TIPi GROUP

SHAPING THE FUTURE

Q4

NAVIGATING SUCCESS THROUGH INDUSTRY CHANGE

Welcome to our quarterly breakfast event write-up. Our breakfasts are designed to provide our clients with cross-channel insights; arming them with a forward-thinking mentality and a progressive view of the digital landscape.

On 24th October, we held our third Shaping the Future Breakfast focussed on Navigating Success Through Industry Change. Seb Joseph, Brands Editor at Digiday, kicked off the day by sitting down with Gabriella Neudecker, Head of Acquisition Marketing at Experian, Gareth Jones, CMO UK at Ebay, Ricardo Gato, Head of Marketing at Cookson Adventures, and Ben Irons, Sales Director at Microsoft Search Advertising and ex Head of Digital at Not On The Highstreet, and asked them about how they have navigated major industry shifts in 2018.

Our panel was followed up by a presentation from Paige, ROAST's Senior SEO Account Manager, who discussed how to manage and exploit industry change from Google's actions. Paige looked at how we can quantify change and how to know which industry shifts your market plans have to adapt to, as well as giving an overview of recent search updates to be aware of, and the current areas affected.

The Market's SEO Lead, Will Quick, homed in on one of these updates and analysed the impact of Google Shopping on the retail ecosystem – identifying the winners and losers from historical changes; exploring the latest opportunities arising through Google Shopping, as well as potential barriers and hazards to beware of.

Finally, Ryan, ROAST's Head of Content explored how you can successfully understand communities and deliver true value through them with content, in light of the recent scepticism around Influencer Marketing.

SHAPING THE FUTURE: PANEL DISCUSSION

Our third Shaping the Future Breakfast started with a lively panel discussion. Seb Joseph, Brands Editor at Digiday, sat down with four highly-experienced marketers and asked them how they have navigated major industry shifts in 2018.

Seb Joseph
Brands Editor at Digiday

Gareth Jones
CMO (UK) at eBay

Ricardo Gato
Marketing Director at Cookson Adventures

Ben Irons
Sales Director at Microsoft Search Advertising

Gabriella Neudecker
Head of Acquisition Marketing at Experian

The conversation was rich and free-flowing, so in order to highlight key topics and enable quick learnings we've broken it down thematically:

SHORT-TERM PERFORMANCE VS. LONG TERM BRAND GROWTH

Gabriella explained that Experian used to spend 70% of their marketing budget on digital, but they have now started to rebalance with more ATL activity, taking a step back and starting to think more about long term growth. Trying to manage this shift, whilst also ensuring that there is no negative impact on sales, has left them in "quite a challenging position".

In the same vein, eBay have "taken a view that piling on short term performance doesn't drive long term health". They've shifted their marketing mix accordingly; three years ago 90% of their spend was on digital performance marketing, but they've now rebalanced and started bolstering the brand through offline channels.

TESTING AND ATTRIBUTION

As marketers have moved away from pure performance into more multi-channel activity, they've faced questions around measurement. Gabriella's biggest challenge this year has been "looking at the channels in our marketing plan and trying to understand which ones are actually driving revenues for us". Gareth has been facing similar challenges at eBay, he's now struggling to bring the same precision to conversations with stakeholders, because he doesn't know the efficiency or the margin ROIs of his offline activity.

To try to take digital precision offline eBay have been testing TV using a "synthetic Frankenstein control" - which involves picking small areas of the country and knitting them together in order to fabricate a perfect control for A/B testing.

Ben revealed that Not On The Highstreet (where he was Head of Digital until recently) had also been testing TV, using a new technology that looks at the relationship between ad spots and actual traffic on the website. Although he wasn't confident that this testing would reveal "the full answer", he believed that it would help guide them towards the right approach. He explained that when doing attribution modelling it's hard to be completely accurate, in the end "what you have to do is say we've worked out this method, and it may not be completely scientifically watertight, but we're going to go with it."

SHOPPING BEHAVIOURS

Another test, this one run by eBay in partnership with Google, has been investigating the structural changes that are happening with shopping, PLAs and shopping comparison engines. The test helped Gareth and and his team understand how CSS partners in PLAs affect eBay's own bidding and revealed that these partners are getting "bounteous kickbacks from Google to incentivise their participation". In response to their findings, eBay have now bought a shopping engine which they push all of their activity through.

