrate success in terms of moving the needle towards their broader goals and are essential to creating the most effective media and content solution. Publisher data then help determine the right approach and set bespoke benchmarks for success.

With a mix of complex deliverables (the interactive index) as well as basic ones (the blogs), the Barilla Foundation also demonstrates that content does not need to be high production to be successful. Responsive, contextual, relevant content—based on current events, location, time of day or channel, for instance—can also elicit a strong response. Ensuring that content suits the consumer at a given time is important for any programme's success.

Data are a good way of understanding the environment you're operating in and giving you some context to help you make really important decisions upfront. They are also a good way of evaluating how things are going and for giving you a sense of what you might need to adapt and optimise over time.

Data are central to our business



5. And leave room to experiment

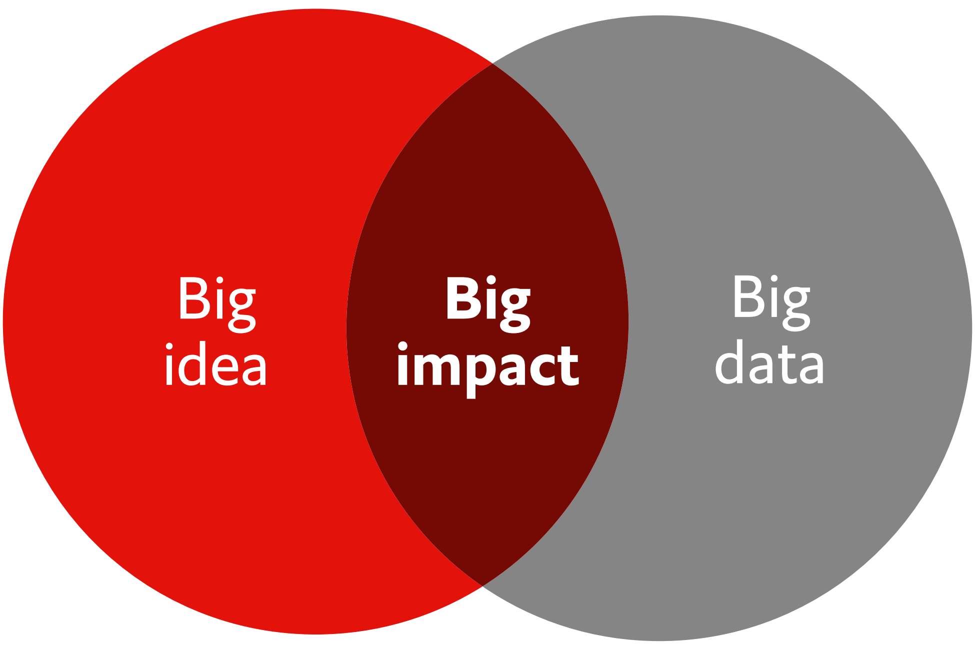
While data are central to our business and are used to enrich the idea, the creative and the media mix, "big data is not a big idea", says Ms Seetharaman. The power comes from merging the two.

"I think that creativity benefits from data at some level, but not if you are handcuffed to it or held prisoner by data," she says. "Sometimes a gut feeling is a really important thing. Would a person care about this? It's not just data on our platform that matters; what people do in the real world is a form of data input also."

While data can offer insights that spark creativity, in the end, analytics will only take us so far since they assess what has gone on in the past. Rather than creating the same thing over and over in an echo chamber, even if it is effective, producing something that surprises and delights the user might get a lot of traction, too. In an environment of content overload—where many are vying for audience attention—creativity and risk-taking are what will make a brand stand out.

Ms Tyrrell of Spark Foundry points to out-of-home campaigns such as Coca-Cola's "Share a Coke", running in various iterations for five years now, as well as the acclaimed Fearless Girl campaign for State Street Global Advisors, which began with an RFP for a print ad. The McCann New York team challenged the brief, thought creatively and collaborated closely with their clients throughout the production process.

