

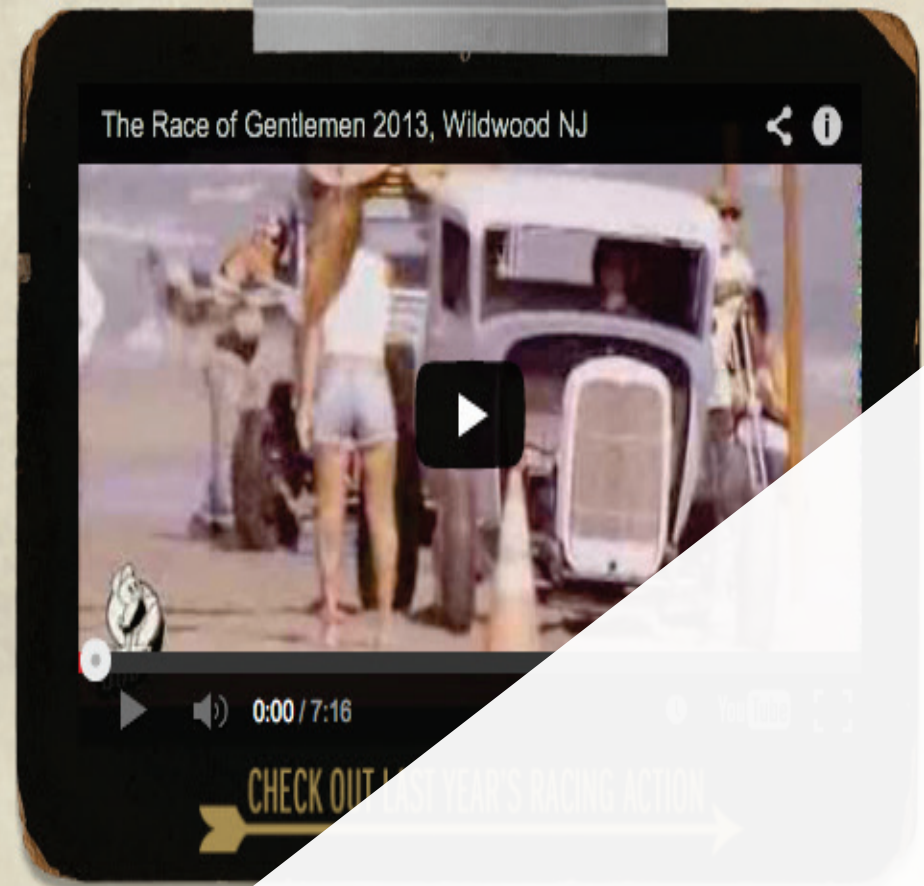
The Future of Digital Video Content

Andrew Canter, CEO
Branded Content Marketing Association (BCMA)

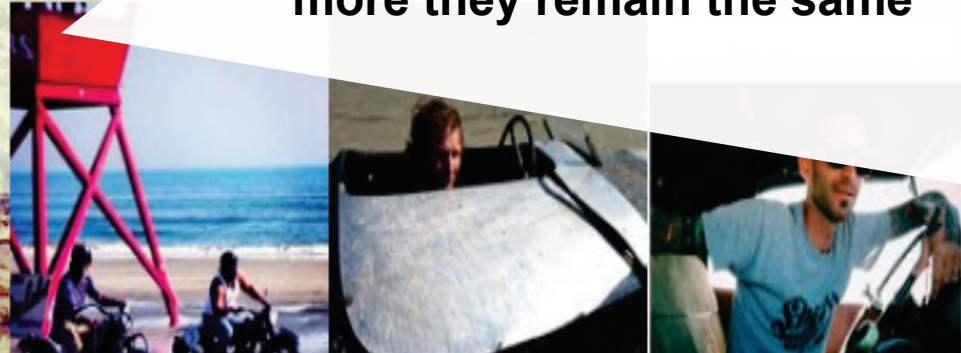


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#RACEOFGENTLEMEN The more things change the more they remain the same



The more things change the more they remain the same

What does the future hold for digital video content?

When leading industry experts from all over the world are asked to help with some crystal ball gazing that focuses on the future of digital branded content, their significant amount of answers directly reflects their growing interest in the world of content. It is clear the trend for brands creating original digital video content is increasing exponentially.

