'10

Two Thousand and Ten
Digital Marketing Outlook

SoDA
Society *of*
Digital Agencies

Chairman's Foreword

By Richard Lent
Chairman of the Board, Society of Digital Agencies
Founder/CEO, AgencyNet

As the somber undertones of 2009 fade away, we move excitedly forward towards a year of promise, opportunity and rapid change. If the fiscal stars align, we'll leave behind the worst economic downturn since the Great Depression and move into a new decade filled with anticipation of a stronger global job market that will inevitably be fueled by new and innovative business models. Digital will surely be at the core of this evolution.

In 2009, we saw thousands of marketing and advertising professionals lose their jobs, reputable agencies close their doors, and budgets slashed across the board. Yet among the worst headlines of 2009, Digital has continued to revolutionize and prosper. Facebook and other social networks connect hundreds of millions of users daily, over two billion apps have been downloaded from the Apple App Store in its inaugural year, and global mobile usage has reached an astonishing 4.1 billion handsets and counting.

What you'll find in the pages that follow is the output from the 2010 Digital Marketing Outlook survey which polled hundreds of executives from major global brands, traditional and Digital agencies, vendor and service providers that operate in the Digital space, as well as freelance and independent Digital practitioners. The research has confirmed our outlook: many believe the future of Digital Marketing is exceptionally bright.

Some notable indicators from the survey that substantiate this bullish POV:
• 81% of Brand Execs expect an increase in digital projects for 2010
• 50% will be shifting funds from traditional to digital media
• 78% of global participants believe the current economy will actually spawn more funds allocated to Digital

Additionally contained within, you'll find some keen insight from SoDA members around the globe on their thoughts and predictions about the future of the Digital Marketing landscape over the forward 12 months.

Some incredibly powerful sentiments really resonated with me:

Storytelling has evolved:

• "Online storytelling will bring us huddled around our monitors like our great-grandparents huddled around the fireplace, like our parents huddled around the radio, like we once huddled around the television-and we'll tell stories like they've never been told before." —*Jason Bangerter, StruckAxiom*

• "Just as much as the conduit for brand storytelling has evolved, the modern consumer of 2010 plays a huge role in your marketing plans. Consumers have beyond proven themselves as content creators and distributors – they are the medium. Consumers are "living, breathing, passionate people who are redirecting traffic and content in real-time, based on personal interests, relationships, and the culture of the moment." —*Peter Caban, Mekanism*

• "Interactive storytelling is new because it allows the reader to control the flow and direction of the story. The reader constructs their own version, and comes to their own conclusions." —*Anrick Bregman, Unit9*

The next generation of Digital is upon us:

• "The web can be anywhere, and physical interaction with brand and the extension of commerce into the real world are the convergence point in the next wave of digital marketing." —*Patrick Connolly, Obscura Digital*

• "The most important outcome of the smartphone revolution isn't sales, but rather the shift in the cultural expectations of the device. In just two years, the iPhone has quickly ascended to pop-cultural icon, and has shifted the way that mobile devices impact consumers' lives, attitudes, and how they, in turn, view the role of a mobile device to support their daily needs." —*Brian Chiger, AgencyNet*

• IPTV will be the catalyst for "a move away from the "interruptive" advertising model that dominates television today, toward the idea of enhancement, in which brands support new contexts for viewing. This might be through design, such as a branded frame around a video;

through application, like the ability to mark products within programming for further information; or through interactivity, like ads that change up in response to a change in viewer." —*Dale Herigstad, Schematic*

• "Augmented Reality has the potential to transform the digital landscape, merging online and offline in many creative ways. It is among the most interactive digital tools available to marketers, delivering unparalleled experiential engagement." —*Richard Taylor, IE*

Social Media is propelling the rise of the Consumer:

• "Rather than spending another misguided year trying to "engineer" viral campaigns that will propagate themselves, regardless of consumer intentions, it's time to refocus our marketing efforts to align with the way that people actually behave." —*Ivan Askwith, Big Spaceship*

• "2010 will be the year that social media-fueled technology and behavior is responsible for more content consumption choices than ever before. As the media landscape becomes increasingly fragmented, marketers will need to become more nimble than ever, and start getting on the leading edge of trends, as opposed to waiting for them to emerge." —*Ian Schafer, Deep Focus*

• "The most effective digital platforms have shifted from "disruptive" to "productive" by providing a service or utility...[They] fundamentally change the approach from "how we reach our customers" to "how we make their lives better." —*Ken Martin, Chief Creative Officer, and Ivan Todorov, CEO & CTO, Blitz*

On behalf of my SoDA brethren, I'd like to wish you an inspirational, profitable and exciting year ahead. There is quite a lot to look forward to…

Richard Lent

Founder/CEO, AgencyNet
Chairman of the Board, Society of Digital Agencies

Table of Contents

One

DMO Key Stats

Two

Three

Four

Digital Marketing Outlook

*The following articles and insights are purely the opinions of the authors and not to be interpreted as facts by SoDA.

We polled senior executives from digital agencies and traditional shops, as well as their clients, to get a sense of where they see marketing dollars heading this year.

Over two-thirds of responders expect to spend the same or more in 2010.

Change in Online Marketing Spending in 2010

According to Senior Marketing Executives Worldwide

"Compared to last year, are you projecting an increase or decrease in the amount of digital projects/work in the current economy?"

% of Survey Respondents

	Significantly Less	Less	Roughly the Same	More	Significantly More

Legend:
- Digital Advertising/Marketing Agency
- Traditional Advertising Agency
- Vendor/Service Provider in the Digital Industry
- Corporate Brand
- Freelance/Independent
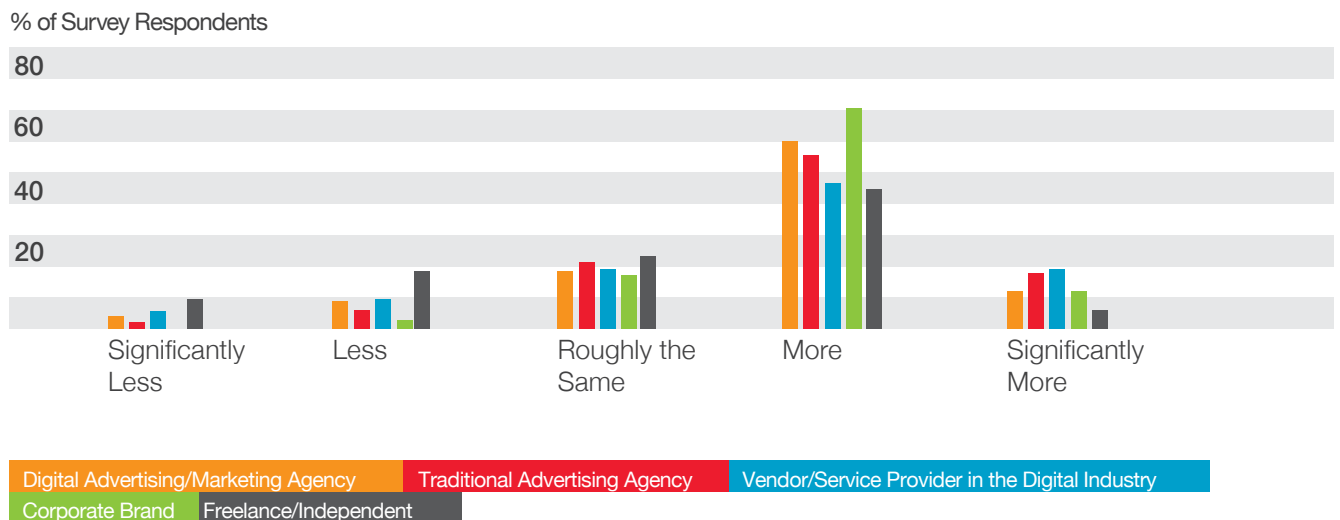
"Has your company increased or decreased personnel in the areas that support digital marketing initiatives?"

% of Survey Respondents

| | Decreased and may decrease further | Decreased but currently hiring | Stayed the same | Stayed the same but currently hiring | Increased | Increased and currently hiring |
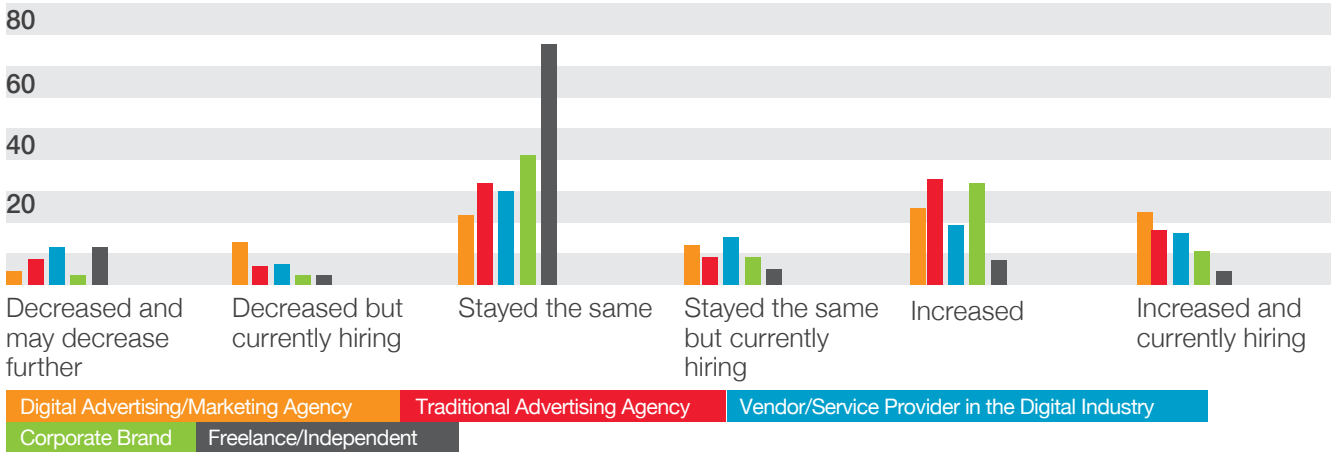
"Compared to last year, are you (or your clients) shifting funds from traditional to digital media?"

Digital Advertising/Marketing Agency

Traditional Advertising Agency

Vendor/Service Provider in the Digital Industry

Corporate Brand

Freelancer/Independent

% of Survey Respondents
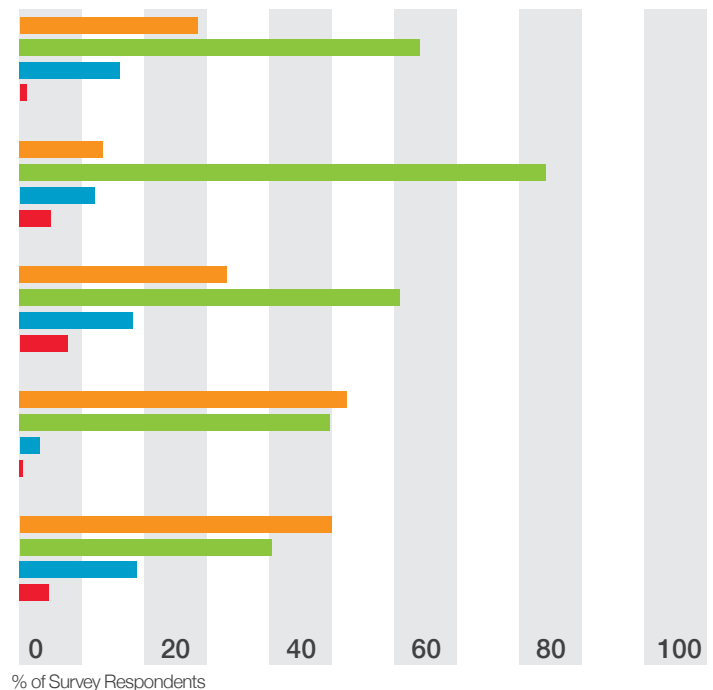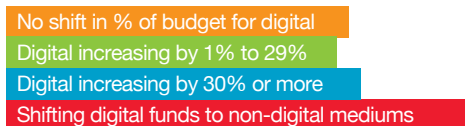
"How do you believe the current economic challenges will affect the digital marketing industry in the long run?"

% of Survey Respondents

Slow Growth · Little Effect · Increase of Digital Marketing Use

Digital Advertising/Marketing Agency · Traditional Advertising Agency · Vendor/Service Provider in the Digital Industry
Corporate Brand · Freelance/Independent
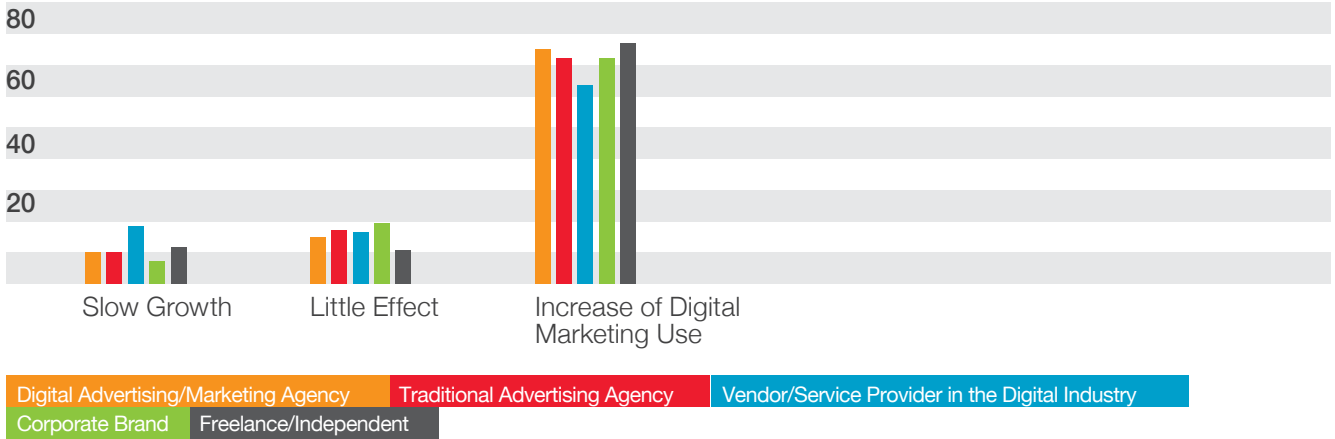
"Please estimate the percentage of your digital marketing budget that will be invested in each of the following:"

Digital Infrastructure
Digital Advertising
Search Optimization
Social Networks
Mobile
Viral Campaigns
Blogger Outreach
Email Marketing
Games
Other

