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Getting a Grip on Digital

Most marketers agree it is important. Many are doing something about it. But the large majority don't know if they are heading in the right direction with it. The 'it' is digital marketing and the questions and doubts that marketers have about this topic linger in the air – unanswered and unaddressed, like the proverbial elephant in the room.

Until now.

In September, we brought a group of people (experts in marketing, digital strategy and legal matters) together to give us their view of the digital marketing landscape. They discussed the challenges for marketers, digital trends and privacy issues, among other things. We have presented some excerpts from this very interesting discussion in this issue.

Two other viewpoints included here look both forwards and backwards to see what is likely to change and what will remain constant in an increasingly digital world.

One provides a heartwarming view of how digital natives are leading digital immigrants into a social new age. The other uses the history of mass communication technology to map the future of digital.

Lastly, we present an inside view into the recent successful launch of Coke Zero in India – an example of how digital marketing was used to yield great results.

We hope all of this serves to inspire new approaches and ways of thinking about this topic.

In This Issue:

Of Natives, Immigrants and Others: A heartwarming read on the coming together of two digitally diverse groups.

Edited Excerpts from the Viewpoint Roundtable: [Going Digital – The Elephant in the Room](#)

The Launch of Coke Zero in India – a case study in effective digital marketing

History Lessons for Digital Marketers: Why marketers should look at the history of mass communication technology to better understand digital.

Of Natives, Immigrants and Others

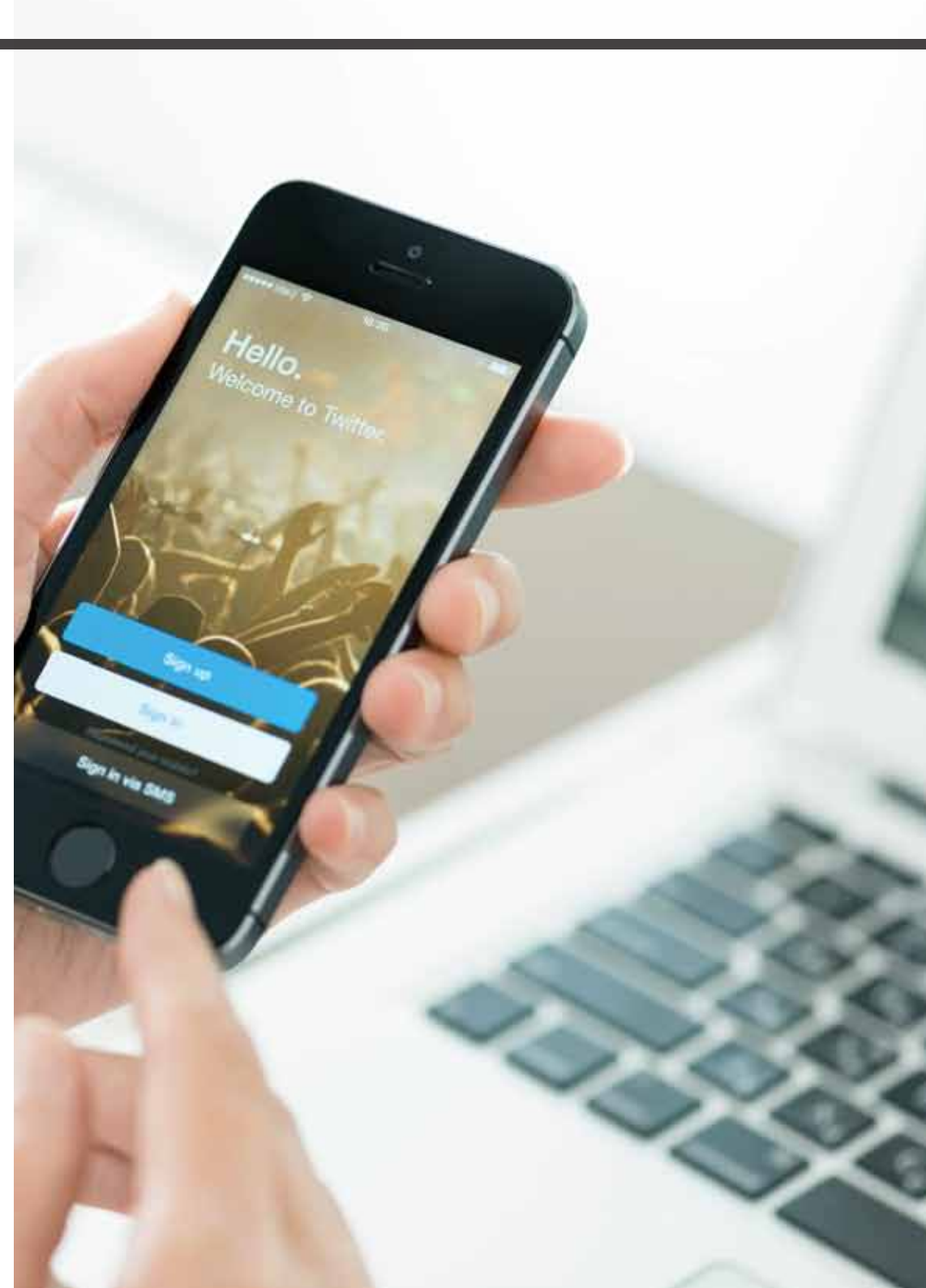
A new kind of generational divide is clearly emerging in our society – one based on levels of comfort and familiarity with digital platforms. But as Digital Natives and Immigrants find more ways and reasons to connect online, this divide no longer seems difficult to bridge.