Not On The Highstreet had also been testing in this area - investigating "the way consumers are using mobile in the shopping journey, especially through PLAs and shopping ads". Over the past 12 months they had seen significant shifts in how users are engaging with mobile search, and this led to challenges with people bouncing off the website and only looking at single product pages.

ENGAGING USERS WITH CONTENT AND INFLUENCERS

Ricardo explained how his ecommerce experience of catering to High Net Worth Individuals as CMO of at private jet start-up Stratajet, has been invaluable in his new role as Head of Marketing for Henry Cookson – despite the fact that the brand doesn't sell online.

He explained that HNWIs "almost always need two or three touches to convert", so managing the transition between different channels is vital. Ricardo believes that at the stage that Cookson are currently at, it's not about performance marketing, it's just about understanding the user – understanding what content appeals to them.

His content strategy is all about quality over quantity - "Everyone is so busy creating content because it's great for SEO, but sometimes people don't stop and think, actually what do my audience want to learn?". He believes that "image and video content is the way to go".

When it comes to engaging consumers, influencers have become another string to the marketer's bow over the last few years, but Gareth was quick to warn against them. He spoke about the "inverse relationship" between how big influencers are and how difficult they are to work with, saying that rather than being divas as one might expect, the bigger influencers tend to be "a delight" whilst the smaller ones are often completely unprofessional.

TEAM STRUCTURE AND TALENT

Gareth explained that the way his team is structured is currently "not reflective of the way that consumers shop". They are structured across the funnel and longitudinally on channels, but consumers don't shop in that linear way anymore. They don't go onto their mobile and think about how they're going to shop through display.

Gabriella stated that Experian are facing similar challenges – they are shifting away from hiring single channel specialists and starting to look for more allrounders. She's found that as Experian move into more vertical categories, like mortgages and loans, and start acquiring directly into those, they need allrounders who can think about ATL and digital simultaneously. She believes that the allrounder mindset also enables brave thinking, especially when it comes to making decisions about creative.

GDPR AND BREXIT

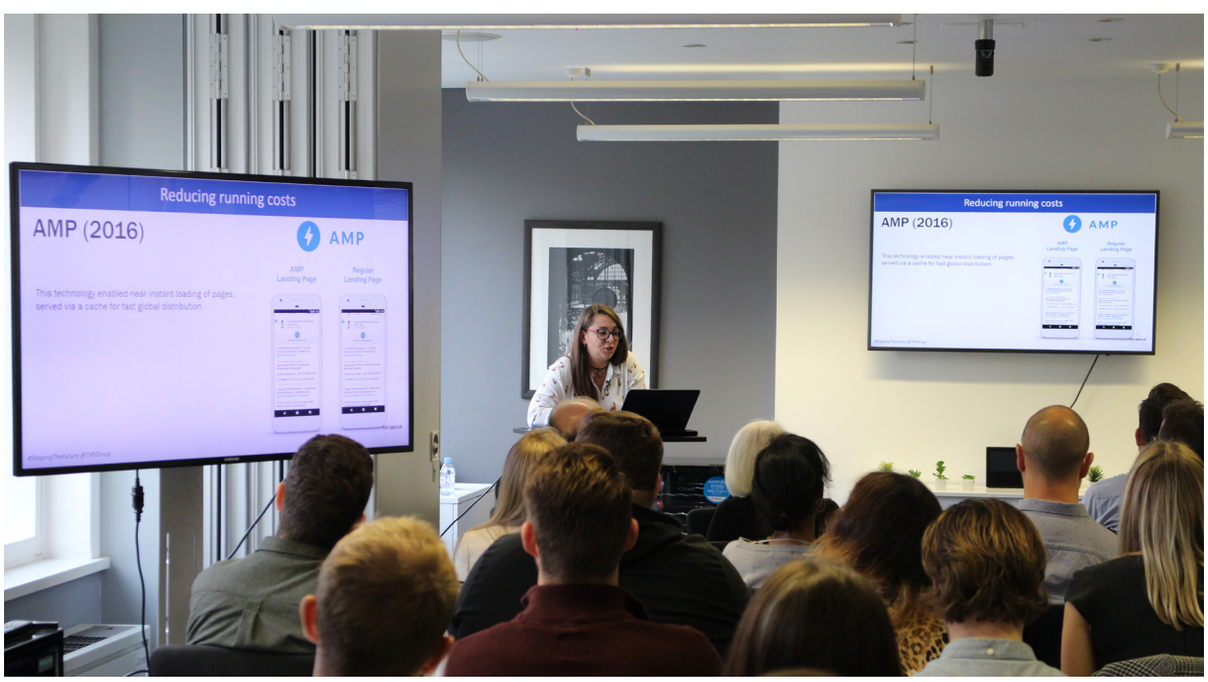
For Ricardo "GDPR was a nightmare", but it wasn't as challenging as his reassessment of content. Ben agreed that it was a challenge, but he also thinks it's "a brilliant regulation, something that should have been introduced a while ago" and that good marketers should have been complying with a lot of it already. He said that the regulations "made us focus again on customers in terms of how we use their information, their data, how we treat them", and pushed them towards a more "customer-first" approach.