Avg % of Digital Budget Invested
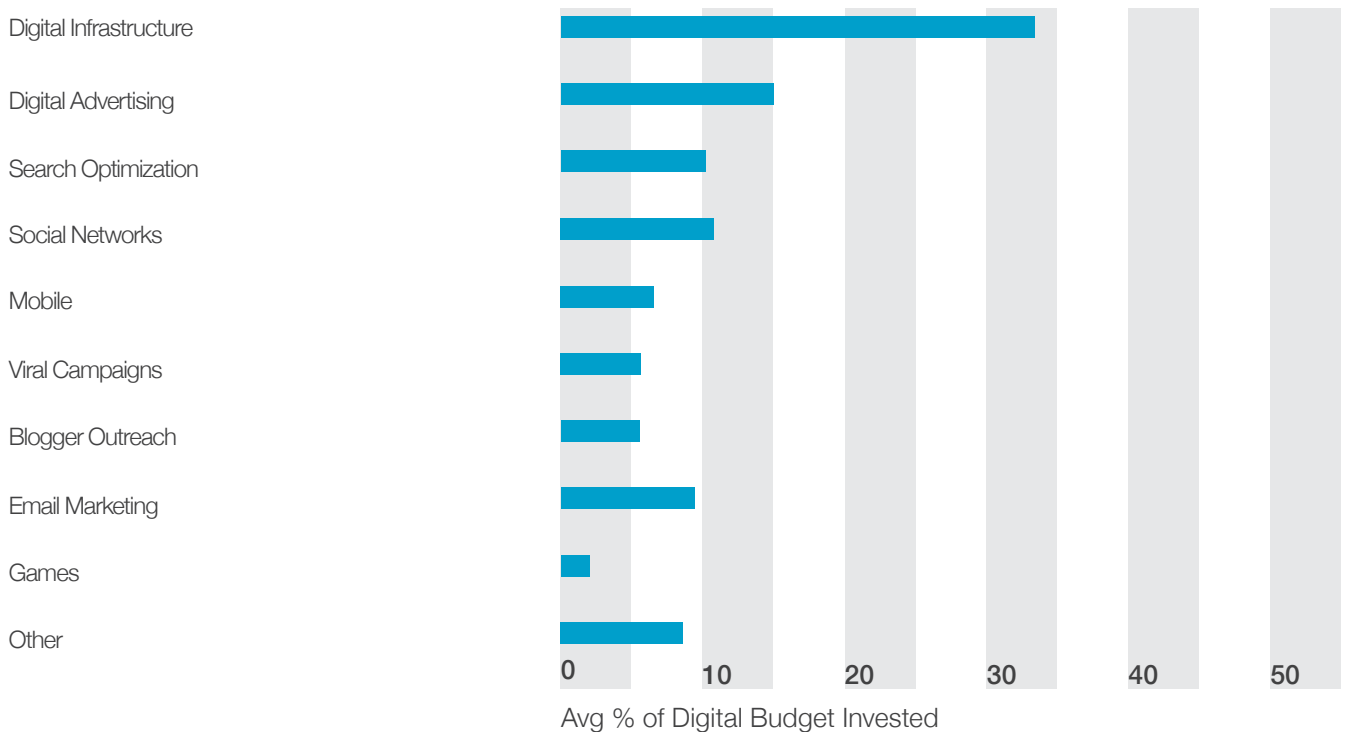
"How are your marketing investments changing?"

% of Survey Respondents

Paid Digital Media	Paid Traditional Media	Unpaid/Earned/Proprietary Media
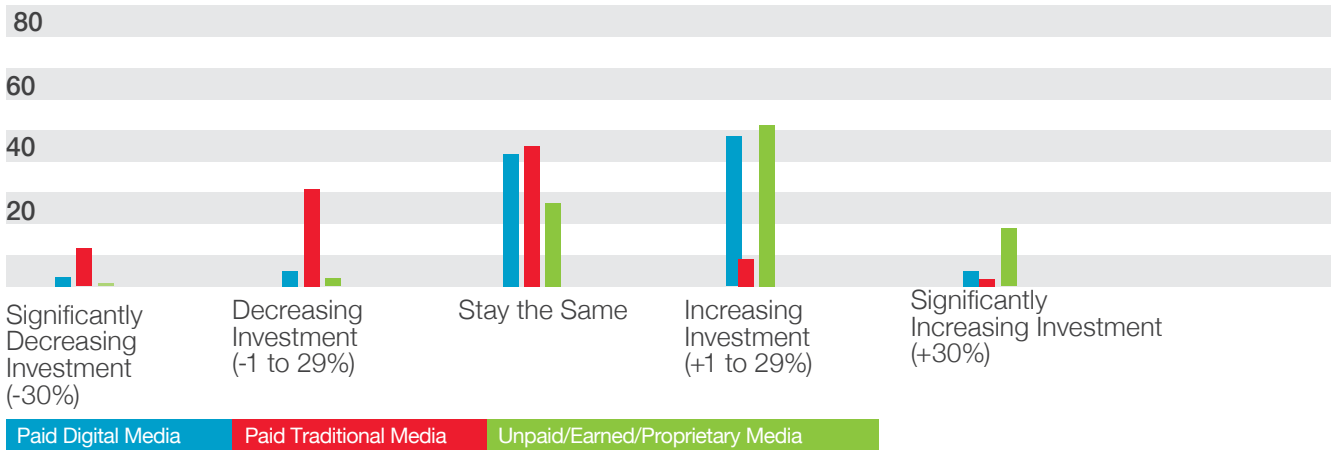
"What advertising performance metrics are you (or your clients) most interested in?"

% of Survey Respondents	Most Important	More Important	Less Important	Least Important
CPM	8.0	38.0	40.1	13.9
Click Through Rate	16.0	53.0	26.1	4.9
Time On Site	27.9	52.7	16.9	2.4
Pageviews	11.9	46.8	34.9	6.3
Unique Pageviews	23.7	52.0	19.4	4.9
Other (Cost per-click, Conversion, ROI, etc)	9.4	13.4	18.1	59.1

"Which technologies/languages are most important to your company in 2010?"

% of Survey Respondents	Important Tool	Light Use	Do Not Use	Never Heard Of or Not Sure We Use
Actionscript	57.8	17.7	12.2	12.2
AJAX/AJA Frameworks	46.5	26.1	15.0	12.4
ASP.NET	32.1	25.7	28.9	13.3
CSS	70.1	14.2	7.2	8.5
Drupal or Joomla	17.7	26.1	37.8	18.4
HTML	78.9	14.9	2.8	3.4
Java	37.6	35.7	21.3	5.5
Javascript	61.3	27.8	6.0	4.9
Microformats	6.0	23.4	41.4	29.3
PHP	48.6	24.7	14.7	11.9
Python	6.2	17.8	49.7	26.3
Ruby on Rails	7.8	18.6	49.5	24.1
Silverlight	7.0	20.4	53.0	19.6

"Which technical skill sets, if any, will you look to hire or contract in 2010?"

AJAX
Actionscript
ASP.NET
Blogging Platforms
CSS
Dreamweaver
Flash
Fireworks
Eclipse
Expression
Java/Java Script
Mobile
iPhone SDK
PHP
Ruby on Rails
Silverlight

% of Survey Respondents
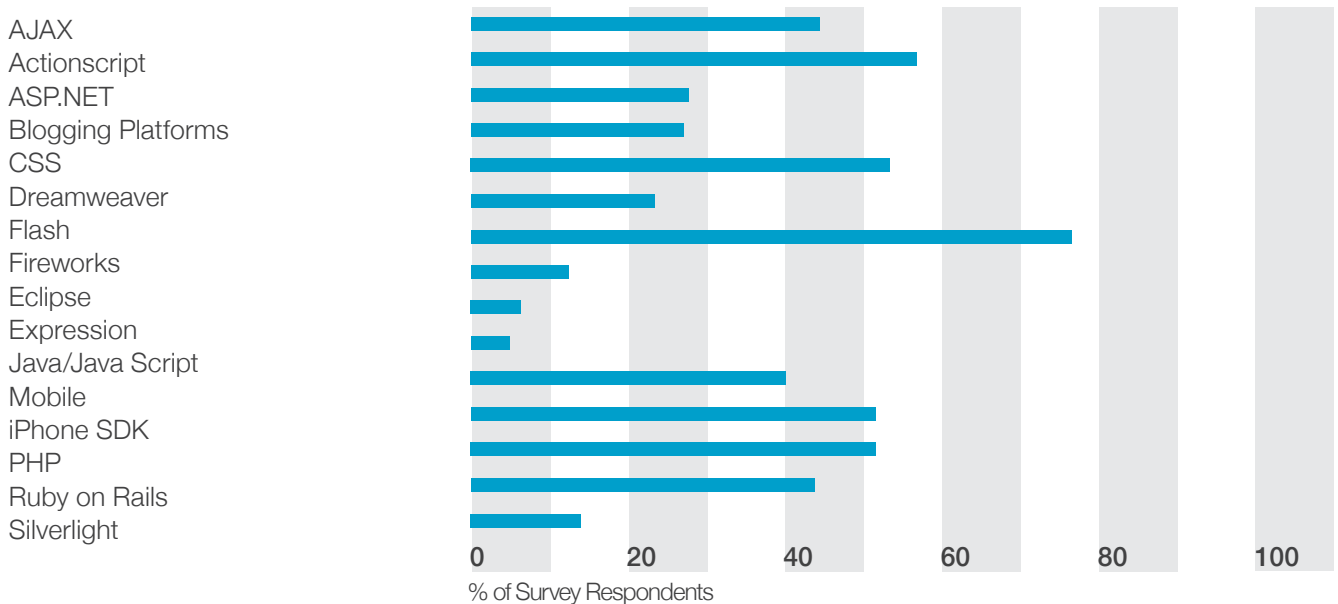
"Which tools/products will you or your organization use in 2010?"

% of Survey Respondents	Important Tool	Light Use	Do Not Use	Never Heard Of or Not Sure We Use
Blogger	17.7	38.5	39.3	4.4
Coda	6.0	12.6	52.0	29.5
Dreamweaver	35.3	29.1	30.3	5.2
Eclipse	10.1	10.5	50.0	29.3
Fireworks	16.5	27.6	44.4	11.5
Flash	75.0	17.7	5.2	2.1
Flex	27.2	25.6	30.8	16.3
Google Type	5.5	22.6	49.5	22.4
Movable Type	5.1	21.6	52.5	20.8
Text Editor	27.3	38.1	25.9	8.8
Typepad	8.6	22.4	54.3	14.6
Visual Studio	18.8	19.2	47.0	14.9
WordPress	33.9	39.1	19.6	7.4
Zend Studio	4.6	11.1	50.5	33.8

"Which of the following are top priority in 2010?"

% of Survey Respondents	Top Priority	Important	Low Priority	Not Relevant
Digital Infrastructure	44.5	51.9	3.1	0.5
Digital Advertising	15.9	54.4	25.5	4.2
Search Optimization	27	50.1	19.9	3.3
Social Networks/ Applications	45.4	42.2	11.1	1.1
Mobile	26.8	43.2	24.3	5.3
Viral Campaigns	18.3	45.6	26.7	7.3
Blogger Outreach	18.4	44.3	28.9	8.4
Email Marketing	14.1	43.5	34.2	8.4
Games	8.8	29.7	35.2	26

Chapter Two
Opinions

Emerging Trends

Section Contents

*The following articles and insights are purely the opinions of the authors and not to be interpreted as facts by SoDA.

Digital moves fast. In a sea of constantly evolving capabilities, adoption rates, and cultural expectations staying abreast of the emerging digital trends is critical. We take a look at what to expect in 2010.

Back to the Future – the Dotcom in 2010
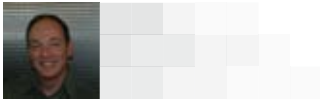
By Tony Quin, CEO, IQ Interactive

2010 heralds a rapidly growing corporate awareness of the need to revamp brand dot.coms. Even with the advent of mobile, the dot.com address remains one of a brand's most valuable assets and has increasingly become their most important marketing destination. Understanding where the dot.com falls in the marketing matrix, its new role in the post-modern marketing world and the importance of dot.com driven customer experience has become a competitive necessity.

Customer Experience Rules

Despite the recession the web has continued to power to the center of all aspects of life and business, increasingly influencing the entire customer lifecycle. From evaluating a brand before a purchase to managing an account post-sale, the dot.com has become as important as the brick and mortar experience in conversion, perception and affinity. Even in the face of the recession, consumer expectations haven't slowed down, and are being shaped increasingly by early adopter brands that have staked out next generation dot.com territory as others have watched from the sidelines. Characterized by rich branding experiences, user centered design and differentiating functionality, these next generation dot.coms are hitting the mainstream and influencing consumer expectations across categories. In 2010 consumers will have even higher expectations, just as companies get ready to get back into the game. This combination of rising consumer expectations, growing competitive pressures and the general recognition that the dot.com status quo just won't cut it anymore, means having the right strategy for the post-recession marketplace is essential.

Defining the New Mission

Hitting the "customer experience ball" out of the park is the only way to win online and that means defining a new mission for the website that recognizes both consumer expectations and the central role of the dot.com in the brand ecosystem. This new mission integrates the "usefulness" consumers demand, in the form of the functional or content value a consumer is looking for, with the persuasive branding that was previously accomplished in other media or on microsites. This integration will invariably require a re-designed website that is flexible enough to respond to a brand's fast changing marketing messaging, and robust enough to offer all the information and functionality that consumers want, when they want it. Historically these two missions have not worked together well. The emotional impact of the brand has been delivered through television, print or most recently, through specially created microsites that avoided all the IT limitations and restrictions of the dot.com. The dot.com technical infrastructure, designed for an earlier era of the web, has not been able to provide the marketing department with a vehicle flexible enough to respond to changing market needs. At the same time internal organizations haven't seen the need to provide consumers with valuable and "useful" functionality and content that differentiates their brand. In 2010 and beyond these new competitive realities will be hard to avoid.

New Skills for New Dynamics

Gone are the days of applying TV and print ideas to the web. The next generation dot.coms will need all the skills of traditional advertising, plus those of software design and product development. It's a complex stew of many disciplines that require a shift in how brands think about their commitment to the web. If one accepts the importance and opportunity of the dot.com, then a brand is obligated to make it compelling and relevant for every stage of the brand cycle. This translates to a commitment of the creation of compelling functional and content value that creates a competitive advantage. While the user primarily visits to accomplish tasks, each of those visits is an opportunity to sink the brand hook deeper. And with dot.coms increasingly serving many sales and post-sale needs, keeping the repeat experience fresh and vital needs a commitment to the on-going creation of great content. All this amounts to spending more money than brands are used to on the web.

Make It Effortless or Don't Make It

Finally if the experience of a dot.com, in trying to find something

or accomplish a task, is not easy and effortless than the result will be a frustrated user and possibly damage to your brand. According to Forrester,* 67% of online customers said their opinion of a brand was affected by their ability to accomplish tasks on their website. Making that 67% happy through effortless experience is the work of user experience (UX). This skill set includes business strategy, usability research, web analytics, ethnographic research, persona creation, and information architecture and is the heart of the User Centered Design approach to next generation dot.coms. If your team is not already familiar with these skills, now is the time to get smart. In 2010 and beyond, great UX combined with compelling, differentiated content that brands through behavior will become table stakes in the digital marketing game.

So the overall message for most marketers is that even with mobile and every other digital development, the dot.com is more important than ever, and it's time to start planning and building your next generation dot.com as soon as possible. Start the process of shifting attitudes internally and prepare for a different kind of commitment if you want to win on tomorrow's web. Don't forget that your customers and prospects are now running the show. There is no alternative to getting it right.

*Forrester 1/8/09 Harley manning: The future of web design: Balance support for both customer goals and brand communication
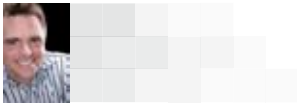
By Tony Quin, CEO IQ Interactive

IQ INTERACTIVE

Gather 'Round The Monitor: The Evolution of Online Storytelling

By Jason Bangerter, Founder and Chairman, StruckAxiom

My high school had email. Not real email, but something similar to it. No one had real email in 1993. We called it computer mail. And, despite the limitations of that system, we knew one thing: we had stories to tell and our school had just given us a way to tell them.