“Look Nana, Google Earth!” squeals a 6 year old from his window seat as the flight descends into Delhi. His grandfather leans over to peer out alongside his grandson, and wonderingly concurs, “you are right, it really is...”.

This moment of discovery between Digital Native and Immigrant speaks of the fundamental difference in their approach to digital. Born during a time of iPad and mobile parenting and with digital serving as the primary reference point to reality, the first worldly impressions of Natives are fundamentally hyper-real and shaped by e-renditions on the screens and devices that surround them.

Mobile and internet connectivity are the cultural ether that suffuse their universe, the very substance of their society, socialization and engagement with reality. Their relationship with digital media is inherently intuitive as a result, and imprinted to muscle memory.

The Immigrant, in contrast, views digital as an alter-reality to their primary experience of the world. It is a platform that gives them more power over the social, personal and physical baggage that might define



Driven by a young median age and the increasingly democratizing force of mobile internet, the next wave of Indians online will be dominated by Immigrants and led by Natives.

their original notions of reality. Their exploration of the new world of digital is highly sensorial, and reminiscent of the way they once discovered the world as children.

But despite these fundamental differences, as India catapults towards potentially becoming the world's second largest country online, such moments of discovery and connection are becoming increasingly common between its Natives and Immigrants.

Driven by a young median age and the increasingly democratizing force of mobile internet, the next wave of Indians online will be dominated by Immigrants and led by Natives. The ones that grew up with the digital revolution lie somewhere in between, a mutant generation that carries the memory of its every version, and feels dislocated by the schism between real and virtual. The next wave of digital Indians will leapfrog this schism, as well as the fundamental differences between them, through a nativization of digital's linguistic culture.

Platforms like Facebook and Whatsapp are the Native and Immigrant's new cultural melting pots, erupting with community networks, family/cousin/kitty party chat groups, in addition to the friend networks that originally shaped them. Farmville and Candy Crush Saga are their icebreakers, bringing together age groups, socio-cultural backgrounds, generations and geographies with their collaborative (versus competitive) game play. Photo, video and audio content is the multimedia pidgin, bringing people together through the latest home video, the current viral meme, or vacation and baby photos. Emoticons play out as a bipolar tongue, used with the artful finesse of a Kanji master by Natives and with a more belabored resourcefulness by Immigrants. The nativization of digital culture is perhaps even more evident in the way the most popular themes of social media commentary – including entertainment, causes, brands, celebrities, politics and even religion – cut across different groups today.