There was little talk about Brexit, Gareth summed up the attitude towards it, saying it is simply another macro factor that, like GDPR, all marketers are going to have to learn how to adapt to. He argued that Brexit, like all challenges, is also an opportunity, and how you plan for it and respond is crucial. But the question remains, how do you plan for March 29th when you have no idea what's actually going to happen?

Paige Hobart
Senior SEO Account Manager at ROAST
@PaigeHobart

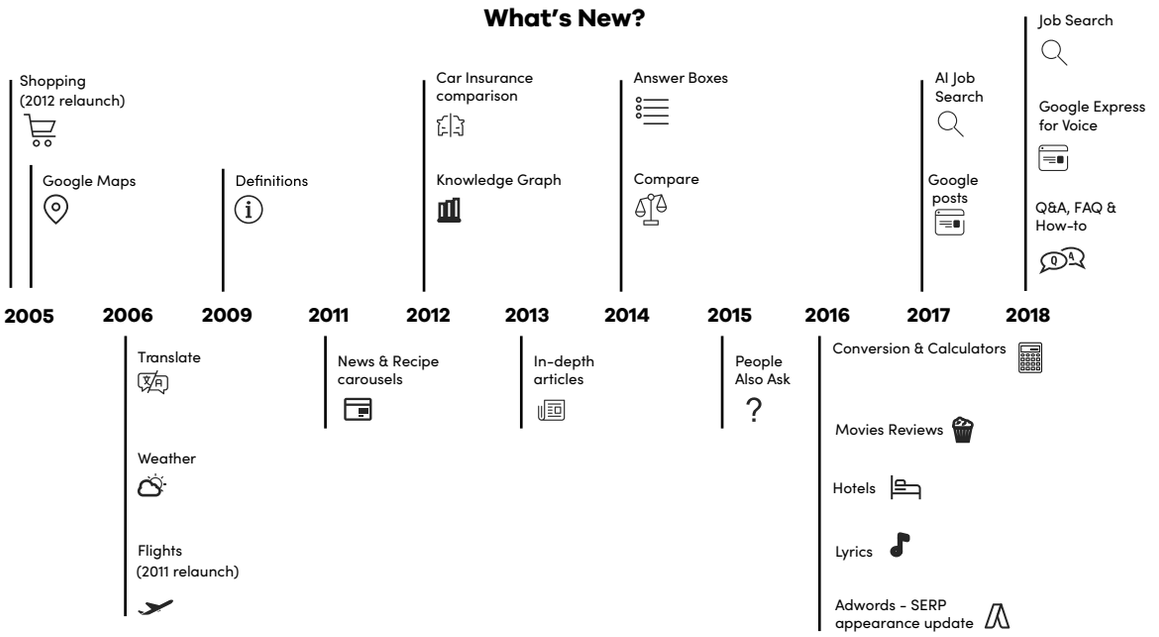
HOW TO MANAGE AND EXPLOIT INDUSTRY CHANGE IN THE SEO LANDSCAPE

SERPs used to be basic, but now with Google testing so many different SERPs every day, hour and minute, how do you know what you should pay attention to in this clouded landscape? Paige took to the stage to shed some light on how brands can monitor these changes and their importance for brands - for example, Carousel Answer Box Results are currently being tested in the US right now but how do we know if this is going to be the next 'big thing'?