We exposed years-old crushes and recounted drunken tumbles from last weekend's oil-field party. We told the truth. We made things up. We embraced the anonymity that semi-online storytelling provided. We figured out how to make it appear that a message had come from another computer. In short, we abused the hell out of that system. And three weeks later, the whole thing was shut down. The computers were wiped clean. Our accounts were deleted.

The stories we told on those Apple LC IIIs were a hint at where things were headed. In essence, it was Prehistoric Facebook and Medieval MySpace. We were onto something that wouldn't be fully realized for almost two decades. Things would change. Things would get better. Things would stay the same.

Somewhere between deviant computer mail and Twitter, we learned that online storytelling was a good thing. We figured out new ways to accomplish old tricks. We built Geocities sites and then started plugging away at our own HTML masterpieces. At that point, every site delivered a strikingly similar experience: text, more text, a picture or two (if you were lucky, a blinking animated .gif), and then some more text.

And suddenly, just as soon as we were comfortable with our words, we erased them. Flash minimized the place of writing in the big picture. It ignored search engines and exchanged 3,000 word articles for animations and deconstructed photographs. To call this step an aesthetic leap forward is inaccurate. In the lexicon of late-90s athletics, it was a Carl Lewis triple jump forward, a Jose Canseco home run forward, an Andre Agassi forehand-smash forward.

Flash allowed designers and programmers to do some of the same things their filmmaker friends had been doing for decades. It leveled the experiential playing field. And, in the interest of full disclosure, Flash allowed studios like Struck to build immersive online stories for brands and companies around the world. It was a good gig… and we would've been foolish to think it'd last for long.

It'd be easy to say that the rise of Google killed the experiential microsite. But it wouldn't be true. Partially because it's not dead and partially because Google isn't to blame (not this time, anyway). So what happened? Three things:
1. We—digital agencies and our clients—built too many beautiful sites and the audience got fatigued,
2. We forgot to give users a reason to stick around—building sites that only lived for 2-3 weeks certainly didn't help,
3. The audience wanted something else.

What's most interesting about the recent shift in the behavior and tastes of online audiences is how similar they've become to what we experienced 10-15 years ago. We've moved back toward a Do-It-Yourself online culture. But it's a better, infinitely more visual paradigm than that of that late 90s DIY scene. Instead of fiddling with a friend's bootlegged copy of Dreamweaver, we now benefit from hundreds of online tools where the barriers to entry are minimal (if they exist at all). Spend 15 minutes on Blogger (FREE) and you've built one of the 100,000 new blogs created each day. A WordPress plug-in (FREE) will help create something a little more unique for your custom URL ($7.95/yr plus $3.95/mo for hosting). Find a friend with a little know-how and you can connect every stream of your online existence (Facebook, Flickr, YouTube, Twitter, etc.) in a single location.

So this is where we are. Social media and searchability rule the day. HTML is back. Flash plays a different, more refined role. Clients talk about consumer engagement and social stickiness. There's never been a better time to tell a story… and there have never been more

places to tell them. Blogs are turning into book deals. Best selling authors are becoming bloggers. There's money to be made creating fake Twitter profiles for characters from movies and TV shows. Digital agencies build robust and complex hubs, help manage communities and outline integrated social media strategies.

Do we still build visually stunning works of art? Of course we do… but they're different. They're parts of larger, longer-lasting campaigns. They're more likely to incorporate hybrid technologies that blend Flash and database-driven content management systems. Sites are updated daily with search-engine-optimized marketing messages. In short, things have never been more evolved—and they've never been more chaotic. We're figuring it out as we go, just like we always have.

What happens next? What will the audience demand? What role will a digital agency play in the next chapter? It's no bold prediction to say that the pendulum will continue to swing. We'll add new technologies to the best of the old stuff. We'll tell stories using Flash… but this time it will be through Augmented Reality experiments that also incorporate level upon level of pre-sorted content and online social connections. We'll push online storytelling beyond webisodes and podcasts and mommy bloggers. We'll continue to create online relationships that mirror, enhance and expand the connections we make at the gym and the farmer's market.

You want something more than that list of vaguely ambitious predictions? Okay, we'll make three:
1. Location—The next level of online storytelling will take location-based tagging to a frightening level. Not only will you know everything that your friends and enemies are saying/doing/thinking/seeing/watching, you'll know exactly where they've said/done/thought/saw/watched it. And, of course, you'll know where they're going to say/do/think/see/watch it tomorrow.

2. Speed—It seems we've already turned the corner on this one (and it hurts to think about it), but it's only going to get crazier. Great digital agencies are going find ways to tell more stories and build more interactive experiences to reach larger audiences across increasingly fragmented channels. Let's just hope that the second part to this equation includes bigger budgets, faster decisions and more creative freedom.

3. Emotion—Deep content is no substitute for deep feeling. And while it's nice to be able to read what parents around the world think about the latest stuffed animal on BabyCenter, the truth is that parents want to know what it feels like to see their child love that teddy bear until it falls apart. In other words, the best stories have an emotional pull that we haven't quite seen in the online environment. YouTube clips are nice. And cutesy/irreverent moms like Dooce are trying, but we're looking for something more. Maybe it's polished and cinematic, maybe it's raw. Whatever it is, online storytelling is going to make an emotional leap. And it's going to be fantastic.

This much we know for certain: Things will keep changing. People will find new ways to tell their stories online. Narrative Flickr sets and Vimeo channels will give way to something a little more exciting. Bloggers and online communities will engage wider audiences in their conversations. Online experiences will deliver more outrage, more laughter and more tears. We'll huddle around our monitors like our great-grandparents huddled around the fireplace, like our parents huddled around the radio, like we once huddled around the television—and we'll tell stories like they've never been told before.
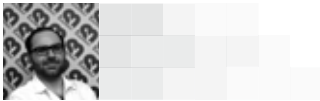
By Jason Bangerter, the Founder and Chairman of StruckAxiom

StruckAxiom

The End of Banner Ads

By Benjamin Laugel, Founder and CEO, Soleil Noir

Let's begin with a brief history. The first online advertising banner was developed by AT&T in 1994 to promote its "You Will" campaign on the site Hotwired.com http://adland.tv/commercials/att-you-willmarket-1994-030-usa and marked the beginning of a new advertising format exploiting this new medium of communication, although the Internet was still rather obscure.

In addition to disseminating campaigns for thousands of advertisers, these banners reflect the key component of many startup business models, and are the main source of revenue for major media in their complex transition to completely digital formats.

These spaces are pervasive in popular portals and are part of the online advertising market, which represented 44.6 billion dollars worldwide in 2008, up nearly 25% over 2007, and represent nearly 10% of advertising investment worldwide (note that this figure was 4.7% in 2005).

The "small" banner has undergone a variety of changes. In the 90s, it began as a static image that only took up the advertiser's campaign. It then became animated in order to convey a message, and has moved to adopting the style of a short television commercial.

It is now scripted, broadcasting video and sound that intrude into your private life by becoming a true "billboard" and leaving you no choice but to watch it. It appeals to your sense of fun, and stands out on this massive information highway that users travel every morning.The IAB (Interactive Advertising Bureau), an association that structures the market for internet communications, sets industry standards for online advertising. There are over 10 different formats and amongst them, the banner was a favorite of large advertisers and seemed destined for a promising future; so why is it now suffering from a serious illness?

There are several reasons for this; mainly the changes in platforms as well as Internet user conventions.

Formats
Screen resolutions have progressed to the point where back in the 90s, 480x60 pixel banners that occupied about 9% of the size of a VGA screen are now 728x90 pixel banners, the most common format because it captures more than one third of the market, that cover no more than 6% of the screen.

Certainly, with faster internet connections, bigger and heavier banners, in terms of weight, have appeared. However, distribution remains small and the surfer, despite all creative means of implementing this format, is unresponsive and perceives such advertising as an intrusion into their Internet experience.
Attacks and new software

The 90s were marked by various intrusive advertising techniques. At this time, the surfer was not the master of what he browsed, privacy was threatened and the user did not navigate the web in a secure environment. The arrival of spyware led to the installation of ad blocker and anti-spyware software that significantly contributed to the demise of banner performance.

Web Surfer Habits
Whether intentional (in larger formats and with visibility sometimes diminishing the creative value) or vicious, these "intrusions" have caused web surfers to become accustomed to advertising.
They have become so accustomed to it, that they can easily identify and avoid these promotional spaces, even though they may likely be interested in them.

These studies, the most common and effective of which use "eye-tracking" techniques, demonstrate this phenomenon well http://www.youtube.com/watch?v=lo_a2cfBUGc.

A Mechanism that Becomes Expensive
The figures speak for themselves. Ten years ago, a 5% click percentage was achievable. However, today we have moved to a performance of around 0.05%. As such, the cost per click (CPC) has become much more expensive and the cost per 1000 (CPM) is an uncertain and even more expensive investment, whereas, in this time of crisis, it is the transformation that takes precedence at the expense of visual communication.

The banner is indeed ailing, but is still favored by advertisers. Even if it no longer has a future on the web, it has already invaded the mobile phone and has begun to infiltrate other forms of more traditional media such as television or even newspapers that tomorrow will be paperless.
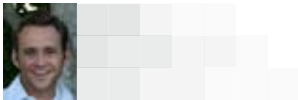
By Benjamin Laugel, Founder and CEO of Soleil Noir

What Are The Next Technology Trends?

By Andrew Howlett, CEO, Rain

With everything in technology changing as fast as any of us can type, there has never been a more unpredictable or more exciting time to be in the digital industry. We don't have to look back a decade to see large technology shifts. A year or two is sufficient to see that amazing strides have been made. Here are a few major shifts we're currently experiencing and a few that are upcoming.

Cloud Computing:
Two years ago our company invested nearly $200,000 of time and equipment into a clustered server environment for a large music project we were involved in. At the time, it was a technological wonder. Now, cloud computing has made the previous model an antique and those servers are now only worth pennies; maybe even a liability? Being such a big idea in itself, cloud computing has plenty of smaller ideas that go into what will make it a reality: not needing software, having the ability to perform all activity from a remote server somewhere and possibly a way to deliver services rather than applications completely independent of platforms and physical hardware. To understand cloud computing, think of a computer as we use it today and see it as simply the device that connects to the big computer that we're collectively building.

Mobile Computing:
Just over a year ago, mobile applications were a novelty, reserved for those willing to go through the pain of finding and installing them. "An app for that" wasn't in anyone's vernacular or on our minds. Now, a year later, what would many of us do without the lightsaber app on our iPhones, or mobile Facebook and Twitter updates to let us know what our friends had for lunch?

As memory and speeds continue to increase with each new phone release, mobile computing will take on entirely new meaning. Our mobile hard drives will be next to our ears and in our pockets at all times. Our information will be just a plug-in, blue-tooth or wireless connection away from accessing. Combine that with a keyboard, mouse, monitor and a cloud full of applications, and we will have a full-fledged computer with us at all times. Airline movie screens in the backs of seats will double as your monitor to connect with your phone, with touch pads and keyboards built into trays. We will connect to televisions to display movies or presentations for work.

Consumption of Information:
When looking at projects, we tend to look at web, desktop and mobile implementations as three different and distinct parts. Thus, we bid on these three projects separately. Budgets and time-constraints tend to limit most projects like these, so we choose one platform to build for and predominantly, it's been the web. Therefore, consumers are forced to the platform of the company or agency's choice, limiting access or convenience. In the coming months and years, creators of information and applications, whatever that may be, will allow the user to choose how they want to consume that product. Information and applications will become platform agnostic and code-unified. We're already seeing this trend happening between web and desktop, with the introduction of Adobe AIR leveraging the Adobe Flex framework. This trend will continue to include mobile and even television. Younger consumers will demand equal access to all information over mobile meanwhile pushing the hardware and software of those devices to comply.

App Development Will Shift to Non-iPhone:
To date, when any client asks for an application to be developed, undoubtedly they ask for an "iPhone app." Apple has done an amazing job of providing a superior platform and delivery method for these applications and consequently we've all jumped on that wagon. The truth is though, iPhones represent less than one percent of all mobile devices worldwide. Nokia's OVI store is gaining traction, Android has the backing of Google, and RIM has a user-base so wide that its Blackberry App World is bound to gain customers. The numbers game will come into play, and for the same reason a software maker has avoided making a "Mac Only" version of their

product, the industry will begin to look at other platforms first, because of the availability to a much larger customer base.

Conclusions:
Change is a certainty in Technology. Google Wave will change our communication channels again. HTML 5 will address many of the deficiencies of previous versions and open up another mad-dash for literacy in that new language. Apple will introduce a touch pad computer further shifting our mobile computing boundaries. And Twitter will continue to share little gems with us, like this one I read from a friend, "the ROI on innovation is survival." Amen.
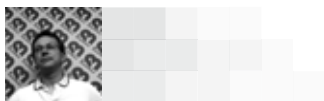
By Andrew Howlett, CEO, Rain

rain

Dematerialization: Facts and Fiction

By Olivier Marchand, Vice President, Soleil Noir

The advent of broadband in homes has not only facilitated access to various media, such as watching videos or listening to music, but it has also allowed file sharing, photo sharing or even chatting online with friends via webcam.

In order to facilitate data availability, more and more companies are offering to store your personal files on servers rather than the family computer. No more USB key in your pocket with all the pictures from your last vacation. All you need is a simple ID and password to view them directly from any terminal, and a single click to send the album to your friends, who can then post comments. After using one of these services, it is difficult to return to the old "offline" pattern.

Editors have understood this growing trend, and applications are multiplying. Flickr, Google Docs, Spotify, and even the new online version of Microsoft Office 2010 have become real alternatives to installing software on computers by offering similar features and without cost. No more installation CDs to store, disk space problems, or even inadequate configuration. Everything is simplified, accessible, transparent, and on the network.

The high bandwidth and associated new services will enhance this trend and eventually will make personal hard drives obsolete. Why continue to store and use physical media, when all information will be accessible on a secure personal space with unlimited storage? We now have the opportunity to have our entire digital life available "on demand:" A professional side with collaboration tools and powerful office suites, and another side for entertainment.

Currently, the supply of video or music on demand is already well established and easily accessible. But if we go a little further and take the field of video games as an example, we can easily imagine existing platforms like Xbox Live, PSN and, even WiiWare quickly overtaking physical media. Eventually we may even be playing our favorite games streaming without a console. The California start-up, OnLive, has been working on this project for 7 years, and presented their project during the Game Developer Conference 09 in San Francisco. With a subscription, we can now spend an evening amusing ourselves with our friends and have a full catalog of entertainment available. After "cloud computing," we have "cloud gaming" and finally, "cloud entertainment," all available easily and immediately.

But behind its promises, lies a real challenge: the problem of data confidentiality. In effect, if all of our data is accessible it means that it is potentially available to those with malicious intentions like an unhappy ex-boyfriend or a hacker at the other end of the planet. Personal data protection will be the battleground for this revolution.

Quite frequently, following a misunderstanding of the services offered, or using a password that is too simple such as a nickname, pet's name or date of birth, we find many examples of hijacked Facebook, Twitter or Messenger accounts that reveal all manner of private discussions or totally false announcements.

Private individuals are not the only victims of such security failures. Much to the glee of happy spammers, numerous public organizations have also seen their data files disappear into thin air. In the professional world, they are also subject to many confidentiality clauses.

How can we ensure that by using these tools we will not see our highly confidential project become freely available through Google prior to its release? How can one be sure that we have placed our data in a safe, secure space or that our last romantic fling will remain private and that they will not be used for commercial purposes? The threat of a Big Brother that spies on our every move is obviously on everyone's minds.

