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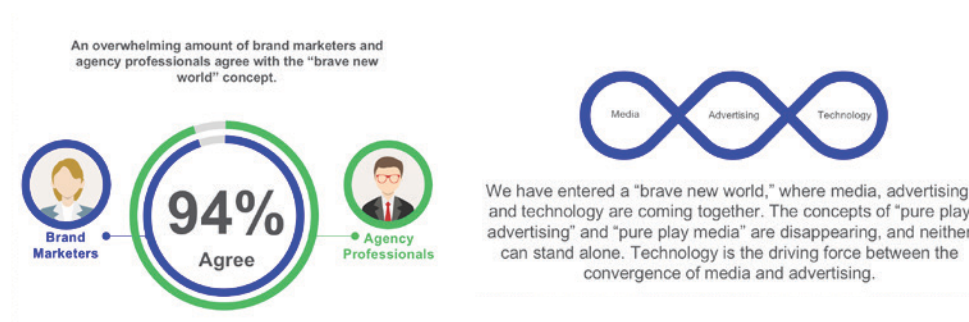
It's a Mad, Mad, MAdTech World

As the lines between media, advertising and technology blur, marketers, content creators and consumers are changing.

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Technology is fundamentally reshaping the advertising and media landscapes

Technology is fundamentally reshaping the advertising and media landscapes; the fault lines between pure play media and advertising are fast disappearing. We now live in a world in which media, advertising, and technology intersect to alter fundamentally how consumers "consume" content. The intersection of tech, media, and advertising—and what that means to consumers—reverberates throughout the marketing world; how marketers need to advertise and media and platform companies need to relate to consumers and advertisers is irrevocably changed and changing.

For many companies, this demands revolutionary change; changing fast to meet the demands of the new consumer is an existential need. More widespread is the evolutionary effect, as all companies must adapt to meet the higher expectations of the modern, empowered consumer with greater speed, flexibility, and efficiency.

An Ipsos proprietary study validates this notion: 85% of marketer and agency respondents agree that technology will play a key role in their next campaign. Notably, 94% of this same group agreed with the idea that we have entered a "brave new world" where media, advertising, and technology are coming together.

An overwhelming amount of brand marketers and agency professionals agree with the "brave new world" concept.

94% Agree

Brand Marketers · Agency Professionals

We have entered a "brave new world," where media, advertising, and technology are coming together. The concepts of "pure play advertising" and "pure play media" are disappearing, and neither can stand alone. Technology is the driving force between the convergence of media and advertising.

Those who have responsibility for creating advertising, content, and/or other marketing programs, as well as those who make the final decision about advertising, media, and/or digital media marketing, are more likely to agree strongly with the concept.

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MADTECH CHANGES EVERYTHING
The implications for advertising and media are widespread

MAdTech means a transition from sequential to simultaneous communications. In the old days, the path of communications from the brand to the consumer was a linear and direct one, reflecting the analog nature of media. It often proceeded from the brand and its big idea to television, radio, print, outdoor, and point-of-sale to affect the consumer. This has changed with digital media that allows for the simultaneous communication of story elements that come together to form a single concept. In literature, this is called "disruptive narrative," and its dominance in digital media has important implications for how brands communicate with consumers.

MAdTech means that brands no longer control the entirety of the communications supply chain, the sequence of processes involved in the creation, production, and distribution of communications to the consumer. Digital advertising is enabling a level of interaction and dialogue between marketers, consumers, and the media whereby the three are becoming partners in the advertising experience, often as co-creators. While there's no one-size-fits-all scenario, in many cases, the brand and its agency control the first part of the communications supply chain, the media the second, and the consumer the third.

MAdTech means that brands in the future must engage in systemic story-building, layering communications to form a single narrative vs. today's linear storytelling. In systemic story-building, the base layers of communication are created by the brand, certainly the big idea and core video executions, but these will be increasingly complemented by content co-created with media partners and that which the consumer creates in response. Of course, every brand will be doing this, so we will move from a world in which one's linear stories needed to stand out vs. other linear executions to one where each brand's story system will need to stand out vs. other story systems.

MAdTech means content creation moves from kinescope to kaleidoscope. Narrative sequences change. Storytelling elements and fragments are reconstituted. Plot lines and characters morph and transform in exciting ways. In some instances, consumers create their own narratives that advertisers can join, e.g., social media and news feeds. The kaleidoscope of content creation alters the role of players in the communication supply chain. Brands can be publishers. Publishers become marketing services agencies. Tech companies start to fill a role similar to movie studios during the Golden Age of Hollywood: content distributors and destinations for new talent discovery.