The question of the future of digital content was prompted by comments made by the analyst, author and founder of *Altimeter Group Charlene Li who'd pointed out that despite the many different sites, technologies and business models we have today, "the fundamentals of marketing have remained the same – as have the challenges."*

Within the research, the terminology tends to revolve around 'Branded Content' and 'Content Marketing'. However, it is apparent that the terms 'Digital' and 'Video' are also closely associated with both types of 'Content'.

This exclusive report has been created to give an insight into the future of the digital video content market and how it will rapidly evolve and grow.

The BCMA have commissioned research resulting in the following overarching definition for branded content with Oxford Brookes University in partnership with Ipsos:

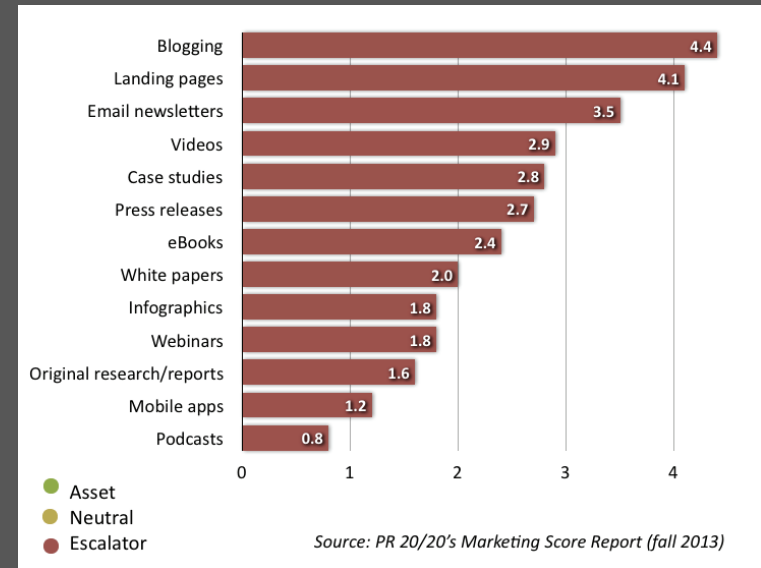
"Branded content is any content associated with a brand in the eye of the beholder"

This is a great first step, but there is further work to undertake to help explain the Why (in terms of the marketing problem it attempts to solve), nor What the branded content specifics might be for the different variations of Whom, Where and When. There's also the important question of How any success might be measured.

The Yin Yang of Branded Content Marketing

Branded Content or Content Marketing?

Branded Content: More irrational, and focused around our impressions, such as whether we like a brand, share their values, etc. Often used to describe content that is more entertaining and emotionally engaging, and used intentionally upstream in order to help shift brand preferences and consumer behaviours. It's why the term branded content is used more frequently in creative advertising circles to refer to story-based video content.



Content Marketing: More rational and product USP-focused. Often used to describe content that is more informative (or journalistic), and used downstream close to what Google calls The Zero Moment of Truth (ZMOT). Hence intent often being more sales orientated, its use within B2B, the close link to SEO, and why some prefer the term brand publishing.

The 3 Circles of Branded Content Marketing

Two models around the same topic

Strategic Considerations: This model (Fig. 1) was inspired by the 3 Pillars of Connected Marketing, developed by Idil Cakim, author of *Implementing Word of Mouth Marketing*. Idil's model is here adapted to provide a prompt for thinking through the following as part of developing your branded content marketing strategy: What kind of branded content is created (or co-created) by Who and for Whom? How is their engagement managed? How is it distributed, i.e. Where in the converged landscape of earned, owned and paid media, and When in the customer decision journey. How is the success of the different parts and their sum measured?