The movement of our personal data to worldwide servers will not happen without the assurance that our data is secure, but this also requires that people become educated about this new world because the promise of being at home everywhere begins with the need to remember to close the doors to overly curious neighbors.

By Olivier Marchand, Vice President of Soleil Noir

Digital Branded Content Syndication

By Pete Caban, CEO/ Head of Digital, Mekanism

Digital content syndication is the ace in the hole for the digitally savvy cmo in 2010 and beyond

Think of someone you know who is graduating from high school in 2010. Maybe it's your younger cousin, or a niece or nephew. Perhaps it's your son or daughter. Or perhaps it's some young folks in your town you may know. Take a minute to think about someone you have watched grow up for the past 15 or so years. Furthermore, let's acknowledge that your young high school graduate represents quite literally the "18" in the coveted "18-35 demographic" that many marketers are constantly trying to reach.

Now think about the fact that the high school graduating "Class of 2010" were born around the time that Netscape Navigator arrived – the time when the web was born. They were coming out of diapers when Real Audio and Shockwave came out. They were eating square pizza in the 4th grade when Flash arrived on the web. They were in Junior High when AIM exploded, when Napster was getting shut down, and when MySpace was freaking out parents and teachers around the world. In the past four years (2006-2010) while in high school, YouTube, Google, MySpace and Facebook, iPods, and iTunes were pretty much intertwined with their daily lives, both in the classroom and after-school.

Even more specifically, they will have 3G Smartphones with embedded video cameras, loaded with hundreds of affordable content creation and distribution tools; apps for finding local coffee shops, bars, and music venues to help them explore and express their newly found freedom. They will be watching YouTube HD and Hulu and Vimeo when they aren't on Twitter and Facebook and iTunes. Since they grew up on DVDs and DVR and On-Demand, they are time shifters, and going to be the toughest bunch that we've seen in a long time to reach via television.

What they won't be doing however, is paying much attention to paid media. This demographic is doing so much of the content sharing (a.k.a syndication) themselves, that they have become virtual content publishers. This new, real-time communications paradigm makes it generally impossible, and certainly cost-ineffective to intrusively buy and insert advertising the way that IAB banners and video units managed to do for the past dozen or so years, against a more static, less mobile web ecosystem.

Whether they know it or not, these digitally super-charged 'kids' are the medium. While the legacy behavior and business models of the traditional media buying/selling industry argues about pre-rolls, post-rolls, CPMs, CPCs…"The Class of 2010" has left them in the dust. There is nothing to buy, because the audience is the medium. They are not a web page to be hacked together with an IAB unit and an Eyeblaster. They are not a video file. They are living, breathing, passionate people who are redirecting traffic and content in real-time, based on personal interests, relationships, and the culture of the moment.

What will leading consumer marketers be doing differently in 2010 and beyond in order to turn this profound challenge into a game changing opportunity?

Content Syndication Programs vs. Paid Media Spending
In 2010, hundreds of leading brands such as Electronic Arts, Nike, Unilever, Microsoft, Pepsi and Fritos are planning to redirect dollars once allocated to paid media campaigns into digital content syndication programs, in order to ensure that they can successfully attract and engage millions of fragmented audiences, such as the "Class of 2010." These campaigns will continue to include television, mobile, print, pr, and experiential, but the overall mix will hinge on launching and sustaining audience engagement with Digital Content element at the heart of the campaign.

Boutique Content Creation and Syndication vs. Global Advertising & Media Agencies
In 2010 leading brands will actively embrace highly-specialized digital content production boutiques to write and direct longer-form, episodic, social-content campaigns as the center-piece for their launch campaigns. The smartest brands are the ones now pushing their agency and production partners to make ridiculously funny, surprising, inspiring, relevant and timely content. Over the past ten years they have come to realize the strengths and weaknesses of their various advertising-centric AORs, and are looking for fresh creative talent that can conceive, produce and distribute amazingly strong content.

Digital Content Syndication & Measurement Service Providers
In 2010, category leaders in Consumer Packaged Goods, Technology, Automotive, Gaming, Telecommunications, Healthcare and Entertainment are forging longer-term strategic partnerships with Digital Content Syndication service providers, not only on the creative and distribution side of the equation, but on the Syndication Measurement capabilities and systems. Leading brands will all be tracking key performance indicators such as audience sentiment, onsite and remote video engagement, reposts and remixes, as well as other metrics for success and ROI.

As we look out, we very clearly see that Digital Content Syndication is the ace in hole for digitally savvy CMOs for 2010, and well into the coming decade. A youthful, invigorated, engaged audience is the best marketing partner a brand could ever have.
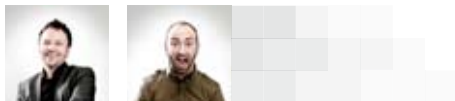
ByPete Caban, CEO/ Head of Digital at Mekanism

Digital Content in 2010

By Matt Farrar and Rob Noble, Partners, Great Fridays

The digital content business is living through an era of unprecedented growth and rapid change. Innovations in technology, understanding from measurement and analysis, and better digital product offerings are all encouraging and adding new revenue streams and profit potential which has resulted in an exponential growth in the demand for digital content. There is now a huge opportunity in the digital content space.

Yet, digital content still has the reputation of being risky, having a low value, being fraught with narrow channels to market, allowing for a poor user experience, and the chance for piracy and intellectual property violations.

We know it's not the content that is the problem. It is widely recognized that the frequent obstacles to providing rich and engaging digital content are structural rather than inherent to digital content itself. The problem is rather the oligarchic nature of the content creator who focuses on well-known, narrow and often unwieldy distribution channels.

All publishers of content recognize and understand that they have to tailor the way they deliver content in their industry. They are learning that the overbearing power of one ecosystem, such as Apple's control on music and entertainment, will lead to a deal practice that is disadvantageous to the content creator.

Content creators recognize that to exploit the opportunities of digital content, one has to create an ecosystem that matches the simplicity of the Apple offering whilst tailoring the user experience to grow and nurture a community of their own.

In 2010, content creators will be going direct to consumers more and more. With a model suited to the channel through decoupled frameworks across platforms.
Whether the content is eBooks bought by chapter, by subscription, or games bought on a level-by-level basis, the choice of purchase model is essential. The right choice brings with it savings in delivery and frees up funding for marketers to gain an even deeper understanding of the consumer through an in depth analysis and measurements.

The issue though is when consumers expect to get content for free. Dan Brown's latest book was scanned and on Bittorrent within 15 minutes of release.

This mentality brings a continued pandemic of counterfeit content in the marketplace. How do we tackle this? Just say "if you can't beat them, join them" and give it away for free?

It's a very interesting and different business model, but can advertising really support this?
In the gaming industry, AAA games will surely attract big advertising investment, some in-game; however, does this mean that it will be the end for smaller more niche games houses? The answer is probably not, and we should actually expect a natural mix of advertising heavy AAA releases and some smaller pay as you go component based models.

The key change in this market is the games houses ability to go straight to the consumer with products, thus raising better brand awareness and value. The ones who pull this off will own the market for the next 10 years.

But how does this silence the masses that expect digital content to be free content?
The answer is perhaps is to give them something only digital can offer. The truth is you can get digital content anywhere, anytime, right now. Already, there are a myriad of new delivery channels with a rich feature set like iPod, iPhones, PS3, Wii and set-top box. As more people adopt these channels the expectation for quality content to fill grows rapidly every day. Each new distribution technology and content type

represents a new revenue stream. Simultaneously, emerging markets are rapidly expanding their digital content exploitation infrastructures, and are adding to the global demand. At the same time, the total freedom of choice that digital distribution is offering, combined with the on-line phenomenon of 'long tail marketing' make for a much more fragmented, but also much more efficient and longer-lasting exploitation cycle.

Keys to success in 2010 will be:
1. Track record
A proven track record of producing quality content.
The major content publishers have great content but are large organisms that are not conducive to cutting edge creative thinking or fast adjustments to market changes. It will take them time and they will learn from: Smaller, agile content creators with lesser-known content but with an expert understanding of their consumer; and can deliver to their users needs.

2. Distribution Model
Distribution capabilities and a future roadmap for new distribution models.A digital strategy that provides a decoupled channel experience with the ability to deliver the right type of content to the right channel whether it be to browser, desktop, console or device. The key is that content creators unlock and turn on digital content distribution channels as needed.

3. Market Analysis
Proprietary market measurement and analysis across the entire ecosystem. The content business has historically been too single channel focused with no strategy for multiple digital channels. The future lies with concentrating on the advantages digital can provide through consumer understanding. From tailored products to more subliminal, less invasive advertising that is actually useful.

Final Thoughts
The content creators who understand their consumer and have identified the correct channels and appropriate content will maximize their investment. Channels will continue to grow, content will continue to be tailored, consumers will become more aware, the cloud will become more and more important, and connected devices will flourish; such is human nature. We will see an increase in major content creators delivering direct to consumer. Through decoupled frameworks across multiple channels, with subliminal contextual advertising taken from detailed reporting and statistical analysis that only digital content can provide.

2010 is about content on the web. Paid for or for free, it's in bite size chunks, it knows what you want, when you want it and it's always available wherever you are.

By Matt Farrar and Rob Noble, Partners, Great Fridays

great
fridays

Evolving Platforms

Section Contents

*The following articles and insights are purely the opinions of the authors and not to be interpreted as facts by SoDA.

From augmented reality, to gaming, to good old-fashioned storytelling, evolving platforms are creating new conversations and interactions with users.
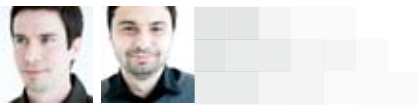
# How CMOs Will Harness Digital Platforms in 2010 to Forever Change The Way Consumers Interact With Brands.

By Ken Martin, Chief Creative Officer, and Ivan Todorov, CEO & CTO, Blitz

In the coming year, savvy CMOs will utilize digital platforms in new ways to make their brands an integral and integrated part of their customers' everyday lives. As the digital adoption rate by consumers continues to skyrocket with new trends like Twitter, Facebook, Augmented Reality, touch walls, gesture recognition and ultra-portable devices, marketers will no longer view these platforms as standalone touch-points, but instead, as seamless engagement opportunities that keep their customers continually connected to a brand story whose plot can shift and influence purchasing decisions throughout the day. In order to be successful with every digital initiative and to strengthen the brand-consumer relationship, CMOs must select digital platforms that deliver high engagement value, connect brands with consumers' social networks, and provide value and relevance in context of each consumer's location and activity.

A Day in the Life: Digital Touchpoint Opportunities
Throughout every second of every day, there are infinite ways in which brands attempt to engage customers and influence purchasing decisions. During the pioneering days of radio and billboards, advertisers utilized these "new" mediums to reach consumers on the go. However, these platforms provided little value to the consumer other than brand exposure and information dissemination. In contrast, the new digital mediums provide advertisers with custom platforms and interaction models that take into consideration where our consumers are and what they are doing at every moment and then enhance each and every one of those moments.

A perfect example is the Day in the Life Continuum, which illustrates the breadth of touch-points in which brands may interact with consumers to offer them relevant content based on the time of day, what they are doing and the devices they possess. From digital television, gaming consoles and personal computers at home, to digital billboards, in-store kiosks, mobile devices and netbooks, there are countless engagement levels that can be leveraged to keep people tuned in, seamlessly integrating brands into the everyday lives of consumers.
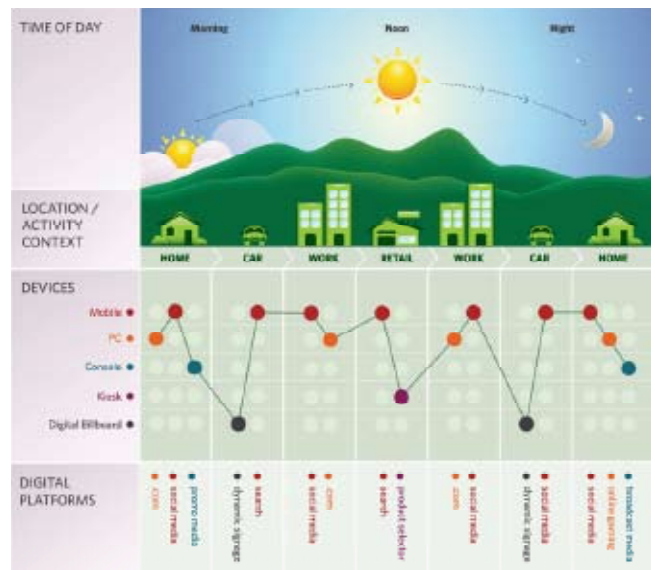
It is imperative that every execution extends beyond the single touch-point along the continuum, or the consumer will find other brands to better fulfill his or her needs. This consumer cadence must be followed to determine where and how they will interact with a brand. When planning an integrated digital deployment strategy, it is important to be sensitive to the rich media capabilities, interaction models (mouse, handset device, touch, gesture, etc.), and the ability to link up multiple platforms with one another via APIs and web services. Connecting platforms and touch-points is critical in enabling the continuation of the brand story throughout the daily routine of consumers. In doing so, we are able to provide more value and

relevancy to consumers' locations and activities.

Engagement Levels Vary
Brands will compete for consumer attention at every touch-point. One way to capture mindshare is to maximize the level of engagement. We have ranked five levels of engagement, from the least to most impactful use of digital platforms. Impact is correlated directly to the cost of execution. The higher the impact, the higher the cost of execution.

Level 1 – Gag | Impact – Low | Cost – $
Usually seen on digital billboards, banners or simple iPhone applications, gags use the "big-pop" strategy— they get your attention quickly, disrupt and make you laugh. Gags are very short lived and your consumers' attention quickly moves onto the next thing.

Level 2 – Utility | Impact – Medium | Cost – $$
These ordinarily come in the form of a calculator, recommendation engine, price finder or similar task-oriented feature. With a utility, it is important to intelligently utilize available contextual data to provide in-the-moment value. An iPhone application can be more than just a novelty that is used to kill time. Instead, for example, it could tap into a location based service (LBS), determine the proximity to a Gap® store, and offer a coupon for a new shirt thereby offering utility and value to the consumer.

Level 3 – Social Connectivity | Impact - High | Cost – $$
Social networks allow consumers to effortlessly share their positive experiences and activities with your brand. Simply give them the tools to help spread the word and influence community opinions: iPhone apps, websites, online activities (such as completion of shopping experiences), Twitter and digital board SMS campaigns. Connect consumers with popular social networks, like Facebook, and watch as they fight for brand bragging rights.

Level 4 – Brand Customization | Impact – High | Cost – $$$
Build brand customization platforms that give consumers the tools to invent, create and invest their time by personalizing the product and making it their own. The ability to customize and express individuality builds stronger brand affinity and loyalty. For maximum impact, customization platforms should be linked with social media to allow users to flaunt their customized products and influence their peers.

Level 5 – Brand Lifestyle | Impact – Highest | Cost - $$$$
The highest engagement level is achieved when brands provide everyday services, utilities, customization and social ecosystems that enable consumers to truly live the brand. As demonstrated by Nike +, Nike leveraged product usage data and integrated it within a social network, creating a community of cultish belonging. Clever utility encourages competition and Nike utilized this strategy to make the campaign a tremendous success.