MAdTech means buying audience is as important as buying content to run advertising in. In a MAdTech world, it is possible to track media behaviors and intent and to target audiences in much finer segmentations than the traditional age and gender demos. Automated platforms aggregate audiences and achieve higher reach with cost efficiencies. Audience buying, however, does not account for consumer motivations, loyalty, and attachments. The challenge for brands is to find the right

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mix of data driven audience buys and insight driven content buying to achieve their communications goals.

MAdTech means screens and multi-screen usage proliferate. Today's argument is about which screen is dominant, but does it matter? It is far more important to identify the use cases for different content and ad experiences and to understand how multi- and simultaneous screen usage influence these. Publishers and platform owners will reshape and reinvent the content once the consumer voice is heard.
For the most part, agency influencers and marketers are positive about the increasingly influential role of technology in their businesses, with two-thirds saying they thought it made it easier to reach their audience. Agency respondents were significantly more likely to point this out.

Percentage of Agency Professionals & Brand Marketers who agree

66% Makes it easier for advertisers to reach their audience

59% Allows marketers to be present throughout all phases of the customer's purchase journey

56% Improves the customer experience

55% Creates higher expectations for customers and end users in terms of content

54% Makes advertising more efficient

53% Puts customers in the driver's seat

Thinking now about the impact of technology on marketing and advertising, and using a scale from 1 to 7 where 1 is 'Disagree completely' and 7 is 'Agree completely,' how well do you agree or disagree with the following statements?

More than half said it helps marketers to be present throughout all phases of the customer's purchase journey. Those who make the final decision about advertising, media, and/or digital media marketing are most likely to feel this way (70%). Content creators and final decision makers were significantly more likely to say technology has created higher expectations for customers and end users, as well as that it "puts customers in the driver's seat." Agency respondents and those involved in advertising were more likely to say that technology makes advertising more effective.

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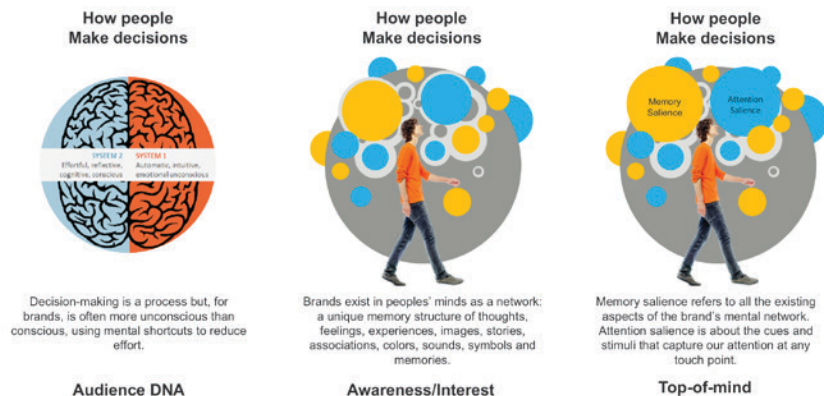Media · Advertising · Technology

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And, how people make choices. Choices about the products they buy, the content they watch or read or listen to, and the technology enabled platforms they use to communicate, share, comment, create, and learn--i.e. interact--with family and friends and the broader world.

Even when conditions are in constant flux as they are today, the way humans gather and process information and make choices is fairly constant. The basic needs and motivations that people seek to fulfil remain the same, even if the means of satisfying them change.

For businesses—from CPG to media publishers to technology companies, understanding people remains the strategic cornerstone.

At the heart of growth is an understanding of how people make choices

How people Make decisions

Decision-making is a process but, for brands, is often more unconscious than conscious, using mental shortcuts to reduce effort.

Audience DNA

How people Make decisions

Brands exist in peoples' minds as a network: a unique memory structure of thoughts, feelings, experiences, images, stories, associations, colors, sounds, symbols and memories.

Awareness/Interest

How people Make decisions

Memory salience refers to all the existing aspects of the brand's mental network. Attention salience is about the cues and stimuli that capture our attention at any touch point.