Fig. 1

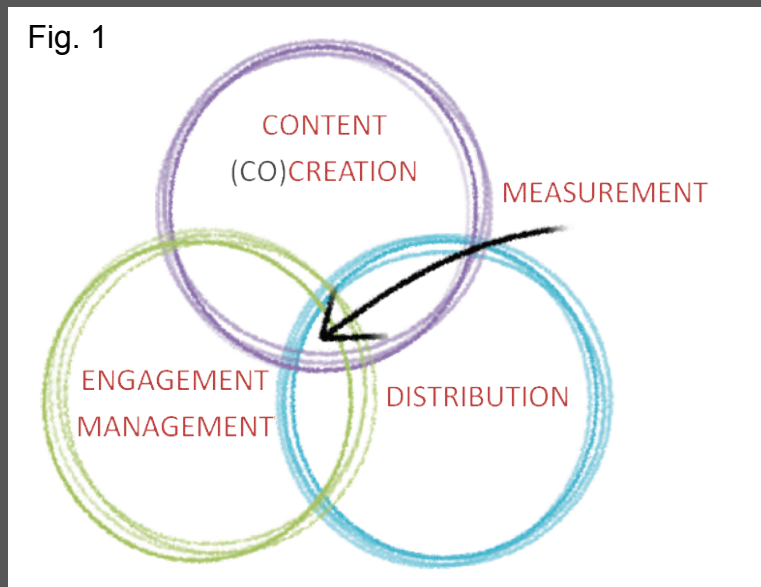
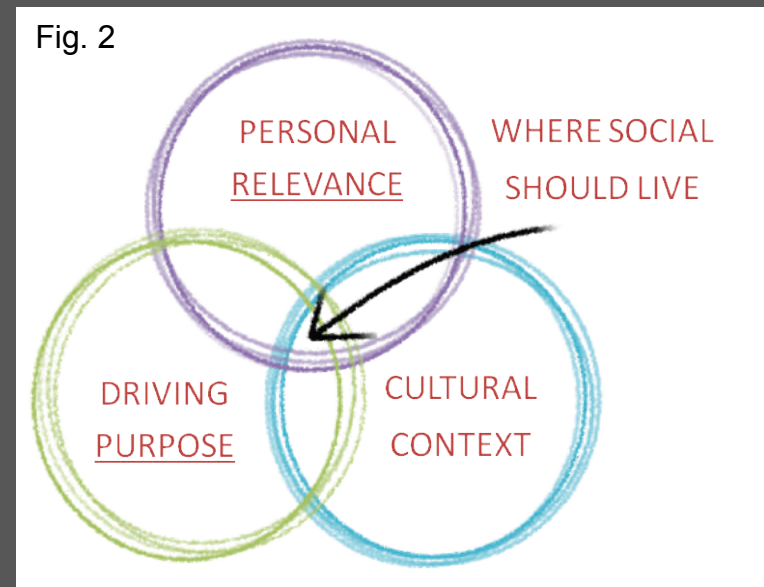


Fig. 2



3 Tenets of Narrative Brands: A strong narrative is an essential part of any digital video content strategy. Fig 2 is based around the idea that the strongest 'social digital brands' are what they describe as 'narrative brands', i.e. brand storytelling that combines purpose, cultural context and personal relevance.

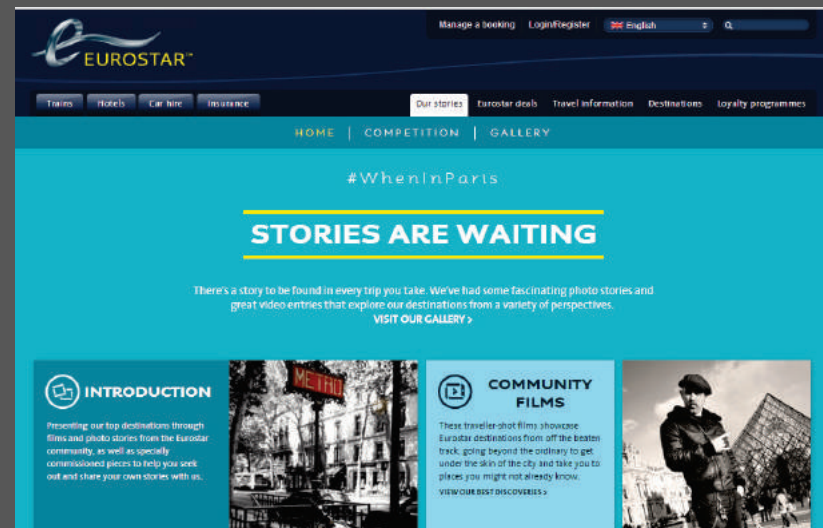
For Eurostar, the role of branded content is to build much stronger customer ENGAGEMENT, and to do this it has to be built on two key platforms. The first is that it has to be USEFUL, i.e. it is based on the right insights about things that really matter to customers. The second is it has to be ENTERTAINING, as in a world of so many communication messages they need to grab attention in a way that is fun and stimulating.

They have really taken this approach to heart. Their current brand campaign based on the insight “that stories begin here” which started on TV, cinema and YouTube with commercials based on bringing the power of our destinations alive through telling stories about them. This moved into its second phase where customers are sharing their stories in pictures and videos so that they have added to the richness of the content. The third phase which they are now embarking on involves them creating a new set of advertisements and videos that use content provided to them by their customers, so they are communicating their stories for the benefit of new users.