The most powerful social agents of this nativization emerge as the Indian family's in-house Digital Natives – their youth and children. From triggering the first intrepid steps into digital, to translating it for the Immigrants in their families, they are as much the epicenter of this process as they are its cutting edge. They permeate the digital mainstream of Facebook, Youtube and Google in India, as well as lead its foray onto less mainstream platforms like Twitter and Pinterest. And as they do, they pave the way for others to follow, in a reversal of both generational roles as well as the traditional nativization process (in which the second language of parents becomes the first language of their children).

The real question is not entirely about Natives vs. Immigrants in India today. With the nation looking to its youth to 'Lead India', 'Teach India' and to transform its destiny, our instinct remains collective and the family - rather than the individual - continues to be the primary socio-cultural unit. In this context, the Natives' role in galvanizing and nativizing digital for India's Immigrants takes on greater imperative, couched in the guise of galvanizing modernity itself. Gone are the rationalizations and realities that limited the adoption of the home computer in India. Instead, we hear stories of the 'mobile aur internet ka zamana' that Natives are born into and Immigrants are inextricably drawn into. Gone also are the pretensions of access as pure functionality. In its place, we hear stories of peer pressure to plug in across strata and age groups.

The more promising point of interest is how the Native's and Immigrant's motivations seem to dovetail in India. At a time when the Indian notion of regional and local community is being displaced, and the Indian family feels pared down to its nuclear essentials, digital seems to proffer the possibilities of a new kind of social glue - one that binds and bonds in serendipitous new ways. At the heart of these possibilities are the blurred spaces between the Native's hyper reality and the Immigrant's alter reality – spaces that allow for delicate mediations between the individual and collective, public and personal, as well as tradition and modernity.

There are many embedded lessons here for those watching this phenomenon unfold. As Natives weigh the benefits of friending Immigrants on Facebook (with filters on, perhaps) and Immigrants invite Natives to connect with their world (or a version of it anyway), social researchers and digital marketers will do well by lingering on the sidelines and taking detailed notes.



Vidhya Sankarnarayan

Vidhya Sankarnarayan is the Co-CEO of Flamingo Mumbai and has been a radio jockey, advertising strategist, brand consultant and new media evangelist in her previous avatars.

Going Digital: The Elephant in the Room

Edited Excerpts from the Viewpoint Roundtable
September 20, 2014 at Chez Nini, Delhi

Participants:

Kulmeet Bawa, Director Enterprise - South Asia, Adobe

Rahul Matthan, Founding Partner, Trilegal

Venkat Mallik, President, RAPP India

Moderator: Shane Jacob, Vice President, Digital, The PRactice

The first Viewpoint Roundtable brought together a senior marketer, an experienced digital strategist, and a legal expert for a stimulating panel discussion on trends and issues related to digital marketing.

For something as ubiquitous as digital marketing, it is surprising how hard it is to pin down – when it comes to outlining strategies, demonstrating ROI or understanding the gray areas to avoid.

The goal of the discussion was to provide some tools and ideas for marketers to tackle these blind spots. A highly engaged audience helped to make this an interactive and insightful session, the first of many more to come.

We hope that these insights, along with the digital marketing case study that follow them, will provide some ideas and inspiration for future campaigns.

DATA FROM THE APAC DIGITAL MARKETING PERFORMANCE DASHBOARD

Kulmeet: The CMO Council, in partnership with Adobe, conducts one of the best surveys in digital marketing. The results are captured in the Digital Marketing Performance Dashboard, or the Digi-Dash, as we like to call it. The findings of the APAC survey, which will be released



The worry point here is only 6% of India believes that they are using data correctly. We are below the APAC average on this front and [if we have to] create value, we need to understand how to use data appropriately.

shortly, includes measures across four parameters – market mindset, marketing readiness, organisational alignment and marketing skill sets. The market mindset figure is favourable to India, in that 96% of those surveyed in India believe digital marketing is a huge competitive advantage. While APAC ratings are 6.7 on a scale of ten, India's is slightly lower at 6.6. The disappointing part though is that only 55% believe they are engaging and activating audiences in the correct manner.