First generation digital platforms focused on deliverables living on a single channel: an iPhone application, an interactive Web site or a kiosk-like attraction. These individual deployments were designed to establish presence in areas where consumers were previously unreachable. CMOs will invest in Brand Lifestyle Platforms that create synergies across multiple channels, connect activities and unify all touch-points into one holistic brand experience that increases consumer mindshare and passion for the brand.

Not all Digital Platforms are Created Equal
For maximum impact, CMOs must be selective when choosing digital platforms in order to best captivate and motivate audiences to spend more time with the brand. Evaluate them based on the following criteria:

High Engagement Value
Digital platforms with rich, multi-media capabilities will deliver higher engagement value. Common factors are:
- High resolution display graphics
- Sound volume and quality
- Video and animation playback
- Real-time 3D
- Interactivity and interaction capabilities for touch, multi-touch and gesture interactions

Utility, Content and Production Quality
To maximize effectiveness, the chosen platforms must allow the brand experience to meet the following criteria:
- Engage
- Excite
- Inform
- Entertain

Connectivity to Social Networks and Real-Time Dynamic Data
Digital platforms that enable audiences to share, post to Facebook, invite friends, tweet and spread the word about a brand experience will further improve ROI by exponentially increasing awareness via word-of-mouth. Investing in Internet connectivity ensures the most up-to-date content and application upgradability.

Provide Relevance to Location and Activity
Platforms utilizing location-based services (LBS), such as the iPhone and Xbox, are more valuable, relevant and impactful because the service and utility they provide is in context to consumers' location, activity, season or event they are attending.

Approach
To fully harness the digital landscape, brands and agencies must understand the entire connectivity story. First, they must examine the variety of daily touch-points consumers experience to determine when, where and how to best solicit the brand. Secondly, brands and agencies must understand the platform utilities and how to leverage them both independently and through the integrated model. Lastly, they must distinguish the character of the platforms for connectivity (via APIs or offline groups) to invigorate the social movement around the brand.

To create strong connections with consumers, CMOs must look beyond the digital platform itself and examine the demographics and psychographics of the individuals who use the products—in context to their lives, locations and activities. The most effective digital platforms have shifted from "disruptive" to "productive" by providing a service or utility—either by introducing a new behavior or meeting a perceived need of the consumer. The big ideas should not only be strong enough to live across channels and devices, but fundamentally change the approach from "how we reach our customers" to "how we make their lives better and make our brand an integral part of their lives."

From Disruptive to Productive
Traditionally, consumers are first introduced to an engagement experience through entertainment whether through a game, video or song. As more features are added to the experience, marketers/

agencies have the opportunity to deepen the engagement and relationship with the consumer; ultimately taking on the role of a utility. Over time, these utilities are perceived as tools and become a necessity in the daily routine of our audience—as common as a toothbrush or mobile device.

Here are a few of the steps when planning an integrated digital platform:

Lead with the Human Truths
- Establish brand objectives and develop personas for your target demographic.
- Plan to make consumers stakeholders in your brand. Build a "day in the life of" diagram and visualize what your target consumers do and where they do it every ever hour of the day.

Conduct a Brand Presence and Touchpoint Effectiveness Analysis
- Where is your brand and where are your competitors as a part of your consumers' life? What is the frequency of the communication?
- Find untapped opportunities and needs of the consumer.
- Is the brand maximizing the effectiveness of every touch-point throughout the day? Are you at Level 1 or Level 5?

Design campaigns and select digital platforms
- Select platforms that best fit within the various touch point opportunities and best perform against your competition; taking into account location/activity pros and cons.
- Have your competitors saturated the location? Can you differentiate your touch-point to be more effective and engaging so you can overtake your competition?
- Environment, noise and distractions—is your installation going to be affected by the weather (sunlight, rain etc)? Is the location too noisy and do you rely too much on sound? Are you using technology that may be impacted by light availability (e.g., cameras)?

Conclusion
Digital platforms are dramatically changing the way that people interact with brands, and 2010 will be a year of sizeable growth in technologies and utilities. Every brand has the potential to become interwoven throughout every moment of every day of their consumers' lives. The best use of digital platforms in the coming year will be crossovers—between a product and service—addressing both a need and providing enhanced functionality and access to the greater brand offering. The ability of touch-points to connect with one another via APIs and Web Services is critical for enabling the continuation of the brand story and to provide relevant, contextual content or features.

The idea that there are barriers between people and technology is being debunked as we continue to integrate more platforms into our digital lifestyles; interactions are quickly becoming more intuitive, intelligent, and human; technologies are starting to seek out consumers, rather than consumers seeking out the technologies. Innovate as much as possible. Consumers have come to expect innovation from their beloved brands as long as those brands' usage of digital platforms provides service, relevance to lifestyle, and entertainment value.

Here are a few platforms to keep an eye on:
Mobile: The promise surrounding mobile devices is starting to fully be

realized—constraints are now being replaced with possibilities; better tools and SDKs for developers with much better distribution platforms (app stores for iPhone, Pre, Nokia and Android) are creating a rich ecosystem of applications that fit our needs; increasingly faster and better networks (3g + 4g) and better phones are changing behaviors and pushing innovation. Lastly, it's not just more noise, but with tools like GPS, AR and services like LBS, phones are getting smarter too.

Augmented Reality: It is still very early in the lifecycle of AR, but the potential of the technology demonstrated by applications like Layar, and the possibilities of using AR to enhance the consumers' experience with actual physical products like toys makes AR a technology with a tremendous amount of opportunity to enhance our lives in the near future.

Using APIs to create Platforms/Ecosystems: Platforms like Facebook, Twitter and Boxee who are using APIs to harness the power of the community are prime to continue their innovative streak. APIs help us extend a platform and customized it to the needs of consumers. We are excited to see the continual evolution of these platforms as we believe the installation and innovation of these platforms will grow substantially in the years to come.

Video Convergence Platform: Whether it's Xbox and Netflix Streaming, Boxee and Hulu or TVs that are now connected to the Internet by default, the entertainment convergence is opening exciting new avenues for both marketers and consumers. We find great value and utility in being able to watch full HD resolution at home or on the go regardless of the device. And the increasingly available content whether created on YouTube or a major network like CBS only augments our belief in the future value of the combination of these platforms.

Xbox Project Natal: By removing the joystick, Microsoft takes a bold step forward with interface innovation. The use of intuitive human gestures in place of manipulating a traditional plastic input device has opened the door to making technology much more approachable to a broader age demographic as well as the technologically challenged. With its gesture-based controller, reminded us that people are willing to change behaviors if the payoff is rewarding and the technology is usable.

About BLITZ
BLITZ is a leading integrated marketing agency that brings brands to life by developing immersive, entertaining and imaginative experiences. BLITZ constantly invents new ways to excite, inform and entertain customers, making them want to learn more, go deeper, "play" longer and participate in an active brand conversation. BLITZ has developed revolutionary consumer experiences and campaigns for some of the world's most exciting brands including Adobe, Activision, Microsoft, Naked Juice, Google, Disney, Starbucks and NBC Universal. BLITZ is available online at www.BlitzAgency.com.

By Ken Martin, Chief Creative Officer, and Ivan Todorov, CEO & CTO, Blitz

Play Marketing:
How The Principles of Gaming Are Changing The Conversation

By Matt Griswold, Vice President of Strategy at Soap Creative

Marketers take comfort – contrary to the headline-seeking predictions first popularized by Nostradamus and since repeated on every generation of marketers in the face of change, it is still possible – with diligent planning, gratuitous spending, and often a bit of rare luck – to be seen these days. If you are especially adept and provocative, it's possible that your message may even be heard – no small feat considering that consumers continue to arm themselves against the growing onslaught of noise and interruption. Now, not to undermine your triumph, I ask: how will your message be played? In 2010, and the years to follow, the burden of success will have less to do with simply getting noticed and everything to do with driving participation. Participation which builds lasting relationships, which impacts fundamental business objectives, and for which there is no better guide than the lean-forward, drive-to-achieve embodied in gaming.

Long before Guitar Hero took to the stage of living rooms across the nation or Farmville rapt 30 million "casual" Facebookers in the pastures of their own design, games have been a frequent pastime in our lives. Yes, even before Mario ushered in the era of "video games" as mainstream entertainment, we have always been magnetically attracted to game experiences and the design principles which make them so compelling. The difference today is that gaming is more than just a staple of our pastime – its principles govern a new model for consumer expectations and behavior. Consumers today expect a joystick – whether real or metaphoric – with which to control their media, entertainment, relationships and consumption. They expect the freedom to pause, restart, find alternate paths to the same goal, be rewarded, succeed within (or many times against) a community, and rank up along the way. The onus upon brands – and the partners engaged to bring them to life – therefore is to find a way, without masquerading, to play along.

Before you hastily relegate this notion to the 'kids corner' of your marketing handbook, consider that gaming has quickly become the most prevalent activity on the web today, regardless of demographic,

and eclipsing – or often fundamentally tied to – every other headline-grabbing trend du jour (see: Social Media, Earned Attention, iPhone). There is a bright future for gaming in literal form, sure; but the implication is much greater than any one medium and in many ways has little to do with actual games at all. Most importantly, marketers will increasingly need to draw upon the principles of gaming in order to understand, enable and communicate with a population that relishes a game in any form.

Pierre de Frédy, largely recognized as the father of the modern Olympic Games, acknowledged this fact more than a century ago when he wrote: "the important thing in life is not to triumph but to compete." Many thinkers before, and since, have analyzed the psychology of competition, though we know it intimately: we all compete, though only a fraction of our efforts are ever realized on a leader board. Rarely do we consider these actions part of a game, but they often are just that – and are thus governed by many of the same principles and driving forces that keep users coming back to Farmville. This same underlying premise is now bringing companies to introduce gaming principles both in their marketing and, most interestingly, in the very design of their products and services.

While Nike+ enables runners to better compete against themselves, Foursquare – a location-based service that enables users to "Check In" at their favorite real-world destinations – is ultimately a mobile platform enveloped by a game of Monopoly. You won't find any end bosses or cheat codes, per se; but for those on the go, the honor of being recognized as the "Mayor" of your local eatery is a trophy in and of itself… and a powerful incentive at that, especially for businesses willing to play along. Most people – outside of perhaps accountants and part-time masochists – don't consider personal finance to be much fun; but Mint has shown otherwise. In re-launching its free, Quicken-like web service the company introduced a new feature to the personal checkbook: scoring. Avoid bank fees: +250 points. Transfer some funds into savings before they can burn a hole in your

pocket: +1000 points. The points are, of course, meaningless; but the implication is powerful: by tapping into the basic principles of gaming and our drive to compete they are transforming perception about an otherwise lamented chore. 23AndMe may one day do the same for genetics, Droga5's lauded effort for the New York Department of Education adeptly re-imagined education as a competition, and Kiva lends a public leaderboard to the world of microfinance. Expect to see charities, mobile phone carriers, frequent flier programs and many more non-gaming-related brands follow suit to incentivize behavior with game-like mechanics.

At the root of this lies the premise that the principles of a game empower the desire of its players to participate and be rewarded, and with that comes the enviable opportunity to rethink our approach to consumers. For some brands, there is indeed a great opportunity to find new expression in the form of an actual game; but, for all of us, it is moreover an invitation: to move beyond the need simply to be seen, endeavor to re-imagine our businesses in a new light, and drive meaningful participation. The tactics we have mastered over a generation will continue to work for some time, albeit their value will deteriorate. But the promise of a play-minded strategy is that ever greater opportunities now exist, ready to be seized – and the game is on.
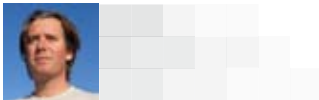
By Matt Griswold, Vice President of Strategy at Soap Creative

The Bit Stops Here. But Why Should It?

Changing The Way Consumers Experience Brands Through True "Interaction"

By Patrick Connolly, CEO Obscura Digital

Over the years, we have seen quantum leaps in the level of interactivity found on the web. Technologies like Java, Flash, Silverlight, and countless others started to make appearances on the web. These advances, married with a new generation of technology-savvy creative directors have resulted in the most amazing online digital experiences and extension of brand that I could only have dreamed of in the early days. We are now scratching the surface with game engine technology. Every day, technology is being introduced to the advertising/marketing worlds that really make the possibilities endless.

This is great news for interactive agencies and will no doubt continue in lockstep with Moore's law. But the vast majority of these experiences are, as we say, locked in "the box," with the "box" being the computer.

At our agency we believe the experience should not stop at the screen sitting in front of the user, nor should traditional methods of interaction limit the experience. The first typewriter received its patent in 1868, and the mouse was invented by Douglas Engelbart in 1968 (yes, over 40 years ago). Yet, the keypad and mouse remain our input devices to this massive world of interactivity. However, this is changing, quickly in some markets. We look at the success of the Wii, and the potential with Microsoft's Natal project, in the video game market as an indication of the consumer's desire to interface differently with an interactive environment. But new user interfaces for interfacing with the "box" and the Internet are few and far between.

Through applied computer vision technologies utilizing motion sensors, 3D cameras, motion capture, gesture interfaces, touch, multi-touch, immersion, and a host of other new user interfaces we are able to provide new inputs to the computer. These inputs are also coupled with advances in output technology, such as powerful projectors, holographic displays, multi-touch touch screens, large scale LED displays and mobile apps to name a few. We feel that the ability to build a bridge between the new inputs/outputs will be key to the success of any digital agency in the next decade.

We foresee a shift in competencies necessary for today's traditional interactive agency to provide next-generation interactivity to their clients. Those who cannot provide this new type of interactivity may not survive in today's economic climate by simply building websites. This shift will involve the ability to embrace the aforementioned technologies and marry them with the current interactivity that is already being produced. The result will be the ability for the agency to deliver its clients the extension of their digital strategy into the real world, and provide true interactive experiences.

Digital interactive Experiences
We believe that the web (which is just data), should be pervasive, and not locked in "the box." The ability to make this happen is not as easy is it sounds, but will be the next-generation of touch points that consumers will come to expect when interacting with brands.

Case Study Examples
After a sizeable investment in their traditional "interactive technology," one of our clients, a large themed restaurant chain, was handed the keys to an award winning website. The site did everything it was supposed to do and then some, but it was still just a website. The executives at this company believe in innovation, but also live in the real world of today's economy. Thus, they came to us to help get the experience that users of their website could receive, and get it "out of the box." Our solution was not to recreate the wheel, but instead, to embrace the current wheel and extend it. We delivered interactive multi-touch LCD panels in the restaurants that had XML hooks into the current CMS that powered their site and used it as the backbone of our "in-restaurant" digital experience. This allowed the customer in the restaurant to experience the content locked in the website in a never before seen way. As content changed on the website, it dynamically changes in the restaurant on the multi-touch panels. Although this is a very basic example, it exemplifies how the web and its content can be brought out into the real world for real world interactivity.

A more complex case is one that we experienced in Korea. The challenge was to turn a skyscraper in downtown Seoul into an interactive video display for the Holidays. We used 4 massive HD 30,000 lumen projectors to create the display which was no small feat. And then we tied it back to the internet. The system was capable of taking cell phone pictures, which is what we used, as well as text messages Tweets, Diggs, etc., and storing them on a micro-site. Next, a text message was sent back to the user telling them when their photo would be displayed on the building and then integrating that photo into a mosaic of photos sent in from users anywhere in the world. A webcam was set up to watch if the sender was unable to be there in person to see themselves projected 9 stories tall.