“Eurostar feels that branded content will increasingly be at the heart of communication as the world digitalise”

Nick Mercer, Commercial Director, Eurostar



Digital Content at the Heart of Communication

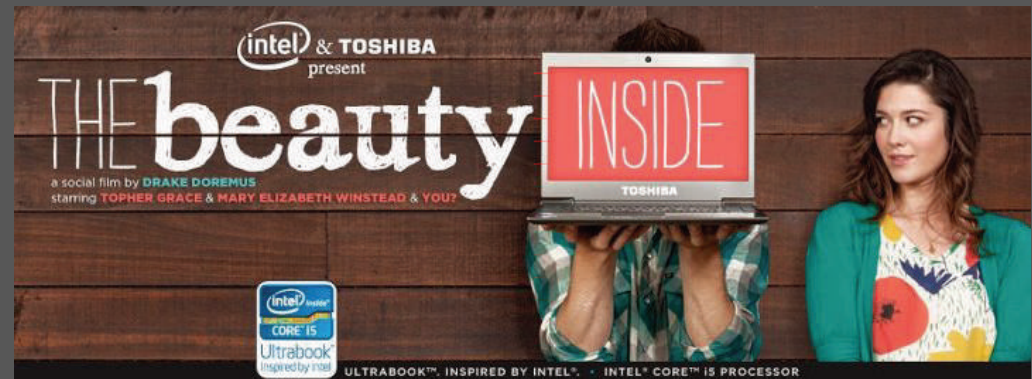
An Agency Perspective

As Stephen Waddington, CIPR President Elect, Director of Ketchum Europe and author of Brand Anarchy explains, “content is the drum beat of engagement between a brand and its publics”. But the ability of content “to draw people in naturally through entertaining, emotionally engaging messaging” is why Pereira O’Dell’s creative chief PJ Pereira believes that “branded content will continue to feature in more and more client strategies” helping to “develop deeper relationships with audiences”. Publicis Slovenija’s Uroš Goričan also thinks we can expect brands to put “more emphasis on branded content in their marketing strategy.”

By 2019, the BCMA believes that branded content will be at heart of every campaign, driven by the inexorable growth of digital technologies and social media. This will ultimately result in a continued rapid growth of digital and social video content.

“With its ability to draw people in naturally through entertaining, emotionally engaging messaging, branded content will continue to feature in more and more client strategies to reach 21st century audiences and develop deeper relationships with them.”

PJ Pereira, Chief Creative Officer, Pereira & O’Dell



New Agency Models Will Emerge Open and Collaborative

The social media strategist Jadis Tillery predicts that “collaboration will be the name of the game” in the brave new world of branded content. For her this future is full of possibility, where compelling stories can be created that evolve “dynamically thanks to the consumer shaping the story itself.” She also sees “research, tech, creative and strategy teams” working closer to find “the best way to create content that truly connects with the consumer”. Somethin’ Else’s Steve Ackerman thinks we’ll also see “content strategists and content creators coming together to form new agencies.”



Patricia Weiss who heads up the BCMA’s South American Chapter thinks Native Advertising looks set to “become the starlet in the blurred lines between ads and content, by reinventing the business of publishing and snatching the emerging markets.” One example could be mobile where ad inventory has outstripped supply, and where there’s need to create less interruptive formats. Another is paid social media, so that advertisers can reach audiences at scale. Patricia sees publishers as becoming more agency-like working directly with brands through the creation of in-house “branded content divisions, paid media operations, brand strategy units and digital production services.”

Forrester’s Ryan Skinner sees brands regularly building “quasi-official alliances with each other and publishers, usually facilitated by an agency, to collectively produce a compelling digital experience.”

Open Source Business Models A New Marketplace

Ryan Skinner believes we'll see "better marketplace mechanisms" that "will allow content experts and businesses to meet and cooperate more easily and effectively than today." Crispin Reed at UK Fusion Learning thinks we'll see "more and more interesting collaborations between brands when it comes to content marketing." He cites Google's acquisition of smart thermostat brand Nest as a way they can enter the "home through a different door." The convergent home is not a new idea, but for Crispin it's an indication of more "imaginative coming together of brands to deliver branded content" that he thinks we're likely to see in the future and more game changing innovation BCMA's Chairman and Strategy Director at Wolff Olins, Morgan Holt thinks that the combining of micropayments and user content channels technology platforms would be interesting:

"A platform (YouTube, for example) could host brands that were prepared to open their assets to the general public and see what people did with them. This would give creators license to rethink the brand's meaning and create a whole new presence for the brand itself."