The trick is to track how often this new feature appears over time, when, if ever, it starts to appear in other countries, the types of keywords it appears on, it's affects on click through rates. But why does Google make these changes? We believe SERPs are rolled out for three main reasons:

- User experience and reducing clicks to answer
- Reducing own running costs
- Creating opportunities for monetisation



HOW GOOGLE'S CHANGES HAVE AFFECTED BUSINESSES

UX: Reducing clicks-to-answer

Google Maps (2005)

One example of reducing clicks-to-answer is Google Maps. In 2002, Yahoo Maps launched, with Google launching Maps in 2005. In 2008, Google Map Maker was created, encouraging people to edit the maps and submit places to increase their knowledge base and in 2015 they introduced real-time traffic updates and made it workable on mobile devices. Although Yahoo Maps went out of business that year, other companies have been able to find success despite Google's progress, by offering something unique and specialised:

- RAC – fuel cost advice, efficiency
- Endomondo - specific GPS tracking – running and exercise.

Reducing running costs

AMP Technology (2016)

This technology enabled near instant loading of pages, served via a cache for fast global distribution. Google then started to restrict News SERP features to AMP-only pages, forcing many publishers into adopting the new standard. This meant less resource was needed from Google's servers to render the pages. It wasn't a bad thing though, CNBC saw a 22% increase in Mobile search users, The Washington Post found they had an 88% improvement in load times and Wired saw a 25% increase in click through rate.

Creating opportunities for monetisation

Hotel Prices (2016)

Launched in 2016, Hotel Prices is a rebrand from Googles original 2011 Google Hotel Finder. Similarly to Google Flights, this SERP feature competes against Online Travel Agents (OTAs); the API allows both brands and hoteliers to show their properties directly in

the search results. Hotels can pay more to be at the top of the hotel search.

This has actually been quite a positive thing for a lot of hotels, for example, Hilton Worldwide saw a 12% higher ROI with Google Hotel Ads, Premier Inn captured 40% of their bookings from new customers with Google Hotel Ads and La Quinta saw their conversion rate double with mobile hotel ads.

Jobs (2017)

Google Jobs was rolled out mid-June 2017. It scrapes job listing sites, using Schema to pull job postings into the search results.

As a result, Indeed are struggling with organic but their mobile app remains popular by leveraging its USP of employee reviews and jobs-trend data. LinkedIn continues to do well for job searches with the USP of one-click applications using your cultivated profile. Like answer boxes, both sites should be able to optimise, and get their listings appearing within the 'jobs box'.

HOW TO SEE CHANGE COMING

Pending Schema

A really good tool to use when looking for change is Pending Schema. Pending Schema is a staging area for "work in-progress" terms, which are yet to be accepted into the main vocabulary. Schema is where you can use code to mark up certain data types, for example 'Job Schema' is how you can tell Google that this page contains a job and explicitly what that job is and what the salary is and what the description is. This a website that they've not rolled it out explicitly yet, but they're thinking about it.

Visual Ping

A tool that complements Pending Schema quite nicely is Visualping, which enables you to set up alerts for webpage changes. For instance, if you want to know when tickets for a particular artist come out and it will email you if there is a change to their tickets page. To monitor industry changes, set up alerts for:

- Industry related patents
- Google patents granted
- Pending schema
- Competitors
- SERP features

You can use this on the Pending Schema website and you'll get an email to say something new has been added.

STAT

One tool that you are also able to use is STAT – not only will this look at SERP features, but it also allows you to track them over time. STAT can help you to track SERP features for chosen keyword sets, enabling you to track threats and opportunities directly related to your business.

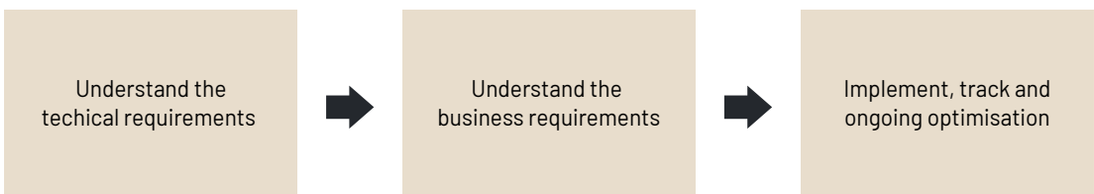
WHAT TO DO IF YOU'RE AFFECTED

There are three steps to this:

1. External Tracking
2. Internal Tracking
3. Optimisation

When you are seeing something like Jobs come into your industry, you might want to use STAT to track how much this is affecting you. In the early days you might see this affecting about 5% of your key words up to about 100% in coming months. You also need to be tracking internal data to see the effect of this new SERP feature.