The Digi-Dash also reveals a dip of close to 10% in senior management mindshare where digital is concerned. This can be linked to my earlier point of a lack of customer engagement. Are we creating enough value to demand digital advocacy from senior leadership?

There are some other numbers that are also worrying. The biggest one is that only 6% of India believes they are using data correctly. We are below the APAC average on this front and if we have to create value, we need to understand how to use data appropriately.

WHAT'S REALLY HAPPENING ON THE GROUND

Venkat: The newest statistics are mind boggling: there are 243 million people on the internet in India - more than half of them are on the mobile and we have over 100 million Facebook users; about 55 million to 60 million people watch videos every day; and about 4 billion is the number of video views in a month.



So, digital is clearly here to stay. In a country of about a billion people where 60% of people are almost below poverty line, you are dealing with 400 million people who can have and afford anything at all. This is the audience that is relevant to marketers.

If that is true, then you should be seeing a lot of money coming into the internet. The reality is that that is not happening. For example, India is the second largest country [for Facebook] but what you may not know is that less than 1% of Facebook's revenue comes from India. So, that gives you a vivid picture of where we are at with this whole phenomenon. There are very few marketers who spend more than 5% or 10% of their money on digital.

And therefore, the whole industry is actually trying to go around building statistics to prove that it's an effective medium at this particular point in



The digital age has given us access to unprecedented data and its usage poses some dilemmas for marketers.



time. There are different categories which deal with this medium differently. But what we are also finding is that there is a disproportionate amount of interest in the medium.

In China, for example, the advertising market is now believed to be anywhere from \$60 billion to \$70 billion. Of this, 17 billion is tied to the internet and, more specifically, to digital television. India's advertising market is about 6.5 to 7 billion. However, even with this difference in scale, we are seeing some of the same trends emerging. We are beginning to see digital radio, TV and newspapers in India also, and people turning to this medium for news and entertainment consumption.

It's become like an infrastructure which actually impacts everybody but when it comes to communicating and dealing with consumers, the rules are the same.

THE LEGAL PERSPECTIVE & ETHICAL DILEMMAS

Rahul: A lot of the issues that come to us as lawyers, do so after the fact, when something really bad has happened. The digital platform provides instant feedback along with the potential for messages and ads to go viral. But in chasing after viral content, we often tend to trip up. The challenge really is that if you trip up on digital, the impact that you will suffer as a brand is very significant.



However, from a legal perspective, that's not really the only problem you need to deal with. The digital age has given us access to unprecedented data and its usage poses some dilemmas for marketers. One of the most unsettling stories that I have heard in this regard, involves a very large retail company in the US.

As part of a targeted marketing campaign, the company sent a booklet of coupons to be redeemed against baby products, to the father of a young teenage girl. The retail company, through a system of very sophisticated algorithms - having nothing to do with the actual purchase of a baby product and more to do with the fact that, at an early state of pregnancy, women move from scented products to unscented products - was able to predict pregnancy with an alarming level of accuracy. This was knowledge that neither the father nor the daughter were privy to until that point. The company did nothing wrong at the end of the day. They did not snoop into any private, personal activity of this person. They only

gathered this information from shopping habits, in their own store. For obvious reasons, data can be very valuable to marketers such as yourself. But this particular case highlights the Spiderman truism: With great power comes great responsibility.

How marketers use this powerful data is not a question of law. It's a question of ethics. There are decisions that you will make that could influence individual action and reaction, only because you have access to hidden insights about that person. In those circumstances, how you would react is not a legal question. It is an ethical question.

DATA AND CONSUMER TARGETING

Venkat: Typically you get insights, like the ones that Rahul described in his cautionary tale, by conducting a market basket analysis. You look at the purchases that people have made over a period of time, pick trends from there, and then cross pollinate that with demographic data if you have access to it. You can then uncover insights which allow you to sharp target and increase the relevance of your marketing messaging.