Top-of-mind

Companies that grow understand

How people make decisions—how this is often more unconscious than conscious, with the use of mental shortcuts to reduce effort.
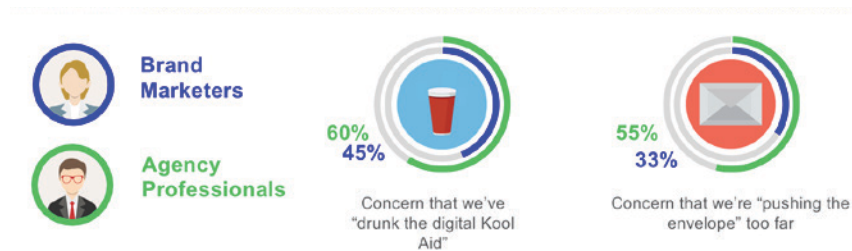
How people think about brands—how these exist in people's minds as a network: a unique memory structure of thoughts, feelings, experiences, images, stories, associations, colors, sounds, symbols, and memories.

How people are influenced—how, at all points in the process of deciding which brand to buy or which site to visit or which TV program to watch, people are influenced by memory and attention salience. Memory salience being all the aspects of the brand's mental network that have been developed in the past and Attention salience all the cues or stimulus that capture our attention in the moment.

And, companies that grow understand that successful products and services, be they consumer goods or media content or tech platforms, are those chosen by more

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people, more often, and more easily.

Have advertisers been too smitten with shiny new digital objects and neglected these basics? Are they "in too deep" when it comes to digital? Have they simply jumped on the bandwagon? Six in ten agency respondents expressed concern that they have "drunk the digital Kool Aid," and overly rely on digital. This is significantly higher among agency respondents compared to client-side marketers and is also higher among those involved in media buying compared to those involved in other areas.
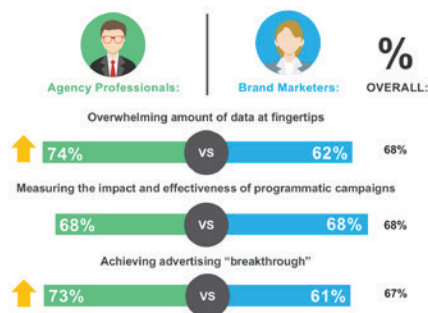

Brand Marketers

Agency Professionals

60%
45%

Concern that we've "drunk the digital Kool Aid"

55%
33%

Concern that we're "pushing the envelope" too far

Similarly, agency respondents were significantly more likely to express concern about "pushing the envelope too far." Among marketers, there is a correlation between those who indicate that "we're too risk averse" and concern that we're "pushing the envelope" too far – suggesting confusion regarding the right level for their digital initiatives.
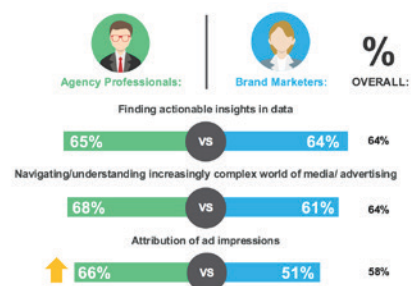
MAKING SENSE OF MADTECH

Making sense of MAdTech starts with data and insights—only one of which is readily available. Survey respondents reported overwhelmingly that they are drowning in data, but starving for actionable insights. Agency respondents and media buyers are most likely to feel that they have an overwhelming amount of data at their fingertips (about 75% for each), while nearly two-thirds of all respondents reported that finding actionable insights in the data was a pain point.

Brand marketers and agency professionals are drowning in data

Agency Professionals: Brand Marketers: % OVERALL:

Overwhelming amount of data at fingertips
74% vs 62%   68%

Measuring the impact and effectiveness of programmatic campaigns
68% vs 68%   68%

Achieving advertising "breakthrough"
73% vs 61%   67%

...And starving for actionable insight

Agency Professionals: Brand Marketers: % OVERALL:

Finding actionable insights in data
65% vs 64%   64%

Navigating/understanding increasingly complex world of media/ advertising
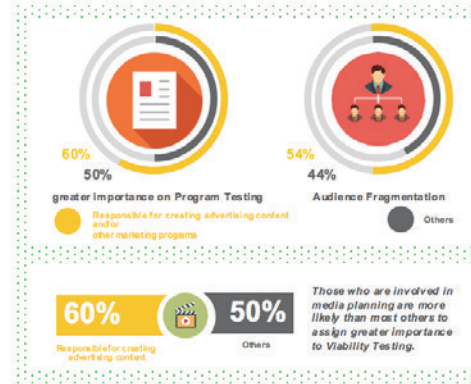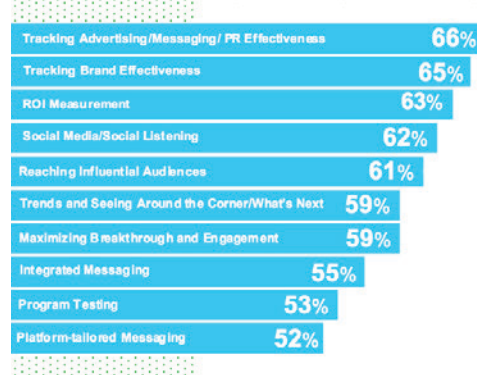68% vs 61%   64%