This cool project highlights the integration of content from the web and mobile devices into a physical manifestation that brought the consumer closer to the brand; in this case a bank, and gave them a personal sense of interaction with that brand. In this day and age, where we can turn a car into an interactive video advertisement and make a building come to life, the screen is not the end of the campaign/message. Everything can be treated as a website, and therefore, content must be designed to be flexible and extensible.

Conclusion: Design for Next Generation Interaction
The take away from this paper should really be that the web can be anywhere, and physical interaction with brand and the extension of commerce into the real world are the convergence point in the next wave of digital marketing. The genie is out of the box and digital agencies should begin to not design just for the web, but for extensions of the web-- in the physical world and mobile spaces.
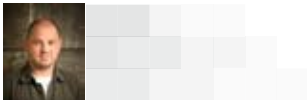
Agencies should start building and creating campaigns knowing that multiple API's, XML feeds, databases and access points need to be built in to allow for that extension.

By Peter Connolly, CEO Obscura Digital

OBSCURA
DIGITAL

Reality, But Not As We Know It

By Richard Taylor, Senior Solutions Architect for IE

Augmented Reality has the potential to transform the digital landscape, merging online and offline in many creative ways. It is among the most interactive digital tools available to marketers, delivering unparalleled experiential engagement.

Before you write me off as a nutcase, I'm not talking about the '90s-style virtual reality that required you to wear bulky head gear and look like the top half of the robot from Lost In Space. Augmented Reality, known as 'AR', enables consumers to physically manipulate 3D objects as displayed on their existing computer and webcam, or a mobile phone, to present interactive overlays on the real world environment. Think Princess Leia's hologram message in Star Wars and you are pretty close.

One of the most obvious applications for retail is a location-based service that tells you how close you are to the shop you need, or ratings and reviews for nearby restaurants along with instructions on how to get there, which is kind of like a pimped up GPS, where the instructions are superimposed over a real-time camera view of what you're looking at. There are, however, a lot of other applications for this technology that are rapidly being taken up by both retailers and product manufacturers.

Packaging

In March 2009, Lego used image recognition technology on their packaging to allow consumers to see a final model in 3D prior to purchase. Consumers simply had to hold the Lego box up to an in-store kiosk to get a 3D hologram of the finished model. (http://www.youtube.com/watch?v=8UxWkZtUKal)

In addition to providing powerful pre-purchase imagery, image recognition technology can also display associated information like specification sheets, nutritional information, recipe suggestions or even relevant in-store specials.

Whilst this data lets the consumer make smarter choices in the store and at the register, it requires the consumer to be already in-store considering a product.

Catalogues

In an attempt to capture shopper imagination before heading in-store, US retailer Best Buy added an AR component to its August 2009 weekly newspaper inserts.

The feature cover item of a Toshiba Satellite laptop included a glyph enabling users to see a 3D representation of the laptop when they visited the http://www.bestbuyin3d.com web site. The same site is being re-used for all 'Best Buy in 3D' promotions and has already been updated with more products.

Best Buy has gone on record with the impressive results:
- Despite zero promotion of the AR insert, about 6,500 people tried it out—more than double the company's expectations
- 78 per cent of people who went to the site to see the experience had a webcam.
- The site experienced a high click-through rate of 12 per cent to other site pages from the core AR page.

Product Brochures

In August 2008 at the Los Angeles International Auto Show, Nissan took run-of-the-mill car brochures to a much more engaging level to support the launch of the third-generation Nissan Cube. Visitors at the show were provided with a Nissan Cube brochure that was embedded with AR technology. When held up to a webcam, 3D models of the vehicle offer views of the car's exterior and interior in real-time interaction with the brochure content (http://www.youtube.com/watch?v=M8zymHWEzRg). Users were able to interact with the 3D image by selecting configuration options, including color and other accessories, and saw this immediately updated on the 3D model.

To emphasise the space and capacity of the Cube, and have some fun with AR, users were able to open a "magic space" showing a disco, a '70s lounge room with a lava lamp, and even a refrigerator in the boot space.

Virtual changing rooms

When it comes to shopping for clothes, a key component for a shopper is the ability to try on things on, checking not only for size but to see how various combinations of apparel can work together. No matter how convenient online shopping can be, selecting clothes via computer is a frustrating experience as it lacks this basic ability.

Combining AR and Motion Capture, the "Webcam Social Shopper" application (http://www.youtube.com/watch?v=NxQZuo6pFUw) allows users to hold a glyph up to their web cam and select from a variety of clothing items and styles that are overlayed on the webcam's video. Motion capture tracks the user's movements, allowing them to select options and interact with the application without having to use a keyboard and mouse.

With the in-built ability to share photos from within the application, and the potential to include live video steams, shoppers can also receive comments on the selected items from family and friends before making a purchase, bringing a social feedback component into online shopping. Additional features will allow users to enter their sizes to make the displayed articles look more realistic. This technology has yet to be deployed to a live web site, but the developers are ready for the beta version to be tested now.

The Bonus is Virtual

In May 2009, Paramount Pictures created "Experience The Enterprise," a 3D interactive version of the Starship Enterprise that you can hold in the palm of your hand. Promoted on the cover of DVD releases, the virtual experience adds an extra dimension to the usual bonus features packaged with, and on DVDs.

Promotion like this can be used as a teaser for upcoming movies and episodes, and can be adapted as plot lines are revealed or new characters are added. (http://www.experience-the-enterprise.com/ww/)

Say Goodbye to Decoder Rings

In-pack prizes have always inspired children's imaginations. From decoder rings to pogs, the gifts have generated countless hours of fun.

Using AR, Topps 2009 baseballs cards have allowed American kids' dreams to come true by bringing their favorite stars to life on their computer screens, with video games that allow them to interact with the players as each card is placed near a web cam, and the possibility of virtual players interacting with each other if multiple cards are placed in range of the camera.

Where to Now?

Allowing the consumer to engage in lifelike 3D images holds an open-ended future for AR technology and we're only at the start of this potential shift in consumer marketing and buying habits. Using future versions of the technology discussed above, it could even lead to the shrinking of retail store sizes. Imagine a clothing store that only needs one basic size of each garment on display – colors and prints could be virtual and stored in space-saving stockrooms rather than on individual hangers in the shopfront.

One thing is certain: in the next twelve months, the general public is going to be exposed to AR on a regular basis. In Australia, News

Limited has signed a deal to roll out Augmented Reality content across all of its print publications. Joe Talcott, group marketing director for News Limited, a subsidiary of Rupert Murdoch's News Corporation said, "This incredible technology will allow advertising content on the page to come alive as moving pictures and sound - it will change the way advertisers think about newspapers."

With this widespread integration of AR into trusted brands, this convergent technology promises to merge the online and offline experiences for both individual brands and retail stores.

Now is the time to ensure that your existing consumer-facing website offers a digital experience that builds trust and familiarity with your products and brands and to think about how Augmented Reality can enhance your business.

By Richard Taylor, Senior Solutions Architect for IE
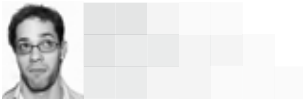
The Evolution of Digital Strategy

A great digital campaign isn't made by technology alone; Strategy is vital. Here's some fresh thinking from the world of digital strategy.

40% of Your Opportunity is Shifting to Mobile...Are You?

By Brian Chiger - Digital Strategist, AgencyNet

We're going to get out ahead of this one. Do not believe the hype; 2010 will not be the "year of the mobile phone." For starters, it is a misnomer to continue to refer to these pocket devices as "phones," especially as they increasingly resemble portable computers, replete with their own software, web access, document editing suites, update hassles, and more.

Industry insiders have observed that the last true mobile phone was Motorola's wildly popular RAZR handset. Phones produced since then have focused more on so-called "lifestyle features" that extend functionality beyond touchtone dialing and basic contact list management. Modern devices take things a step further hoping to replicate and expand on the basic functionality of desktop computers.

The net effect of this evolution is dramatically altering the media landscape and consumer behavior. What marketing and revenue opportunities does this create for marketers? Where do brands fit in? And how can mobile help drive the bottom-line?

The Smartphone Explosion
The true reason 2010 won't be the year of the mobile phone is because 2009 was. If the evolution of the Moto RAZR was a turning point in mobile phone history, then the introduction of the iPhone and the ensuing smartphone boom sounded the death knell for the term.

While the recession placed significant pressure on the mobile handset industry as a whole, smartphone sales have continued to pick up steam. Nielsen reports that one quarter of all phones sold last year were smartphones. A sizeable number, but nothing compared to their analysts' expectations that a full 40-50% of mobile devices sold in 2010 will fall in the smartphone class.

But the most important outcome of the smartphone revolution isn't sales, but rather the shift in the cultural expectations of the device. The iPhone set a new bar for usability, data accessibility and utility.

Its App Store shattered preconceptions that the device that ships in the box is the finished product. Now users expect and demand to customize their phones with a wide range of software "apps." In two years, the iPhone, Time Magazine's 2007 "Gadget of the Year," has quickly ascended to pop-cultural icon, and has shifted the way that mobile devices impact consumers' lives, attitudes, and how they, in turn, view the role of a mobile device to support their daily needs.

40% of iPhone/iTouch users access the internet more on their mobile than their desktop (Nielsen). In fact, U.S. mobile internet traffic across all handsets is now estimated between one third and one half that of wired internet traffic, making the mobile phone increasingly not the "third screen" but, increasingly, the first.

With demand for smartphones at a fever pitch and thirteen additional Android (Google) handsets, a new iPhone and intense competition from Blackberry and Palm planned for next year, 2010 is shaping up to be an exciting year for the mobile platform. The question for brands is not if to get involved, but how.

The Role of the Mobile Device in Marketing
Though the much-hyped whistles and bells (touch screens, enhanced graphics, accelerometers, GPS, etc.) have made the phone a pleasure to use, more importantly, they have also given it the potential to become a true "lifestyle enabler". Brands are no longer resigned to merely tell consumers about aspirational lifestyles, they can now give them the tools to live aspirational lives.

The mobile phone is the perfect platform to explore this new dynamic. Its portability, location-awareness and ubiquitous internet connectivity makes it ideal for lifestyle enhancing tools, services, entertainment and content. Brands that can capitalize on this dynamic will find themselves repeatedly welcome in modern consumer's day-to-day lives.

Improving Brand Sentiment via Multiple Screens

Mobile marketing can not only help keep brands relevant in the modern media landscape, but can also help build the bottom line. Mobile is unique among marketing vehicles in that it effectively bridges the gap between the analog and digital worlds. This allows it to serve as a kind of "marketing glue" that allows the consumer experience to seamlessly jump between mediums: from broadcast or print to digital or even directly to point-of-sale. The net effect can dramatically amplify the effect of marketing communications.

Even more traditional paid display media can take advantage of the increased interactivity of the mobile device. Dockers' recent "Shakedown 2 Get Down" interstitial advertisements exploited this to great effect. The ad featured freestyle dancer Orbitron wearing Dockers Vintage Workwear Khakis. Users could shake the phone to watch him dance. The campaign, targeting 30-something tech-savvy males, averaged 42 seconds of engagement per viewer. It also led to a 300% gain in positive brand conversations about Dockers in social media as well as widespread media coverage.

Driving the Bottom Line

In addition to marketing communication duties, its location awareness allows content to be extremely relevant, directing users to nearby stores, offering coupons, even providing on the spot customer service.

For example, imagine the predicament of a typical restaurant owner. He's going to have days when he's busy, and other's when 60% of his tables are sitting empty. Now let's say he's launched a mobile application that's been downloaded by some of his restaurant's biggest fans. He can reward those fans by pushing out a coupon on the fly, "25% off your entrée tonight!" The message is pushed to the mobile phones of hundreds of local and hungry customers. Interested consumers are routed directly to his restaurant. Uh oh. Now he has too many people; there's a line out the door. Using his application, he can show consumers where they are on the waiting list and even let them order drinks and food while they wait. Mobile becomes a way of not only improving the volume of customers, but also his restaurant's quality of service.

The iPhone, in particular, also allows brands to expand their product offerings beyond their traditional boundaries through the app store's built in monetization platform. Brands who offer a compelling experience can trade on their expertise and reputation for high quality offerings by creating monetizable software. In the unlikeliest of examples, the top grossing application on the App Store today is Smule's "I Am T-Pain" music application. The app, which auto-tunes anyone's vocals to sound like the hip-hop stylings of T-Pain, is the 2nd most downloaded paid application in the store. Priced at $2.99 a download (compared to the standard $.99 track), it's popularity reveals two key insights: First, that the experience of becoming T-Pain is three times more valuable than merely listening to one of his singles, and second, that branding remains an effective way to drive up margins, even within the iPhone app industry. T-Pain's offering was not the first autotune app in the store, but it is the biggest-- thanks to the weight and credibility his name carries.

Communicating a Lifestyle

A well written memo always includes an action step – something for the reader to immediately act upon that keeps projects from stalling. Mobile advertising embodies this thinking. At its core, it remains a communication platform, but it's no longer communicating a message

– it's communicating a lifestyle. A resource that provides concert listings isn't just providing helpful information; it's encouraging the user to go see more concerts. An application that provides cocktail inspirations and recipes isn't just a helpful guide; it's encouraging users to explore the world of mixology. Because of its portability, the phone is invariably used in context, and context demands action.

Context also dictates a user's situational needs. Returning to our mixology example, a user browsing cocktail recipes on the web is best served by a different experience than a mobile user because their intentions and challenges are very different. Since they're accessing from home, ingredient searches that help them understand what can be created from the materials in their bar and pantry are key. They're also more likely to have some time on their hands so enthusiast content like cocktail histories or advanced techniques and party planning tools make a lot of sense.

On the mobile web, the same cocktail enthusiast brings a different set of needs to the table. He's on the go, possibly in a bar. He's faced with a different challenge than the home user: determining what to drink right now. His decision will be influenced by a range of factors including the venue, mood, social situation, personal preferences and more. To oversimplify, the mobile user needs inspiration, the home user needs information. The resulting software will thus be very different.

This is where brands can offer their greatest value to the mobile consumer; what actions do you want to encourage and what lifestyle can your brand help consumers achieve?
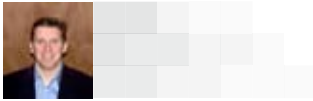
By Brian Chiger - Digital Strategist, AgencyNet

AGENCYNET

The Social Landscape in 2010: Where We've Been, Where We're Going & What We Do When We Get There

By Brian Wiener, CEO, 360i

Where We've Been
Marketing used to be a lot easier – and I'm talking about the late 1990s, not the 1950s. You worked with your agency to develop a big idea that would translate into a wonderful uni-directional creative execution that would be pushed in front of your target audience courtesy of a mass media buy. Even in the age of proliferation of cable channels, media planning wasn't that hard. But now, the rules have completely changed.

TV advertising, while still very powerful, is becoming less effective and efficient by the minute. Advertising dollars are concentrated where consumers are spending less than 25% of their time. Within online budgets, consumer-generated media represents almost 20% of time spent but less than 3% of the dollars. More significantly, the Internet has altered the rules of customer engagement forever.

Social media is a prime example of this shift, sitting at the nexus of consumer-generated content, conversations and interactions. Before user-generated content became so pervasive, consumers learned about brands and products from (a) one-to-one word of mouth (b) press reviews or (c) advertising. Social marketing has elements of all of these, making it a bit more complex, but also creating fantastic opportunities for establishing stronger ties with consumers.