And if you begin to see a dip in overall traffic, what can we do about that?



In terms of the job schema for an example, we need to make sure that the code is on every page, we need to make sure that our business is providing the information required so if as a business we are not asking for salary or location, why not and can we make that a business priority. Finally, we need to add code to the site to ensure we can track using every search tool we might need. We can track in STAT how that might affect your keywords over time and we want to be able to test things and see what affects that SERP features.

KEY TAKEAWAYS

Google isn't going to stop making changes so keep looking for future developments; what will be the next change? And think USP, innovation and adaptation always to reduce impact, if Google is coming into your vertical, what is it offering that you're not, what are you offering that they can't, always track changes and know what to do and be ready if it hits you.

Will Quick
SEO Lead at The Market
@willquick

GOOGLE SHOPPING

What Will the Shift Mean for Brands?

Looking more specifically into one of the most recent of Google's updates, The Market's SEO Lead, Will Quick took a further look into the impact of Google Shopping on the retail ecosystem, what brands can do to get the best out of the update and how things might change in the future.

WHY SHOULD YOU CARE ABOUT GOOGLE SHOPPING ADS?

82% of all spend in the retail space goes on Google Shopping ads, and with these formats being accountable for 88% of all clicks, they are punching above their weight, demonstrating that there is still huge room for growth. Therefore, spend invested in Shopping Ads will net you a greater return than the spend invested in traditional text ads.

Looking at the path to purchase, let's take a look at the seeing (broadly browsing), thinking (looking to answer a query) and doing (an action) model. For instance, if you were looking to buy a guitar the stages you would go through would be:

Seeing: To perform a generic search about guitars, taking a look around with nothing particular in mind.

Thinking: Search becomes more specific, perhaps focussing on a specific model of guitar, yet the consumer is still not fully intent on buying yet.

Doing: Now the consumer is searching for a specific product – a crowded area for advertising as putting your ads in front of consumer behind these searches is much more likely to achieve conversion.

Broadly, Seeing can be broken down into non-brand search terms and Thinking and Doing are brand search terms.

The top of the funnel has the most searches, but the widest variety of likely intents. A search for "guitars" could be someone looking up a spelling, looking at the history of the instrument, or potentially someone looking to buy. However, because we've got very little information on what guitar they may even want to buy, bidding on PPC becomes difficult and expensive, as only a small segment of this overall group is likely to convert. So, before Google Shopping came along, it was very hard to access the right audience, with the right mindset.

With the launch of Google Shopping, it is much easier to access this audience. Anyone clicking on a Google Shopping Ad is confirming their interest in purchasing a product and as a result this has shifted the structure of the funnel, with nearly 80% of all shopping clicks coming from non-brand searches, indicating that Google Shopping Ads are now a powerful force for product discovery.

WHY WERE GOOGLE FINED €2.42 BILLION BY THE EU?

Google received a fine 'for abusing dominance as search engine by giving illegal advantage to own comparison shopping service'.

European Commission - Press release

Antitrust: Commission fines Google €2.42 billion for abusing dominance as search engine by giving illegal advantage to own comparison shopping service

Brussels, 27 June 2017

The European Commission has fined Google €2.42 billion for breaching EU antitrust rules. Google has abused its market dominance as a search engine by giving an illegal advantage to another Google product, its comparison shopping service.

The company must now end the conduct within 90 days or face penalty payments of up to 5% of the average daily worldwide turnover of Alphabet, Google's parent company.

Commissioner Margrethe **Vestager,** in charge of competition policy, said: "*Google has come up with many innovative products and services that have made a difference to our lives. That's a good thing. But Google's strategy for its comparison shopping service wasn't just about attracting customers by making its product better than those of its rivals. Instead, Google abused its market dominance as a search engine by promoting its own comparison shopping service in its search results, and demoting those of competitors.*

What Google has done is illegal under EU antitrust rules. It denied other companies the chance to compete on the merits and to innovate. And most importantly, it denied European consumers a genuine choice of services and the full benefits of innovation."

To make Google shopping ads, originally you used Excel to create a list of all your products and their attributes, before signing up to Google Merchant centre where you upload your products after linking the two together. Then, the only way to get into Google Shopping Ads was to push them from Google's Comparison Shopping Site.

Google locked out other price comparison websites from taking part in the Google Shopping Auction. In fact, worse than that, because of other updates to the Google search algorithm, they actually completely removed Comparison Shopping Sites from the search results.