What makes such campaigns breakthrough is not specifically their real-world execution. Effective storytelling—sometimes done in unexpected ways—is the key. Again proving the power of data visualisations to boost engagement and reach, The Economist Group and its data-visualisation agency, SignalNoise, partnered with Siemens in 2018 to create Reimagine the game. The project pairs 3D scans of Allianz Arena in Munich with acoustic camera technology that measures the crowd's reaction to create a new way to experience the FC Bayern games. "We're showing how we get great insights from gathering, analysing and digitising data," says Johanna Prestele, Siemens campaigns communications manager. "When it comes to telling our story, we're showing how Siemens is using data to transform and reimagine the world." Through an almost exclusively organic promotion, the project is eclipsing benchmarks defined at the outset.



“You choose the right solution for the right problem.”

Mina Seetharaman
Chief strategy and creative officer
The Economist Group

While not all projects need to be innovative to such an extent, Ms Tyrrell says leaving some budget to experiment creatively is best practice: “It means you can be more reactive to topical events, optimise towards top-performing assets, increase your reach with amplification strategies and test new formats that may come out that fit your audience consumption behaviours.”

Says Ms Seetharaman: “I think there’s the off-the-shelf, Target sneakers kind of thing, and then there’s the custom-made shoes for this black-tie event. They’re not the same thing. They don’t cost the same thing. They may not generate the same kind of buzz. That’s okay. You choose the right solution for the right problem.”

Brands that want to innovate and to try new things need to experiment, and they need to allow enough room in the budget to do that.

According to Mr Morton, “At UM London we look to adopt a 90:9:1 framework when it comes to innovation. Ninety percent is about optimising what you know works in areas of high maturity; 9% is experimenting in areas that are smaller and less developed but still have scale; then 1% is allocated towards media futures, the unknown, where the focus is on exploration and education, not instant return.”

The approach is inspired by the 70:20:10 framework that Eric Schmidt introduced when he was CEO at Google, but more realistic and actionable, says Mr Morton. “I think you can take that kind of approach to all forms of creativity.”

Our data analysis clearly shows the publisher’s unique role in content marketing: from content that appeals directly to readers and distribution that effectively reaches them to the quantifiable impact of the publisher’s credibility, reputation and in-house expertise.

While the marketing landscape is undoubtedly more complicated than ever, data analytics allow us today to pinpoint insights and fine-tune a set of variables to produce the most successful campaign—with demonstrable return on investment.

This is thought—and time, money and resources—that counts.

Taking our own advice

At the *The Economist*, we very closely monitor the ROI of our own marketing spend and have done so for a long time. "We've used the clear link between the marketing investment and the growth in volume of subscribers, and the resulting profits from that, as a means of presenting to the board why we should get more money and why we get good ROI on it," says Mr Brunt.

The Economist measures its own marketing ROI by mapping an end-to-end customer journey that combines digital attribution, or interactions online, with an econometric, or offline, model—the possibility of seeing our experiential carts where we give away free insect waffles, for example, as well as TV commercials, direct mail and inserts in other publications.

"Lots of companies use econometric models. Lots of companies use digital attribution. But putting them together is quite unique," says Mr Brunt. "I think that's the ultimate ROI measurement."

This approach contributed to a 23% growth in circulation revenue from 2014 (£332m) to 2017 (£353m), allowing us to double future investment further up the funnel and liberating us creatively to reach new subscribers. *The Economist's* marketing strategy has also been recognised in the industry, including with a coveted IPA Effectiveness Gold Award.

Last year The Economist Group merged its sales and circulation teams, ensuring that the same team that creates the marketing strategy in its own marketing will be the team that creates the marketing solutions for clients.

The Economist Group shifted from a regional to a global model several years ago, and this new organisation continues to break down silos between different parts of the business, from events to product to digital innovation. It also further aligns *The Economist's* clients and readers—helping brands engage with the world's most influential and affluent audience.

"When you work with us, you are tapping into the rigour and expertise that we would expect from our own marketing investments, too," says Mr Brunt.