He admits that it's not for the faint-hearted, because the brand would be open to abuse, not least from ambush by 'brand vandals'. Nonetheless, Morgan thinks that it would offer "those few 'open source' brands a whole new route to market and a radical rethinking of their creative," as well performance related pay for the creator. Perhaps a micro-payment approach will bring about the "sponsored data" model that Stan Joseph from Ochre Moving Pictures, Johannesburg mentions with regard to solving the current challenges of monetizing content on the Internet.

Unruly's COO Sarah Wood sees new tools emerging that will help support the macro-trend of real-time content marketing and allow marketers to become more 'agile'. This is where brands become "newsrooms for their niche", and invest to support "content discovery, content curation and content creation as brands vie with each other for consumers' mind share on social platforms."

Or something more additive? Digiday's John McDermott hopes that "brands will move away from their real-time marketing obsession and create something more substantive and lasting." He cites the "mesmerizing" Volvo Trucks 'Epic Splits' campaign with Jean Claude Van Damme as well as the "legitimately helpful" Lowe's 'Fix in Six Vines'.



A graphic for Lowe's 'Fix in Six' campaign. It features a dark blue background with the text 'FIX in SIX' in white and blue. To the right, it says 'BROUGHT TO YOU BY' with an arrow pointing to the Lowe's logo and the tagline 'NEVER STOP IMPROVING'. Below the graphic, the text reads: 'A COLLECTION OF CLEVER IMPROVEMENTS THAT MAKE LIFE AT HOME A LITTLE EASIER.'

Being more agile doesn't necessitate working in real-time, or the setting-up of newsrooms with staff and enabling technology, it can simply mean being iterative. For DigitasLBI's creative head, Chris Clarke what's more important than anything else is "creative excellence, a fluid relationship with talent and a willingness to experiment." He sees culture as something that happens by accident, and so the way for brands to become "part of culture rather than in the (ad) breaks between culture" is to embrace this and simply try things out.

The Rise and Rise of Storytelling

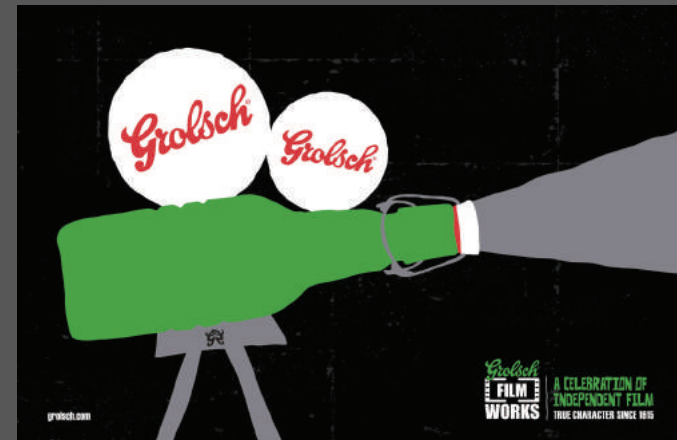
Authentic, Entertaining and Engaging

Experts emphasise the importance of storytelling should not be underestimated. As Mumbrella's Sean McKeown points out, "brands are already seeing the value gained from this format and will continue to invest more of their marketing budgets in its development."

It is clear that brands must create digital video content that is authentic, entertaining and above all engaging. For Tony Chow at What's Your Story Inc, Singapore, it's all about the creation of purposeful content, and he sees more and more brands using story-based branded content as a key engagement tool .

"Brands are going to have to change their processes and do something marketers don't like to do and don't do easily, they have to change the skill sets of the people they hire, they have to change the time frames they work on. They have to change the way they allocate and think about budgets. They have to change their definition of creativity."

Scott Donaton, Global Chief Content Officer, UM



Brands need to test what works but optimising the performance of digital video content isn't just about using data to make decisions and refine campaigns in real-time; it's also about emotions. The brands that succeed in the future will be the ones creating content that elicits a powerful emotional response from their audience.