You may have heard about the Australian case study involving the purchase of diapers and beer on Thursdays. Through the kind of analysis I have just described, retail marketers in Australia found out that people leaving for weekend trips on Friday afternoons, make sure that they are stocked up on both beer and diapers before loading the kids into the car and driving off. So, there is a definite pattern of those items being bought together towards the latter part of the week. This is an example of a counterintuitive insight that emerged from the analysis. When they started stocking the two items together on store shelves, sales of both went up.

Clearly, all of these insights allow us to get smarter. The ethics of it only arises when the strange stories come up. Without big data and the levels of smartness and relevance that it makes possible, people would be getting irrelevant communication every day. If you can truly create relevant communication for people, you are actually doing the world a big service.

CONTENT STRATEGIES THAT WORK FOR BRANDS

Venkat: The one big lesson that you learn in advertising is that the medium is more important than the message. The medium is the piece of content that goes out, such as the video. The video is more important than the brand message because, if the video doesn't reach you, the brand message will never get to you. Since you live in a world of permission marketing, you choose whether the video gets to you or not. If you find it relevant, you will pick it up and if you don't, you are going to reject it. One of the things that we propagate when we talk of social media, is something called the life role. If I don't fulfill a life role that you are seeking, then I will not be relevant to you and you will never come back to me.

I will give an example with a brand that will help. This is a brand called Knorr - a Unilever Brand - which is all about flavorful cooking and chefsmanship,

The India insight we uncovered for the brand was this: There are many homemakers or working women in the country who are actually trying to cook meals in the house. Those women and their dining tables are competing with restaurant food.

Our idea was to be the brand that enables women to put magical meals on the family dining table everyday. We went through the steps of how to make that meal magical (e.g. light a candle), as much as we talked about infusing flavor into cooking. With an internet strategy built on this insight, the brand became relevant to the target consumer.

DATA AT THE HEART OF IT ALL

Kulmeet: We have to start getting personalization to the next level for the online consumer and start using this data. We have a concept called the digital shelf at Adobe. We say that data, in all its forms, is beautiful and it paints a complete picture of your customer. In that picture lie those small little critical insights that you would love to know about that individual in the online world.



Now if you do not capture data in all its entirety, you would never isolate those critical little insights, which is what can finally bring meaning to the experience of the online customer.

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PRIVACY RIGHTS UNDER THE LAW

Rahul: There is currently no Indian data privacy law. What we do have are a set of regulations under the Information Technology Act that govern specific types of information. However, just because we have no laws and because we can violate privacy in ways that would not be permissible in the US or Europe, doesn't mean you can do so for an international brand in India. Or even for a domestic brand, because your reputation is more than what the law says you can or cannot do.



In the very first course in Law - Legal Method – we are asked the question: 'What is Law?' The answer is Law is minimum morality. We take what everyone believes to be the basic minimum moral standard to operate under and we call that Law. We always operate at a threshold much higher than that. Ethics is that higher threshold.

Digital Marketing Case Study

The Launch of Coke Zero in India

In India, Coca Cola has a dedicated digital monitoring group named 'Samvaad' (conversation) that tracks every thread, blog or post that is directly or indirectly linked to the brand. Through this focused activity, Coca Cola India generates plenty of data and insights that the brand can tap for its digital campaigns.

A recent campaign centered around the India launch of its sugar free drink, Coke Zero, presents a case study in effective use of digital marketing. Coke Zero is positioned as a drink for men who want the taste of the original without the sugar and calories. In contrast, its other leading cola product, Diet Coke, has a slight female skew.

There was already some buzz about Coke Zero in the market as it had previously been launched in other countries. The company used this product awareness to its advantage in order to create anticipation for the upcoming launch in India.

The choice of celebrities and performers (Mahesh Bhupathi, Farhan Akhtar, Indian fusion band Advaita) for the launch events in Delhi and Bangalore was in keeping with the product marketing strategy of targeting Indians with cultural and global exposure.