Where We're Going
As we look to 2010, there are few trends we see gaining more prominence in the industry, most notably:

1. Social Media is Mobile.
Increasingly, the future of social is mobile, and the future of mobile is social. Facebook and MySpace are seeing some of their greatest usage growth from mobile devices. New mobile-specific networks like Mocospace are finding fan bases of millions of users and mobile applications like Foursquare have turned "going out" into a game.

2. Earned and Paid Come Together.
The norm right now is for earned media (any content created or publicity gained through non-advertising or paid promotions) and paid media (including display ads, video ads, paid virtual gifts, etc) to be planned separately, sometimes by entirely different departments that don't communicate with each other. While it's a little naïve to expect a radical overhaul of marketers' organizations, expect key stakeholders to sit at the table more often with respective agencies to plan these programs more holistically.

3. Measurement is Critical.
Expect new metrics and models, from planning media on a cost-per-social-action basis to measuring Key Conversation Indicators (KCIsSM) that are better suited to earned media. 2010 will also bring more progress with technologies that can automatically measure sentiment; mass market tools today are generally not accurate enough to rely on for thorough campaign measurement. Enhanced dashboards will make it easier for marketers to view the effects of social marketing on a real-time basis.

4. Transparency is Not Optional.
Marketers, bloggers and agencies will adopt stricter standards about disclosing when money has exchanged hands, and the FTC will continue to provide regulatory guidelines and oversight in this area.

And finally, the one trend that continues to stick around and will most surely impact us all in 2010 is…

5. Change is Inevitable
"If you don't like change, you're going to like irrelevance even less," said General Eric Shinseki, former U.S. Army Chief of Staff. The influx of new platforms and marketing opportunities will continue to grow. The nature of our industry is one of change and the Internet only continues to accelerate the pace of this change. Those marketers who have a strong foundation for assessing new platforms and

opportunities and a framework for determining which are best for their brands will be best equipped for survival.

There's a seemingly endless stream of interesting and groundbreaking ways marketers can reach and engage core audiences across the social landscape. Innovation, creativity and out-of-the-box thinking often lend themselves to successful interactions in social marketing. But, beware of "bright shiny object syndrome," where marketing objectives are ignored and innovative ideas are religiously pursued in the name of developing something sexy. Awards don't pay the bills; results do.

The best opportunities do not arise from ambitiously surging into a broad range of social platforms with the assumption that, by casting a large net, the brand will be bound to meet its audience. Likewise, just because a social platform grows rapidly and/or gains a lot of media attention, this does not mean marketers must develop a strategy for their brand on that platform. So how do you prepare for the onslaught of changes that are sure to come in the social landscape in 2010?

What to do When We Get There
Answering four questions can help assess and vet opportunities in the social sphere. These questions make up your brand's unique "Strategic Lens." The Strategic Lens -- "Four Questions" to ask when assessing opportunities in social marketing.

1. Objectives: Does the opportunity meet your brand's objectives?
Bold or inventive strategies can be huge enhancements to social marketing programs if they meet the marketer's objectives. Ask yourself, "Does this opportunity provide value that will help me achieve my stated goals? If yes, how will I measure the opportunity's contribution to achieving these goals?"

2. Arsenal: Does the opportunity leverage your brand's existing arsenal of assets?
An effective opportunity will showcase your brand's strengths, so if you've got it, flaunt it. Assets are advantages – and online content, video, celebrity endorsements, creative messaging, brand partnerships (e.g. tie-ins with tent-pole events like the Olympics or the Oscars), and other differentiating assets can be used to bolster your program. Digital content that's portable and shareable, such as widgets that work across a number of platforms and sites, can provide added flexibility. Most marketers have some assets that are underutilized, while others will need to build much of the arsenal from scratch to work across digital platforms and beyond.

Your arsenal may also include some existing "social citizens" that are already advocating for you organically. By harnessing your assets and brand advocates, marketers can capitalize on opportunities in social marketing that may have otherwise been less effective, if not overlooked entirely.

3. Rules: Does the opportunity abide by the social media rules of the road?
Embarking on a program that is not in line with the customs of the social platform it employs would be like wearing a pair of ski boots out for a morning jog: clumsy and ineffective. With a good understanding of each social platform and how a target audience utilizes it, you can strike a balance between your brand's own style and the specific rules of the social space you wish to occupy – without sacrificing creativity and innovation. Fresh campaigns that conserve brand identity, while

still abiding by the commonly understood best practices of the medium, will be the most successful.

4. Value: Does it provide significant value exchange?
What are you providing for your customers? Whether it's an actual product, entertainment, access, dialogue or even intangible forms of social currency such as inside information or a virtual asset, consumers expect more from brands today, and they expect it for free. The brand benefits of a social marketing program are obvious – but you will be most successful if you also consider the value expectations of their audience. Providing value will ensure your customers continue engaging with your brand in the social landscape, and might even inspire them to share the value you provide with others.

The social landscape, though at times chaotic and complex, holds a world of opportunities for brands to better connect with their customers. These opportunities will continue to grow and become more robust in 2010. But no matter what changes or new trends arise, marketers can lay the groundwork for successful social marketing initiatives by viewing any opportunities that arise through their brand's unique strategic lens.
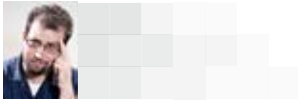
By Brian Wiener, CEO, 360i

Stop Spreading Viruses & Start Giving Gifts

By Ivan Askwith, Director of Strategy Big Spaceship

Agencies and clients alike often talk about "viral marketing" as if it's something we choose to create. We describe viral as if it's an inherent quality we can design into our campaigns, or a deliberate strategy we can execute on. But for the handful of "viral campaigns" that explode into cultural phenomena each year, hundreds of other efforts have little or no impact at all. In spite of this, we often continue to insist that we know how to "make things viral," while also reassuring ourselves that some efforts "just catch on better than others."

Unless we want to spend another year burning time and resources in the pursuit of that belief, it's time to accept a difficult truth: viral isn't a quality that we, as marketers, have the power to bestow. In fact, viral isn't an inherent trait that advertising can have at all. Viral isn't what a marketing campaign is, but how that campaign spreads. And when a campaign does achieve viral propagation, it's not simply a function of what we do as designers and planners. Instead, it's a function of deliberate choices that each consumer makes about what is worth sharing and why.

In that context, "viral" is a problematic way of thinking about marketing. As Henry Jenkins points out, viruses are transmitted whether their hosts wish to share them or not; they can't be stopped, and the participants are helpless victims. Content, on the other hand, is only shared through intentional decisions. Unless consumers have a strong, personal motivation to share with each other, nothing gets passed along to anyone. If we want people to share things, we need to stop thinking in terms of "viruses" and start thinking in terms of "gifts" — things that people choose to give for specific reasons.

This might seem like simple semantics: when we say we want a viral campaign, we mean that we want marketing that will spread at an exponential rate similar to a virus. But when we insist on describing our work as viral marketing, we make two fatal mistakes: first, we forget that exponential pass-along between consumers is a result, rather than a strategy — the end, rather than the means — and second, we focus on creating better content, rather than better understanding the motives of the people who will choose to share, or not share, that content.

Then, as we begin to plan for 2010, it's in our best interests to stop thinking about viral marketing, which moves from person to person like a virus, and instead focus on why people choose to share things with each other. We need to understand the spread of media in terms of actively giving gifts, not passively transmitting viruses. And to do that, we need to understand consumer behavior on the consumer's terms, rather than our own. For now, let's call this new model "consumer-driven marketing."

How & Why People Share

Consumer-driven marketing, like traditional word-of-mouth, relies on an exponential growth pattern. Someone encounters a piece of content and chooses to share it with several friends. Each friend, in turn, shares it with several more. From a marketer's perspective, the critical moment occurs when the consumer chooses whether or not to spread something to others. And unfortunately, since these decisions are expressed through metrics and analytics, both agencies and clients are conditioned to understand this moment in simple "yes-or-no" terms: either the consumer shared something, or they didn't.

It's time to move past this oversimplified understanding and accept three important truths: First, people share things for their own reasons, not ours. When consumers tell friends about a brand, they're not trying to help the brand; they're trying to help their friends. At the same time, they're also making a statement about themselves and the recipient: "I want you to understand that I found this interesting, and believe you will too." When we want consumers to share things, we need to focus on understanding and supporting their motives, rather than pretending consumers can be convinced to do something for our benefit.

Second, when people share, it impacts their reputation and relationships. When we give a gift, it's because we assume it will have some value and relevance to the recipient. When it doesn't, we waste the recipient's time, reveal that we don't know them well enough to recognize what interests them, and lower the odds that they will be interested in the next thing we share. If we expect consumers to give our marketing content to each other as gifts, we need to make sure it has enough value to reflect well on the consumer who gives it.

Third, when people give gifts, they don't ask for favors in return. When giving gifts, we can't also ask for something without undermining the gesture or seeming to be selfish. It makes sense that consumers are reluctant to send overt advertisements to each other, since such ads "want something" from them. In order for our work to spread, we need to focus on giving a lot of value, and asking little in return.

It's also useful to understand that there are at least three specific scenarios in which people share content, each with distinct purposes, motives and behavior patterns:

1. Contributing (1-to-Many): When users participate in online interest communities, such as message boards or discussion-driven blogs, the act of sharing relevant content is often more casual and less deliberate. Within communities, where members share a common interest but have limited personal knowledge about other members, anything that might be interesting or useful has a good chance of being shared. At the same time, making valuable contributions within a community is an important way for members to "prove" that they belong, and the pride of being the first to discover something of value offers a powerful incentive to share.

2. Broadcasting (1-to-World): In more public spaces, such as Twitter, Facebook status messages and personal blogs, where consumers often speak without having an exact awareness of who they are speaking to, the act of sharing is more self-centric, and more about the person sharing than the person receiving. When a consumer shares something in these broadcast spaces, they generally offer an opinion to contextualize it, so that the act of sharing makes a statement about who they are, what they like, and how they wish to be perceived. In this context, consumers are likely to share anything that expresses their identities, opinions or strengths.

3. Gifting (1-to-1/Few): In more private, focused channels, such as email, IM and offline conversation, the act of sharing is most akin to gifting. Whether a person shares something will depend on how relevant and valuable it is to both the giver and the recipient, since the act of sharing something relevant — much like gossip — is intended to strengthen relationships and reinforce shared values. In this context, consumers are most likely to share anything that helps generate, strengthen or sustain connections.

What This Means for 2010

Rather than spending another misguided year trying to "engineer" viral campaigns that will propagate themselves, regardless of consumer intentions, it's time to refocus our marketing efforts to align with the way that people actually behave.

It's time to accept that all of our marketing efforts should start with an understanding of the needs and motives that guide consumer decisions and social behaviors, and not clever creative executions. We need to stop thinking about a mass audience that can be influenced and guided, and start thinking about the individual people we want to engage, as well as the people they want to engage. And we need to understand that effective marketing is no longer about making consumers serve our agenda, but finding meaningful opportunities to serve theirs.

It's time to focus on creating value that consumers will have a personal stake in sharing with each other. We need to develop content that people will share because it reflects their personal values and sensibilities, helps them recognize others who share those values, and creates opportunities for satisfying interactions. We need to create services and experiences that people will use because they enable useful, meaningful and enjoyable social connections, or help them express their own personalities and identities, rather than making people into unwitting carriers of our taglines and brand propositions. We need to provide creative frameworks that let people express their own values and messages as a way of owning and aligning themselves with our brands. Above all, we need to stop asking people to talk about our brands, and start helping them talk through them.

When our campaigns meet those goals, the outcome will be both logical and inevitable: consumers will share them with each other, and the result will be an exponential increase in both brand engagement and endorsements. But when it happens, it will be because consumers got what they want from us, and not because we got what we wanted from them.
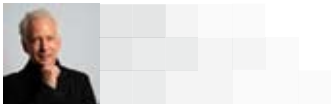
By Ivan Askwith, Director of Strateg y Big Spaceship

BIG SPACESHIP™

The Evolving Roles of Producer, Advertiser, and Audience in an On-Demand World

By Dale Herigstad, Chief Creative Officer, Schematic

The advertising industry has paid little attention to the imminent arrival of connected television. Yet it is perhaps the most complex change to hit our daily entertainment lives for a long time—a change as significant as the advent of the 30-second spot, mass adoption of cable television, or the invention of VHS and DVD formats. As a digital partner to major consumer electronics companies, cable providers, television networks, and film studios, Schematic has been working to define the IPTV experience and the impact it will have on producers, advertisers, and audiences. This is not television as we know it.

Despite technical descriptions that suggest IPTV (Internet Protocol Television) amounts to little more than "the Web on your TV," it actually signals a paradigm shift. The advent of IPTV transforms the television set from a piece of furniture upon which we watch only what we're offered, into a highly personalized tool for exploring the world.

IPTV promises to provide an entirely new audience experience and everything about that experience is still up for grabs--including all associated marketing. Why can't commercials run inside programs? What will commercials look like and how should they behave? Why can't commercials be interactive? Why can't we watch two channels at once? Who says there will even be channels?

Audiences, producers, and advertisers are accustomed to a television landscape of certain fixed entities: there are channels (branded aggregation and scheduled flow on a tightly controlled time table) and there are networks (the brands that control this scheduled flow). But these familiar paradigms are changing. Content no longer needs to reach viewers at pre-determined times, selected for them on the basis of generic demographics. Instead, viewers are now in control of finding and selecting the content they want to watch — in effect, creating their own personal channels by pulling from various sources and brands. We call this concept "Dynamic Assemblage," and it has serious implications for all of us in marketing and media.

The term "Dynamic Assemblage" refers to a completely personal, responsive, and fluid aggregation of content based on user preferences. Imagine a continual flow of content in dialogue with its viewer; a content stream that responds to all auto and manual inputs, and adjusts the programming in real time. This will be a truly interactive channel experience.

Making Metadata Work Harder for IPTV

Over time, the natural evolution of trends in IPTV and non-linear programming will lead to experiences as seamless as the linear television watching of today. But the flow of content will be generated in a completely different way. Content segments (from 15-second advertising spots to 60-minute documentaries) will assemble themselves into channel-like arrangements. These new channels will be generated by user interactions and metadata: either "official" (normalized information about stars, plot, genre, etc.) or the free-form communal sort generated by tagging and user ratings.

So, for example, if a viewer pauses and interacts with a piece of content, the "channel" will understand this as a preference and re-assemble the upcoming programming flow to be better attuned to this profile. This change in flow will also apply to the transitional moments that mark the appearance of advertising and promotion. These interstitials will have to take on new form and function if networks are to create a truly dynamic experience that compares to today's rigidly controlled linear channels.

Dynamic assemblage requires a sophisticated infrastructure that uses metadata to generate the best possible content recommendations based both on individual user behavior and the preferences of the larger community. There are two big challenges here. The first is to usefully and appropriately integrate Web-based communal metadata (like tags and ratings). The second is collecting and using what we know about an individual user's behaviors and preferences. To achieve this we need intelligent metadata systems that can anticipate and

present what users want without a lot of effort on the individual's part, and without infringing on privacy.

There are already many early precursors to this infrastructure — Apple's Genius playlists, Netflix's rating system, and Pandora's dynamic internet radio, for example -- but we have yet to see a mainstream application of this sort of recommendation engine for television that could become a stable platform for content providers and advertisers.

The Audience is the New Creative Class

In the distribution chain, control is passing to the consumer. Community-viewing platforms and social recommendation engines have superseded the TV guides of the past, and we are as likely to view content passed through a peer as that supplied by a network.