More Platforms, Devices and Personalisation

Anytime, Anywhere, Relevant and Tailored

We already have a whole host of platforms and devices that are either already being used, or on the horizon, including Google Glass with augmented reality and other wearable tech. Uroš Goričan thinks that these will “enable brands to connect with customers via content in an even more exciting and creative way.” Mark Wood at Krempelwood agrees, but also points out how the amount of branded content consumed will also grow exponentially. This will inevitably lead to increased clutter and the problems associated with it.

Doug Scott, President of Ogilvy Entertainment sees content being “pulled by consumers based on their unique preferences and habits, not pushed by networks or distributors based on assumptions or research.” He also suggests that the tailored content will be “contextually related to a brand's key product and/or core message”, and it's this that will allow brands “to fund the delivery of these stories and offer consumers greater value.”



James Kirkham, Global Head of Social and Mobile, Leo Burnett sees branded content moving off screen to become things “like making a branded gesture mnemonic to access the brand”, e.g. “tracing out the Heineken star when you walk into a bar to access content or order a beer.” This may just create more opportunities and amusement for brand vandals to respond with less elegant ones. But for James this is about thinking of the future less in terms of branded content and more about “your branded digital life.”

The changing media landscape for digital video content doesn't just have an impact on the way that brands need to rethink the way they conduct their marketing, but also how they measure it not least because of the growing number of datapoints that are now available and being used.

Rather than look at how the whole is greater than the sum of the parts. As Ian Wright at Tapestry Research points out, “the fragmented media landscape means that we're faced with this dual challenge of really understanding at a micro-level how individual channels or touchpoints are working, but also at a holistic level, how they all fit together.” He thinks this is a tough challenge, but “we're getting smarter at meeting it through a combination of small scale qualitative insight, big data observation and survey-based interpretation.

“At the moment, most market research is done on the basis of target audiences, and they're a surrogate for consumers. We have got so used to it that we've lost sight of what's implicit in that. The more that media can be delivered on an IP or individual basis and therefore become disaggregated, then that whole way of thinking is going to be challenged. It will become much more about what people do than what audience group they are in.”

Tim Foley, Managing Director, Pointlogic



David Berkowitz, Chief Marketing Officer at agency MRY sees brands employing more sophisticated predictive models “to determine what people want, when they want in, just like brands do for pricing, promotions, and merchandising.” Chris Clarke, Chief Creative Officer International DigitasLBi also expects “profiling of individual customers to become more feasible and affordable.” and understanding of the value of what they share. But more importantly, David thinks “brands will have a much better understanding of the kinds of value of what they share” as well as better sense of what their audience wants and likes.

So What Does the Future Hold?

Accountability is Critical

Doug Scott talks about the branded content industry being in an adolescent phase. A lot of figuring out is still to be done. This is going to be a constant, particularly if the previous predictions about what is going to change in the next five years are anything to go by for the digital video content market.

Old media habits will continue to die hard, and there has been a deluge of more digital video content. Experts will continue to disagree about what the future holds, particularly whether anyone will figure out the secret of branded content success.

“Within the next five years the world of content marketing will be turned upside down, even if businesses are still practicing it (and to a greater degree than today)... Only 10-15% will regularly practice content marketing really well. And people still won’t be really satisfied with the word “content” or the expression “content marketing”.

Ryan Skinner, Senior Analyst-Content Marketing,
Forrester Research



People will be sharing digital video content, and caring more about themselves than brands.

Where consumers go brands will continue to follow, particularly with digital video-based branded content.

About the Author

Andrew Canter, CEO

Branded Content Marketing Association (BCMA)

Andrew is CEO of the BCMA (Branded Content Marketing Association) which is designed to bring together and benefit a broad spectrum of content creators and owners including organisations from the advertising, brand development, sponsorship, media, broadcasting, programming and entertainment industries. He has been instrumental in developing the contentmonitor, the global evaluation system for branded content which is set to become the industry standard. He has been spearheading the development of BCMA chapters across the globe.

For more information please visit www.thebcma.info

The 'Expert Predictions Report' was conducted by Justin Kirby, VP Strategic Content Marketing, Tenthwave Digital and BCMA Advisory Board member. He is an internet veteran who has been writing about interactive technologies and digital marketing since the early 90s. He facilitates discussions between industries experts, commentators, and academics, as well as conceive and curate book collaborations that include *Connected Marketing: the viral, buzz and word-of-mouth revolution* (2005), the *Best of Branded Content Marketing* (2013).



The full report is contained in the latest ebook. Available from 18th March. To download free please visit, www.thebcma.info/best-practices/ebooks/

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