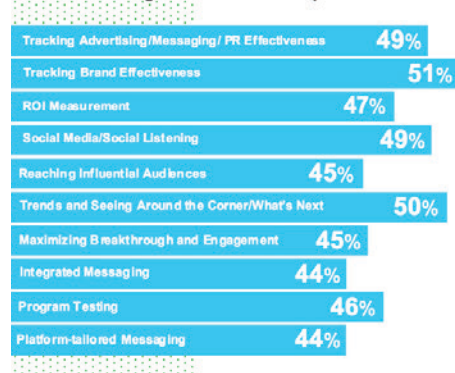Attribution of ad impressions
66% vs 51%   58%

Technology has brought with it countless new ways to quantify, measure, and track—but apparently too few metrics that matter to advertisers. Tracking and measuring brand effectiveness and advertising effectiveness were cited as the top success factors in digital marketing and advertising

Most Important Areas for Digital Marketing and Advertising:

Tracking Advertising/Messaging/ PR Effectiveness	66%
Tracking Brand Effectiveness	65%
ROI Measurement	63%
Social Media/Social Listening	62%
Reaching Influential Audiences	61%
Trends and Seeing Around the Corner/What's Next	59%
Maximizing Breakthrough and Engagement	59%
Integrated Messaging	55%
Program Testing	53%
Platform-tailored Messaging	52%

60%
50%
greater importance on Program Testing
Responsible for creating advertising content and/or other marketing programs

54%
44%
Audience Fragmentation
Others

60%
50%
Responsible for creating advertising content
Others

Those who are involved in media planning are more likely than most others to assign greater importance to Viability Testing.

Yet these factors were likewise noted as key areas where organizations need help.

Areas Where Organizations Need Help:

Tracking Advertising/Messaging/ PR Effectiveness	49%
Tracking Brand Effectiveness	51%
ROI Measurement	47%
Social Media/Social Listening	49%
Reaching Influential Audiences	45%
Trends and Seeing Around the Corner/What's Next	50%
Maximizing Breakthrough and Engagement	45%
Integrated Messaging	44%
Program Testing	46%
Platform-tailored Messaging	44%

Brand Marketers — 51%
Agency Professionals — 38%

Agency professionals are more likely to say that they need help reaching Influential Audiences

86%
73%

Involved in media planning
Others

Those who are involved in media planning are more likely than most others to need "lots of help" for Maximizing Breakthrough and Engagement.

In today's MAdTech mash-up, consumer behavior is easier than ever to track and perhaps harder than ever to understand because the mash-up tends to blur the lines between data and insight. Data are discrete points in a large picture that needs structure and color to become a masterpiece. Technology can structure data. However, only by integrating data with results of smart measurement of content ideas, creative executions, platform effectiveness, consideration sets, brand loyalty, etc., can the full color picture emerge.

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THE MADTECH MASH-UP

The walls between advertising, media, and technology have crumbled. Gone are the days when advertising and media and technology experts collaborated on behalf of brands from their separate silos.

Ipsos Connect is uniquely qualified to help companies take advantage of the opportunities opened up by the MAdTech revolution to be chosen by more people, more often, and more easily. We understand that today's audience of consumers has become expert at using technology to curate and craft their own content experience on a minute-to-minute level. We are experts at how people make choices and in how to influence these in today's MAdTech environment. And we bring this knowledge to bear to provide actionable ideas based on facts to help our clients grow.

How can we help you?

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Ipsos Connect

About Ipsos Connect

Ipsos Connect are experts in brand, media, content and communications research. We help brands and media owners to reach and engage audiences in today's hyper-competitive media environment.Our services include:

Brand & Campaign Performance: *Evaluation and optimisation of in-market activities to drive communications effectiveness and brand growth.*

Content and Communications Development: *Communications, content and creative development from early stage idea development through to quantitative pre-testing alongside media & touchpoint planning.*

Audience & Platform Measurement & Understanding

Ipsos Connect are specialists in people-based insight, employing qualitative and quantitative techniques including surveys, neuro, observation, social media and other data sources. Our philosophy and framework centre on building successful businesses through understanding brands, media, content and communications at the point of impact with people.

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