There were two main factors that primarily contributed to the success of the launch. The first was Twitter. As tweets by celebrities at the launch were picked up by their many fans, it amplified the reach of these standalone events. The other part of the brand's winning launch strategy hinged on its arrangement with Amazon India for pre-booking orders for Coke Zero. This arrangement gave consumers an easy way to get their hands on the product as soon as supplies were available in the country. In short, the launch combined good marketing and distribution in a strategy backed by sound consumer research.

Details and numbers provided by Deepak Jolly, VP – Public Affairs and Communication, Coca Cola India

Some numbers from the launch:

- 76 million impressions
- 11,000 stories created
- 7,500 unique users
- 1,450 live viewers
- 2,700 website views
- 10,100 web page views
- 32,000 cans of Coke Zero pre-ordered on Amazon.in within 48 hours
- 100,000 cans were pre-ordered within 2 weeks of the launch

History Lessons for Digital Marketers

The internet has evolved naturally from the mass communication technology that came before it – including print, radio, telephone and television. So it makes sense to look at the history of those forms of technology to explain the growth and map the future of digital communications.

The world of digital communications and culture is changing fast. Access to the internet has spread to approximately 40% of the entire global population as of 2014, and is still growing at around 9% per year. A great deal of that growth is due to the breathtaking proliferation of smart-phones and their supporting technologies. In many countries throughout Europe, Asia, and the Americas, mobile devices are now actually the “first screen” rather than the second screen, accounting for more time in a consumer's day than the time he or she spends looking at a television. (Source: Mary Meeker's internet trends 2014).

In some ways, this kind of technology proliferation and mass adoption feels unprecedented. Even if on a national scale, the telephone and television spread faster than we might think in the US, on a global scale, the seismic shifts in communications we're seeing today probably are of a different order.

Facebook first emerged in 2004 and then created its first official products for brands in late 2007 with what were then called “Fan Pages” but we now know as company or brand pages. Today there are over a billion monthly active users on Facebook. Imagine if you had access to the entire audience who watched the 2011 India vs. Pakistan Cricket World Cup Final – on the same platform and as active users – all the time. There has never been a single common platform that immediately and instantaneously reaches such a wide swath of the global population. This is mass communications on a much different level.



It is entirely possible and crucially important to take advantage of the psychology of channels even in that sea of undifferentiated status updates and search results.

But one thing certainly hasn't changed: people. The audience, the marketers and creators — their needs, desires and experiences — are all still and will always be at the center of marketing and communications relationships. Even though the changes we are seeing feel monumentally different from what has come before, it's foolhardy to think that there aren't important lessons to be gleaned from almost a century of mass print, telephone, radio, and television. Here are three to think about.

Channels will persist long after the age of dials.

For a long time in radio and television history, you chose what you wanted to see or hear by turning a dial that had numbers on it. Position 10 (one network) on the dial was different, programmatically speaking, from Position 12 (another network). We now choose our programming electronically, by pushing buttons and using a more metaphorical navigation to tune to what we want to see or hear. But the networks still exist and matter and are part of how we make sense of it all and decide what to watch.

This is a powerful metaphor and it will continue to persist for digital marketers. The era of the internet and the World Wide Web introduced the notion of "home pages" and sites, and the social media era brought in an undifferentiated feed or stream of content all mish-mashed together. Facebook's controversial news feed algorithm has changed the way billions of people "tune in" at first each day, but it hasn't disrupted the way they understand appointment viewing, the classification of information and programming, and in-depth exploration. When they find something they really like, they follow it to the source and build a relationship with that creator or publisher. If after consuming enough bits, they decide that it is not really for them, they stop seeking that content out. This is the channel mentality still at work.

It is entirely possible and crucially important to take advantage of the psychology of channels even in that sea of undifferentiated status updates and search results. In order to attract and maintain an audience, brands need to think like TV and radio stations and create and fulfill expectations just like channels do.

