

Get Rid of the Guesswork

FOR THE PAST 130-ODD YEARS, ADVERTISING HAS OPERATED BY APPROXIMATION. To compensate for the lack of specific information on the impact of communications on audience behavior, advertising has made do with “educated” guesses. Messaging has approximated behavior via awareness, attitudes, and, more recently, audience engagement; media has done the same via eyeballs and impressions.

Clients still echo John Wanamaker’s quip from a century ago: “Half the money I spend on advertising is wasted; the trouble is, I don’t know which half.” All this is about to end — and media planning stands to emerge the big winner.

We are at the cusp of a new era, when almost the entire marketplace will become as the Internet is today: integrated, interactive, behaviorally measurable, and predictive. The most important effect of this sea of change will be an explosion of knowledge about the relationship between advertising and outcomes. Marketers will be able to track precisely which ads motivate consumers, what influences their behavior, and how much it costs to acquire and retain their business.

For the ultimate prototype of advertising’s future, look to Amazon’s contextually targeted product recommendations (“customers who bought this item also bought...”). Ironically, the precision of Amazon’s technology can best be seen in one of its flaws: when Amazon recommends an item a customer has already bought elsewhere. The recommendation is obviously a precise match, but Amazon’s knowledge doesn’t extend to other purchases made by the same customer...yet. With the integration of media, transaction, and operations data, behavioral and contextual targeting have the potential to span the marketplace.

As consumers encounter fewer ads in total and at the same time more ads for products that are relevant to them, they will come to perceive ads as a benefit rather than a nuisance. Sound impossible? It’s already happening in highly targeted microcosms: Amazon users actually check out those product recommendations, people buy fashion magazines for the ads as much as the editorial,

and movie audiences enjoy previews.

A behavior-centric marketplace will render many of today’s advertising skill sets irrelevant. Messaging strategy will shift in emphasis, from intrusion to information. Creativity will be redefined as innovative ways to motivate behavior, and it won’t be the province of a dedicated department. Market research will focus on behavioral rather than survey data. Media buying relies on software today; one day it might become software.

Media could evolve into a new discipline that unifies media and message strategy: transaction planning. When causality between communications and consumer behavior can be established, the notion of impressions becomes outmoded. The focus will shift to behavior

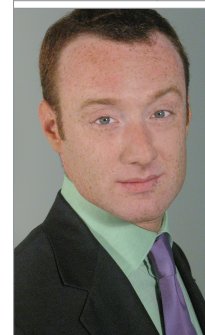
itself to determine the places where interaction is most likely to result in transaction behavior. At that point, two paradigm shifts will take place: from one-off impressions to behavior sequences, and from separation to unification of media and messaging strategy.

As long as it’s impossible to tell which impression will trigger behavior, each impression must be treated as an island unto itself. With behavioral data on hand, however, planners will be able to identify connections between advertising and behavior. Accordingly, the new planning approach will emphasize communications sequences, ranging from initial contact and transaction to retention marketing. Effective communications sequences will become as highly prized as breakthrough creative is today.

There’s another wrinkle: Planning one-off impressions doesn’t require much concern for messaging. But behavior sequences can only be designed with messaging in mind. After all, you can’t plan to lead consumers along a behavioral sequence without knowing which message will best motivate them to move from one step to the next. Inevitably, the new discipline of transaction planning will require the unification of media and message strategy.

Finally, transaction planning will transcend paid media to encompass any point of contact between marketers and audiences. Remember that paid media is just one kind of link in a much longer and more complex behavior sequence. With a canvas that includes communications devices and outdoor, retail, and even product development, transaction planning stands to become the marketing communications leading discipline of tomorrow. **M**

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