



Advertising Effectiveness Council
Tuesday, February 5, 2008
2:30 – 4:30PM

Chair
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MTV

Brave New World: Trends in Consumer Centric MarCom and Implications for Practical Measurement

Intro- Jeffery Corey (MTV Networks) Issues of New Year

Speaker # 1 – Emma Knutson (IBM) “End of Advertising as we know it”

- IBM conducted Global online Customer studies and Global Advertising Professional Studies
- Impact of digital distribution across media and entertainment
- Next 5 years we will see more change in media, advertising and marketing than in the past 50 years

Four Key Market Drivers Forcing Change:

1. Control – shift in balance of power from advertisers to consumers
2. Creativity – broaden the number of participants
3. Measures – individual and involvement based
4. Advertising Inventories – New platforms and new players

Control – in order to gain control, company has to associate with target audience which consists of, interactive “cool kids” and leaned back but evolving “massive passives.”

Ages 18-24- interact mostly with social networking sites, portable music and tend to spend 4+ hours in front of the PC instead of the TV

Ages 45+ - more influenced by video, cable, print media and online newspaper

Pricing – mobile, most people who interact with or view advertisement do not necessarily make purchase

Creativity – there is a need for more input on quality and ideas as well as getting people to view your advertisement.

Measures – there is a shift in the market in dollars from TV to a more focus on impact based measures

Advertising Inventories – there is a back end platform change expected and a beginning of a restructuring or reshuffle.

Scenarios for Next 5 years:

- Open exchange
- Advertising marketplace
- Continuing Advertising Evolution
- Consumer Choice

Consumer Innovation

- Crucial that company focuses on multi-faceted innovation
- Put customer 1st
- Knowledge of competitors advantage
- Share control with consumers
- Deliver experience not just content

Business Model Innovation

- Experiment with business models
- Redefine partnership while mitigating fallout

Business Design Innovation

- Measure advertising services
- Invest more in new business models

Speaker # 2 – Gregory Wilson (Redball Tiger) “How much Involvement will \$1 Million dollars buy?”

-Involvement not impressions is important

- Broadband is important because it is about building relationships, Broadcast only about how many times
- By Allowing consumers to opt-in to commercials it allows them to monitor how much time they spend with your brand
- More time with your brand = less time with competitors brand
- Media agencies get eyeballs to the message, Creative agencies get people to Get Involved with the message
- *Return on Involvement*
- Monetize transition from **Impression** based marketing model to **Involvement** based.

Proposed Council Topics for 2008

1. Brave New World – What are the new and current trends
2. Tone-deaf Advertising – Effects of Consumer Sentiment Toward Advertising
3. Real Time ROI – How Digital Dashboards are reshaping the face of MarCom Management
4. Election 08' Round Table – Role of New Media and Advertising in Election of our 44th President