Brands have been storytellers for a long time already.

It is easy to lose sight of the fact that brands have been active in both creating and supporting the creation of content for many years. In some cases, they have supported content only loosely related to their area of

specialty, on the basis of shared values or an audience they would like to engage with. Soap operas famously got their name from the soap brands whose dollars made this form of entertainment possible. While they advertised on these shows, they also funded them in a very real sense. Those were the days when the content was the content and the ads were the ads. People tuned in because the show had repeat value for them. Today brands sponsor pieces of creative content in a multitude of ways, but it's not often that you see a brand in the title of a show. It would be a very expensive endeavour today to sponsor an entire TV show to an extent that would earn the brand naming rights as well.

However, brands continue to serve as true benefactors to high profile creators and achievers. On a small scale, take a look at GE's Six Second Science Fair on Vine that creates and curates engaging science experiment videos. On a grander scale, think about Red Bull's famous Felix Baumgartner space jump in 2012, the first ever dive from the stratosphere down to Earth. Red Bull not only provided the funding and exposure, but also served as an active partner in supporting Baumgartner's pursuit.

Brands that understand this bigger picture and use their resources wisely to go beyond product and service marketing to playing a role in the landscape that their target audiences care about, will continue to thrive — today and tomorrow. Kraft's Director of Data, Content and Media, Julie Fleischer, says brands should not publish content just because it's free to do so. Instead, she talks about the need to relentlessly pursue value:

"The days of free organic reach are rapidly coming to an end. If you wouldn't spend money behind it, then why do it? It's shouting into the wind without making a sound. How many of us are guilty of being slaves to a calendar or posting cadence?"

Technological innovation drives marketing innovation, and quickly.

We take this for granted today, but even a small change to the ecosystem can have huge effects on the day-to-day role of digital marketing. Just a year ago, Twitter rolled out the capability for users to see images and videos in the timeline as a preview image. While images were already a significant part of what Facebook had built, once Twitter and Facebook converged on this, there was a sweeping shift in marketing tactics to feed the image beast on both platforms. Today, all brands are expected to not just be strong and ongoing participants in text-based conversation, they are expected to be adept at manipulating words and images together into static and animated assets.

Brands [that] use their resources wisely to go beyond product and service marketing to playing a role in the landscape that their target audiences care about, will continue to thrive — today and tomorrow.



Looking back at the history of mass marketing, you can see the same dynamic taking place over and over again. At the turn of the twentieth century, the adoption of halftone printing for images touched off a similar tactical shift in magazine advertising. This should sound familiar:

“The introduction of the halftone technique for photographic reproduction in 1892 provided human-interest characters with more ‘naturalness and greater emotiveness’ than previous line drawings and woodcut engravings could (Presbrey 1929, p. 382). Advertisers thus began to make wider use of human-interest trademarks, especially adorable child characters, to appeal to children and women (Hornung and Johnson 1976)”

This sounds a lot like more recent content trends sparked by changes to the platforms. When there’s a new tool available, marketers have always been there, in a hurry. As a new feature, platform, or tactic gains support, it’s typically already a part of the marketing vocabulary as it has been beta-tested and pre-sold to high-value brands and marketers before launch.

There are bigger changes and more innovation coming up. I am paying close attention to the Oculus Rift, the Virtual Reality platform recently acquired by Facebook. Futurists have been talking about VR for a long time, but computing and visualization power is now at a point where it’s not hard to imagine it in real life. It’s already becoming a part of the gaming landscape, and seems to hold a lot of potential for the marketing one as well.

Imagine being able to see a rock concert from any point in the audience, and explore the full concert hall as if you were there. Some parts of that experience would translate just as well to traditional media such as video clips and stories, with the VR component creating all sorts of new opportunities.

With these and other exciting avenues to explore, it makes sense that marketers keep an eye on and prepare for what’s on the horizon. However, it is also a good idea for them to keep the past and all its lessons squarely in their rearview vision as they forge ahead.



Dave Coustan

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