The EU quickly took issue with Google's Comparison Shopping Site, as can be seen above, and thus Google had to make sure that the site itself was competitive and that any comparison site could get involved.

Originally, once you were in the shopping centre you would bid a pound a click in shopping ads and that translated to £1 CPC entered into Google Shopping Ads Auction, but now if you bid a pound per click, Google takes 20% of that pound as a fee for using Shopping Comparison site. So, Google has opened up a kind of margin that other people can play in and have given themselves an opportunity to get undercut.

Any comparison shopping site can push their ads into Google shopping and these other comparison shopping sites can offer different incentives to allow you to get more clicks or reduce your bid.

Benefits of using third party css comparison sites instead of google

1. You can reduce your bids by 20%, an immediate cost saving

2. Or if you keep your bid stable, you'll still drive more clicks, increasing your CPC

Dangers of using third party css comparison sites instead of google

1. You won't be included in the Google Comparison Shopping Site itself, and as about 5% of all of your impressions will come from this engine, so you'd be missing out on those people

2. It is quite limited in who can use Google Shopping generally, especially a third party. For instance, Amazon can't get involved because it is not technically a comparison site and nor can affiliates

KEY TAKEAWAYS

Move fast and take advantage of the high click spend ratio that currently exists. Test out different methods and try using a third party CSS to get lower cost per clicks, but also put some into Google so that you can still be in the Google shopping comparisons itself. If you do choose a third party, there will be different ways that they price it – they might charge a management fee, or charge less than 20% or they might take commission - so think carefully about what matches your business goals.

Ryan Foley
Head of Content at ROAST
@Foeley

THE POWER OF COMMUNITY

Exploring How You Can Successfully Understand Communities and Deliver True Value Through Them

Shortly after launching the below campaign with Colin Kaepernick, Nike saw a 25% uplift in online sales. The campaign originated from a series of killings that the US police were involved in back in 2016 that caused great controversy and led to several notable sports stars publicly protesting against the violence. Colin played a large part in the movement – he not only originally refused to take part in the US national anthem, but on a later date knelt during the anthem in a gesture to show respect in the same fashion as a war veteran might do for their fallen comrades. Ryan finished the day by looking at what brands could learn from the 'effect' Colin had on others - despite his actions being met with both positive and negative sentiment, over the next year, because of Colin, over 200 NFL players knelt, sat or raised their fists during the national anthem.

Influence + Effect = Cost (+ Results)

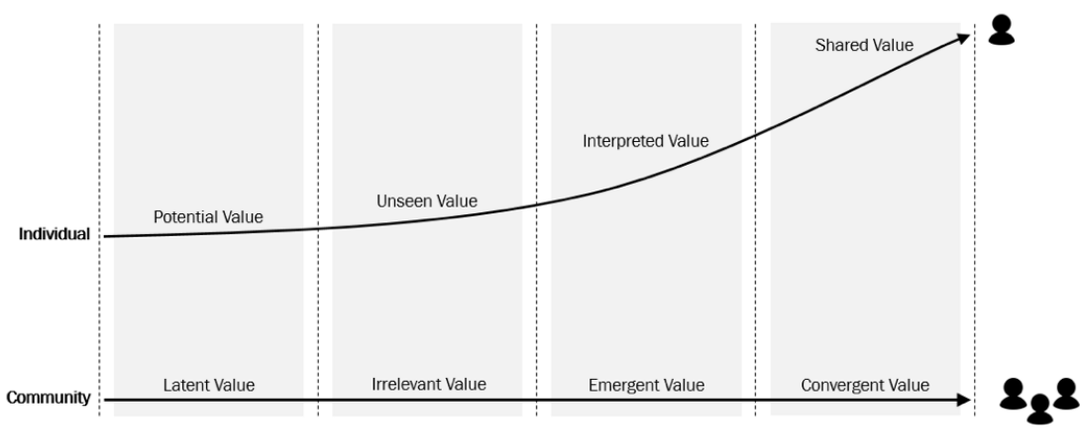
So, how can we create the same 'effect' within our target consumer audience in our campaigns that harness individuals?
What brands first need to realise is that the 'reach' an influencer has should not be seen as the most important factor for their consideration – getting access to an audience doesn't necessarily mean your campaign is going to have an effect, and without effect, you're unlikely to get results that drive sufficient return on ad spend. The correct way to think about influence, and influencers, is to use them for engagement, not just for their followers. Brands don't influence people. People influence people, and when people are connected to a brand, they can infer that effect, especially if it is through a strong narrative a lot of people care about. For instance, Nike's collaboration with Colin earned them over 27 million engagements (likes, comments etc.) on YouTube as part of their digital execution of the campaign. What we are competing for is people's attention at the right time. Without their attention we can't deliver a message or communicate effectively with them.

