

Branding for Convergence

by

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You knew the Web was going to be a fad.

Even so, some of the world's top companies decided to pay people like myself - whose creative and technology abilities outreach their business training - to lead their brands into a sort of "media ether." By coupling strategy with creative execution and technology, I lead brands onto the Internet, across the Web, through wireless solutions and - most recently - into interactive television.

And those are some of the smartest and best places a business can be.

Think of a brand is a metaphor for a story. Companies need to keep the story straight when it's being told in every language in the world, 24 hours a day, across every media type - all at the same time. I describe this activity as "branding for convergence."

Convergence has been a buzzword for a few years now. It promised a future pregnant with opportunities for branding permeating all media. However, what actually passes for convergence gives it a bad name. Poorly planned and articulated 'media strategies' have deteriorated it to the point where its mere mention causes disinterest and repulsion.

Like many of the words spawned and processed into the business language of recent history, 'convergence' has been dissolved into hundreds of PowerPoint decks prepared by business development teams drunk on grandiose schemes of building wealth through media consolidation.

The audiences for those decks were probably good and even smart folks who didn't really care much about convergence in the first place. And generally, the kind of convergence they were being sold ultimately manifested itself as nothing more than a media plan. Convergence, for the most part, has been totally misrepresented.

But consider for a moment the kernel of truth from which those 'biz-dev' fantasies are spun: Convergence fundamentally impacts the way companies do business. Why? Because there are no more consumers – only audiences.

Consumers have evolved into audiences who demand a consistent and engaging experience. Until now, media and entertainment (M&E) companies have primarily had the content and distribution to provide such an experience. Convergence

allows an audience to be immersed in a branded experience across every conceivable media type.

So your or your client's company is not an M&E enterprise? So what? It better start behaving like one.

Companies that have embraced convergence are finding that gaining new audience segments is easy, and their offering fundamentally enhances their brand. For example, Brooks Brothers (<http://www.brooksbrothers.com>) refreshed its brand image and evolved into a contemporary fashion powerhouse by redesigning their retail experience they played to their audience's expectations. The result: creating a new category for this already established brand.

Since convergence allows categories to be defined by those first to market, customers may respond by spending money with competitors and others who have adopted a convergent platform, yet may never before been considered a threat. In the case of Brooks Brothers just ask Banana Republic or the Gap.

Another excellent example of what to do is IKEA (<http://www.ikea.com>) and its Interactive presence. I helped IKEA make its initial foray to the Web while it was still a nascent medium for brands. The site had no commerce, which meant they were able to garner an audience by continually providing new and relevant content. By refining the online service offering it gave access to its famous catalog to those who otherwise might not have had access. IKEA's Web managers are smart - they think and behave not like a furniture company, but more like a media company.

The customer's relationship with a brand has changed. It's foolish to let low technology penetration numbers be a deciding factor in engaging or not engaging an audience. By not embracing a totally convergent model, brands are missing audiences. And as a result, the opportunity for an end-to-end brand is interrupted, which means missing revenue-building opportunities and allowing competitors conversion opportunities.

Using the best practices of a media company, brands can transform customers into audiences as well as audiences into customers. With interactive television, video on demand, and personal video recorders – advertising by interruption is waning.

Conversely, consumer touch points are increasing rapidly as new platforms for media are released and their costs decrease. As a result, the expanding audience can maintain a consistent connection with the brand.

We have witnessed how media consolidation lets businesses enter places where traditionally they couldn't have, and they do so with little additional investment. Financial service companies now seamlessly bundle banking, shopping, stock

trading, travel, and credit services. So, to businesses, the real value of an advertising or marketing partner is providing them with direction in this new and dynamic media environment.

All this "bundling" means attacking larger audiences, lowering costs in consumer relationship management (CRM), and increasing consumer confidence.

Add to all that the increased ability to track audiences once unavailable, and you have what I call the 'New CRM,' which I will get back to shortly.

Clearly, entertainment companies, content publishers and consumer brands are going to have a massive natural advantage over less visible brands. This means non-M&E companies will have to use their own content to build a unique offering by using marketing strategies that build audiences whose purchasing decisions can be tracked. Agencies should be assisting in developing content that optimizes and integrates brands by engaging audiences - wherever they are, whenever they want it. If agencies aren't offering those services, then it may be time to review exactly what they are doing for unified messaging programs.

Where can you find an audience?

Audiences are segmented into types that suit different delivery channels. Brands need to monetize content in all of those spaces. The marketing challenge is to persuade people to pay more or transact more, not necessarily to watch more.

Don't worry too much about audience choice. Six hundred channels on television aren't many when compared to thousands of magazines in a bookstore or tens of thousands of items at a supermarket. The key to success as media channels increase is migrating an audience to branded transaction points.

M&E is really just a different kind of retailing. Underlying the demand side of M&E are endlessly segmented needs and usage occasions. The art and science of managing and delivering massive choice to consumers is what retailing is about. Delivering more sophisticated, uninterrupted services, using and managing audience information, all while developing the brand to compete with the best M&E offerings is the key.

Focus on migrating audiences. Web marketing concepts such as 'communities', 'portals' and 'vortals' are seeping into television. Think about how companies will leverage television portals providing a branded access window to commerce opportunities (V-Commerce).

Using the 'New CRM' to refine your audience's experience.

The 'New CRM' is an essential element to convergent marketing initiatives. For example, targeting audiences by personal consumption patterns and buying

tendencies, rather than the typical age profiling. These programs also allow dynamic pricing and custom promotions. In the convergent space, prices can simply change in response to the time of day, competitive activity and who is viewing.

An overview of a few activities helpful to branding for convergence:

- Advertising and marketing teams need to develop strategies that turn customers into audiences.
- The design and implementation of creative deliverables should be produced with the intent of achieving a more consistent audience experience across media.
- Take advantage of ever-increasing selection of media opportunities to monetize content.
- Develop and leverage content that migrates audiences to transaction points.
- Avoid interruption in audience “touch-points” within the total branded experience.
- Use CRM tools to refine the spending of marketing dollars through a more targeted, more effective approaches.

It's an exciting time to work with brands. The Web revolution was really just the beginning of what has become entirely new way for people to communicate and transact. It is no longer PC's but every television set that can be interfaced to every database in the world.

At your disposal are powerful tools that have a tremendous capacity, reach and influence. Thinking about these things is probably a good start – but being proactive and participating in these spaces can secure a market of new audiences that will become communities who transact.