Narrative + Engagement = Effect

A narrative which has an undercurrent your target audience can tap into is vital to driving successful results from your campaign. The connection between your campaign narrative and an existing relevant story your target audience is familiar with, is at its core, a shared value. This is how Nike connected their brand to Colin Kaepernick's story and gave an existing narrative new meaning through their campaign. Utilising the power of community to say something meaningful and provocative.

Shared Value + Narrative = Influence

Communities are created by the convergence and congruence of value. This sounds complicated, it's really not though. Simply, convergence is the idea of combining or joining and congruence is compatibility or harmony. These two elements orbit around what we value until those values are shared and a community of likeminded individuals is created.



An individual has the potential to value anything they might need or desire – any information and the story connected to it, can become a conceptual tool for the mind. This process starts with value being discerned, seen or realised in a way it has use, and if there is no connection to function or utility it becomes irrelevant to the individual.

When we don't gain someone's attention in a way which is meaningful to them, it is often because what we're communicating is irrelevant to what is going on around them, and therefore they don't care about it enough. For us to communicate something meaningful to someone it has to be relevant and meaningfully understood for the individual to interpret value. This is what we refer to as emergent value. When value has emerged within an individual and they've shared the information connected to it, this is where value converges with others and a community is created. In the Colin Kaepernick example, his actions of protest were underpinned by what he values as an individual and were connected to a story of police brutality. People who shared what he values, connected to his message and furthered the efforts of protest with their own actions. Whether those actions were to comment and either agree or disagree, or extend the message with further demonstrations or protest, all the individuals are connected through the concept of shared value.

This brings us to the third mechanism – shared value, plus a narrative creates the potential for influence.

So how can brands use influence?

Influencing people is a communication problem we solve through ideas people respond to (engagement). We've developed a communication model to analyse and guide ideas and campaigns to drive return on ad spend.

Our model is driven by one important but fundamental cultural insight – people put stuff online they want others to believe about them. For instance, think about the last couple of things you shared on social media and what that actually says about you as an individual and how you see the world? Ask yourself, what effect did it have on the people who engaged with what you shared – did they like it, dislike it? And why? Do they share what you value?

From brands to individuals and everything in between, what we share online is really about how we want to be perceived.

To leverage this insight, each campaign you create must tick three basic elements:

1. The idea must gain attention to get noticed.

    As marketers we constantly overlook how we gain someone's attention and it's so fundamental. Without gaining attention (someone noticing what you're saying), you've got little to no chance of delivering any effective communications or return on your marketing activity.

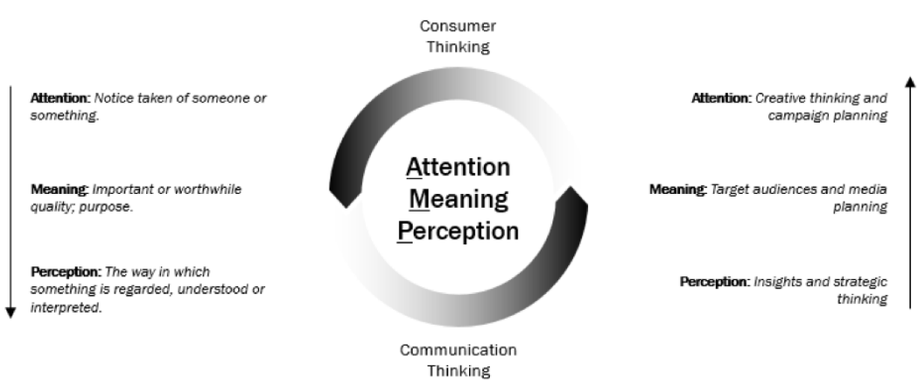
2. The idea must have meaning to be interesting.

    Your message must mean something to someone. If what you're communicating doesn't mean anything to anyone you are targeting, it won't be interpreted, and will either be misunderstood or irrelevant.

3. The idea must test perceptions to cause responses.

    The message of your campaign must test how your target audience perceive the world. If it doesn't, their will be nothing for the audience to respond to, and you reduce the campaigns potential for engagement.

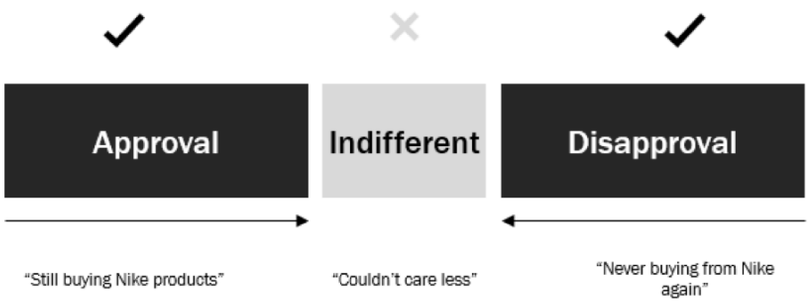
This checklist forms our communication model: AMP (Attention, Meaning, Perception)



At its core, AMP is a simple checklist designed to affect the engagement of campaigns. By utilising AMP, you can be more efficient with your marketing spend and drive better results.

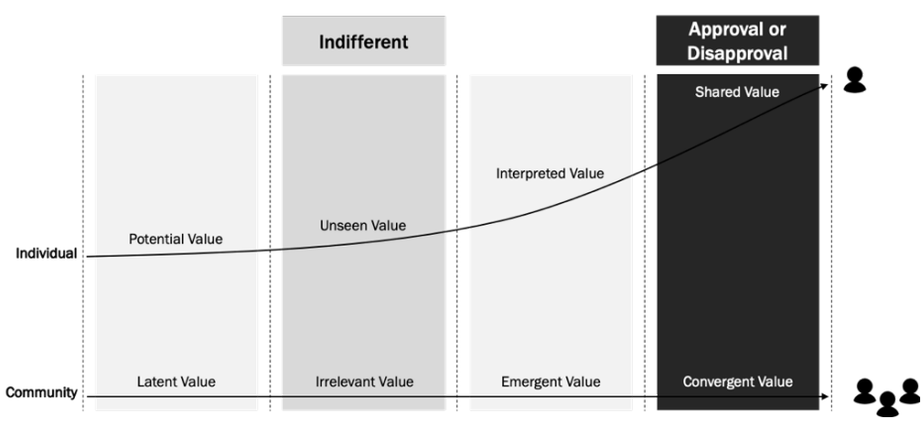
Engagement can be simplified and thought about in terms of three basic responses.

1. Approval – agree, like, support
2. Indifferent – irrelevant, unconcerned, uninterested
3. Disapproval – disagree, dislike, oppose



By using our AMP model, we can reduce the potential of indifferent responses and therefore increase the level of engagement from target audiences. In essence, AMP provides a framework for creating a higher probability of effective marketing campaigns. Even if the engagement is somewhat negative. For instance, Nike received a lot of flak for their campaign with Colin Kaepernick, primarily in the form of people burning their Nike trainers in patriotic protests aimed at boycotting the brand. This was further amplified by Donald Trump's public criticisms of Nike's campaign. But what people fail to realise, is those negative responses only further the distribution of the campaign – carrying Nike and Colin Kaepernick's message to more people. Basically, free media – also known as word of mouth. For every person who shared their disagreement towards the campaign only served to let others know about it. This of course works the same for everyone who championed the campaign too.

Taking it back to the community model, where does indifference sit? It sits in the irrelevant value stage. This is the one response we want to squeeze out because it contains very little potential for engagement. Whereas the people who responded and either approved or disapproved by sharing their thoughts, distributed the information further.



KEY TAKEAWAYS

Despite the current negativity circulating the Influencer Marketing discipline, Nike and Colin's collaboration has shown that effect and results can be driven through Influence. By tapping into the undercurrents and values of a community, and through using an Influencer whose actions sparked conversation, the campaign was able to drive performance and value.

SHAPING THE FUTURE WILL BE BACK IN Q1 2019

PLEASE EMAIL EVENTS@TIPIGROUP.COM TO REGISTER YOUR INTEREST

+44 (0)20 8102 8500

Berkshire House
168-173 High Holborn
London
WC1V 7AA

sayhello@tipigroup.com

tipigroup.com