This all points toward a new interactive landscape that is only partially driven by technology; what the future looks like will be largely defined by new forms of consumption behavior.

Content has been increasing exponentially ever since production tools became available to the masses. As back-catalogues are digitized and made available online, the long tail of content is growing longer and longer. We have also been inventing new forms of content, with data, games, and applications becoming experiences of their own. What we need now are better ways of experiencing, enjoying, and distributing content.

In the world of dynamically assembled content, the audience can also edit and distribute while watching. In other words, they'll behave very much like a producer. This presents an interesting proposition for the future: viewers who expect not only to access content when and how they want, but also to re-craft that content for themselves or the community at large, simultaneously.

How should content producers, distributors, and advertisers respond? We'll have to start thinking of our audience not just as passive viewers but also as co-creators of our messaging. An intimidating proposition, perhaps, but we should embrace the new possibilities it opens up, not least of which is the harnessing of social distribution technologies. Smart advertisers will enhance their messaging with embedded interactivity for real-time response. A potent example of how this can be achieved is seen at the Home Shopping Network, where content, advertising, and viewing co-exist fluidly within a single central interface.

The HSN.TV Silverlight video player allows users to stream live TV, and view archived content in category-based "channels." Content is updated dynamically based on popularity and number of items sold.

New Opportunities for Advertisers

The trades are littered with gloomy forecasts about the death of television as we know it. "Audiences are fragmenting, commercials are being erased or ignored, content is in the hands of the audience, no one watches television on television anymore. . . . "

But it's not time to draw the shades just yet. The growth of smart devices, ubiquitous connectivity, and on-demand access actually means that content previously tethered to the television set will be available in more places, at more times, and in more ways than ever before. We'll be seeing more TV-like situations, not fewer, and each of these contexts will present different messaging opportunities at

new points in the lives of consumers. These really are entirely new customer touch-points. Some of the new content-rich environments are contextually unlike anything we have designed, or written for, in the past. The future is full of promise.

So how should brands adjust to this fluid, viewer-controlled landscape? How will advertisers reach mass audiences in a world of micro interactions across multiple screens?

The bad news: there is no single solution.
The good news: there are many solutions.

The increasingly diverse contexts in which people consume content will set the stage for new and different ways to incorporate advertising. It's more than one size does not fit all. It's more like one size fits one. We foresee a move away from the "interruptive" advertising model that dominates television today, toward the idea of enhancement, in which brands support new contexts for viewing. This might be through design, such as a branded frame around a video; through application, like the ability to mark products within programming for further information; or through interactivity, like ads that change up in response to a change in viewer.

These are just a few examples amid many, but consistent to all is a necessary shift in perception: advertising will cease to be supplemental and will become fundamental to the TV-viewing experience, regardless of the screen.

By Dale Herigstad, Chief Creative Officer, Schematic

schematic

Chapter Two
Opinions

Social Media... Facts, Myths and How to Get The Most Out of It

Section Contents

*The following articles and insights are purely the opinions of the authors and not to be interpreted as facts by SoDA.

It's been discussed, blogged and tweeted about to the point of becoming a cliché. But social media will matter even more in 2010. Be ready for the next wave of social ideas.

Top Ten Reasons Your Company Is Not Ready For Social Media

By Steve Slivka, Co-Founder, Creative Director, and
Patrick Berry, Co-Founder, Director of Tools and Methods, Colossal Squid

Of course we are grateful that a key outcome of the rush to Social Media is how it supplanted the incessant buzz on SEO/SEM – two of the least dynamic acronyms in the buzzword compliant world of digital advertising. With that said, this article is not interested in extolling the virtues of social media. There is probably great information within this document from other SoDA agencies already making this point. If you need to be sold on your participation at this point, you are probably much better off waiting for the next big digital trend. The POV here from Colossal Squid Industries is to deliver the bad news that you (and your company) are simply just not ready for social media.

So here we present for your consideration the Top Ten Reasons Your Company Is Not Ready for Social Media.

10. You want to know everything about your consumer. Now.
Answer this – would you like to know everything possible about the 15 people that presently visit your site, or a little bit less about a lot more people discussing your brand? Social media is like dog food. Bite-sized chunks over time. Also, if you are going to create your own community, be prepared to drive to it (more on this later).
POV: Investing in social media requires a leap of faith. It's about making your brand relevant within the space versus shoving traffic down through the purchase funnel. It can be about that, but not until you've shown some value and built some trust. Key performance indicators lie not in Google Analytics but in social media monitoring tools like Radian 6 and others. Much can be learned by listening to organic conversations.

9. Facebook isn't big enough.
You want to build and own your own branded proprietary social media network. Congratulations. Starting your own business is an exciting and challenging gambit.
POV: Be prepared to provide wares for this value exchange proposition including compelling content, moderation, tips and other helpful stuff. Car dealers advertise for people to visit their lot. So will you. Online media drivers, including rich media advertising, Facebook apps, and other promotions will make your new business a success.

8. You are not staffed for social media.
If social media is your brand interacting with consumers at a micro level, you better be ready to participate. It goes beyond Tweeting about spectacular holiday sales. Social community demands moderation to stimulate discussions, respond to comments and create an open, genuine dialog with your consumers. Yes, dialog means talking back. A LOT.
More harm than good can be done by hosting a party, then slipping out the back door to catch a movie once the guests have arrived. Content creation within branded networks or mainstream avenues, including Facebook, requires production time and dollars.
POV: Account for dedicated and motivated additional staffing who can speak in the appropriate brand voice.

7. Social Media cuts across verticals in your organization.
Can your company draw from resources across the entire company to respond to customer or PR needs? In real-time? Everyday? That's a lot of silos to work across. Don't count on Bob from accounting or Jean from legal to help out on conversing to your 18-24 demo.
POV: For real-time social initiatives to succeed, you need an advocate within your organization that is a key decision maker, and has a Batphone to key stakeholders. They are the champion for your content. And you'll need to pick up that Batphone from time-to-time.

6. Real-time means like – NOW.
Social media requires real-time responses that cannot be forecasted. If you have a smashing success on your hands then congratulations; you now have an even worse "predicament." More people, more hardware, more analysis, more internal meetings, more funds requirements. Well – can't get any worse, right. Guess again. You'll now need to do battle with … (#5 below).
POV: You need trained moderators who can speak in a genuine

voice on the brand. "For real" genuinely. It's okay to post, "I don't know." Be for real. Have a conversation with the customer.

5. Procurement will freak.
"You need extra funds approved for what project by when?"
"Aren't Facebook and Twitter free?"
Chances are if you must expand scope to build on timely conversations your procurement department (tag teaming with legal) might not accelerate this process. Plan accordingly, whatever that means.
POV: Pick up the Batphone for this one.

4. Click to Purchase.
Retailers are happiest when they are selling things. You'll have a hard time justifying all that social media cash without an omnipresent click-through to purchase.
POV: There's no need to divert traffic to your site if they can purchase within the social media space.

3. You can't own the Internet®.
We just knew legal would make another appearance. You're so excited about owning the ideas that come from your community that you need to let it foster and grow. Let go of your perceived intellectual property rights in favor of participation and trust. Consider tangible and intangible incentives for compensating community contributors for their ideas.
POV: Conversation comes from the exchange of ideas. Ideas come from people. You cannot own the Internet. Sorry.

2. "Advertising Honesty" is not honesty.
We're talking "honesty honesty."
POV: Don't be afraid of negative dialogue. It's an opportunity to be responsive and be a good listener. Score points and reinforce brand values with your customers. It's about people.

1. Be worth it.
Be useful. Be engaging. Be worth their time. You may end up even being helpful.
POV: With all the chatter across the digital spectrum your customers will come back to you if you're truly helpful. Value exchange.

So what does 2010 hold for social media? Well, the great part is that the industry can pretend to know, but it is truly in the hands of the people. Listen carefully and respond. They will appreciate it and your brand will reap the rewards.

By Steve Slivka, Co-Founder, Creative Director, and
Patrick Berry, Co-Founder, Director of Tools and Methods, Colossal Squid

COLOSSAL SQUID

The Social Evolution of Consumer Consumption and How It Will Impact Your Marketing Plans

By Ian Schafer, CEO, Deep Focus

Social media has become an integral part of the way people discover and consume content. Over the last few years, the continued rapid growth of social networks (Facebook), real-time information sharing and status updating (Twitter), blogging (professional and pro-am), and video sharing sites (YouTube) have provided more distribution and promotion opportunities than ever before – which means more opportunities for marketers to advertise their brands around, within, and via content.

While 2009 saw the continued growth of each of these types of social media, 2010 will be a year in which several burgeoning trends mature to the point that they will be ready to be taken advantage of by marketers looking to have their brands' content discovered and shared by more consumers, more efficiently than they ever have been able to before.

Facilitating Active Content Discovery

Consumers are more connected to brands and each other than they ever have been before. The power of social networks (eg. Facebook) and microblogging (eg. Twitter) have revolutionized the way people consume content by making it incredibly easy to not only find that content, but share it as well. 2009 saw huge growth in the usage of link-shortening services (eg. Bit.ly, tinyurl) and link sharing services (eg. Digg, StumbleUpon). Lots of data point to Facebook being the most popular tool people use to share links, and Twitter is nearly as popular as email at the same task – and it's all measurable. Content curation is becoming more democratized than ever, with more and more traffic being driven to content not just by promotion, but also by appeal. In 2010, brands are going to have to not only up the ante when it comes to content creation, but figure out efficient ways to get that content in front of the people most likely to share it with others. Ads that feature content targeted to people that have that kind of engagement will be more popular in the year to come. Which means that ads will need to be more optimized by engagement than ever.

Taking Advantage of Passive Content Sharing and Discovery

What do Boxee, Netflix, Xbox Live, Facebook, YouTube and Hulu have in common? They are all sharing the content you find interesting with your friends, without you even having to do it yourself. When you rate, watch, comment on, "like" or "favorite" content on those services, it is being shared with your network on those services. Whether those services have a "news feed"-like function, or are plugged into third-party services (like Twitter), they are turning content consumers into broadcast and promotional channels.

The more popular these services become in 2010, the more important it will be for marketers to have consumers be consuming them on those platforms. And while services like Boxee still have a long way to go before it gets called "mainstream," mainstream services will continue to copy the best aspects of its service – or an existing company will simply buy a company like Boxee's technology. As it becomes easier for platforms to plug into one another (eg. Facebook connect) the velocity of passive content sharing will increase. That means marketers should be paying more attention to platforms that can aid in content and link propagation.

The Maturation of Realtime Search and Trends

The battle for realtime search supremacy is only just beginning. As the "statusphere" starts getting filled with more and more terms, content, and links, the race is on for search engines (Google, Bing) and platforms (Facebook, Twitter) to harness the content being shared, and yield trends that help people discover the most popular content, in real-time. In 2010, brands will not only have to seek to create and aggregate trends, but take advantage of them as they are happening. While brands used to have associate themselves with music and/or other celebrities to be "cool," they will have to become more nimble to achieve the same effect.

Content, Streaming, and Rights Portability

As handheld devices become more plentiful, and as phones become gaming platforms, which also become multimedia tools, content will become more portable than ever. Digital rights management is evolving to a place where content, when purchased, can be consumed on several different devices. As operating systems get lighter, and become better at managing media libraries (Windows 7, MacOS, Linux) audiences will get more organized, and transfer more media to portable devices (that share versions of those very same operating systems) that are capable of delivering that content in the same quality. Marketers will need to produce their content to be viewable in high quality (720p) on multiple different screen resolutions. Furthermore, the growing popularity of content streaming is making it perfectly acceptable for consumers to not "own" content at all – in exchange for viewing ads. 2010 will likely see the highest point of content streaming ever, and since many of those services will be ad supported, marketers will likely flock to integrate their brands within those experiences.

2010 will be the year that social media-fueled technology and behavior is responsible for more content consumption choices than ever before. As the media landscape becomes increasingly fragmented, marketers will need to become more nimble than ever, and start getting on the leading edge of trends, as opposed to waiting for them to emerge. This will require more internal or external leadership, a holistic understanding of how the lines are forever blurred between media planning, creative and technology development, and communications disciplines. Planning and optimization will be more geared towards maximizing engagement than ever before, challenging the bottom-of-the-purchase-funnel status quo.

By Ian Schafer, CEO, Deep Focus

DEEPFOCUS

Facebook Evolution

By Chris Johnson, Founder, and Scott McAndrew, Director of Strategy,Terralever

We Have 100,000 Fans on Facebook. Now what?
Facebook presents a great opportunity to engage in social marketing at scale for large brands. The challenge that comes with this opportunity is how to best leverage the environment, technology and tools of Facebook to achieve desired results for your brand. Facebook has done a fantastic job of delivering a set of simple social interaction tools for social marketers to build groups of loyal fans and engage with them on an ongoing basis. Following a steep learning curve, Fan Pages, Status Updates and App concepts are now common place conversation for most large brands. The sum and substance of conversation between brand and customer has been completely reshaped in a few short years, but as the collective has had a chance to pause and take a breath, a new question as emerged: What's a marketer to do to innovate in this space?

Facebook provides an incredibly extensible API that opens the door for incredible innovations for those willing to experiment and invest with the next level of Facebook marketing. For all that's come before it, what Facebook has recently made available to brands represents a seismic paradigm shift.

The Evolution of Facebook Social Marketing
Facebook Connect
Facebook Connect presents the most compelling opportunity for Facebook innovation to-date. By giving brands the ability to take the social graph outside of Facebook and provide visitors with relevant, social context beyond Facebook's walled garden, brands can deliver unique, engaging and relevant experiences to Facebook users on their sites while having tighter control over experience, data and analytics. While seemingly complex, at its core Facebook Connect can be broken down into three distinct components, each with its own advantage:

Single Sign-on
By side-stepping your site's traditional registration process and leveraging Facebook's authentication mechanisms, you can greatly simplify both registration and logging in on your site. It also presents a clear user benefit of not needing to create yet another user name and password combination, which is no small achievement in today's world.

The Portable Social Graph
Once a Facebook user has agreed to connect his/her Facebook profile with your site you can deliver an experience that leverages that person's social graph in a highly compelling fashion. What's more interesting to your customers: a view of all social activity around your brand, or a view of how my Facebook friends have been engaging? Most Facebook connect implementations have just scratched the surface of this potential. Look for significant innovation with this aspect of Facebook Connect in the coming year.

Publishing Activity Back to Facebook
Since the dawn of Facebook marketing the holy grail of Facebook efforts has been to get exposure to the stream. As the effective home page of Facebook, reliably getting activity to appear in users' streams can be the difference between a successful Facebook campaign and failure. Facebook Connect gives users the option of publishing activity on a brand's site back into Facebook, gaining the brand that additional exposure without the individual contributor ever being on the Facebook site. The effective use of these three aspects of Facebook Connect create an enormous opportunity for the execution of new, creative ideas bringing brands, existing sites and Facebook together in powerful ways. 2010 will see new interpretations of social marketing in the form of innovative Facebook Connect implementations.

Fan Page Specific Applications
Facebook provides a set of simple core applications for brands to leverage within the Facebook Fan Page environment. While these core applications provide an expected, easy-to-use method of engaging with the brand and others, many brands are looking to provide more for their fans at the Page level. Facebook provides a comprehensive API that opens the door for any amount of custom interaction within

the context of a custom application. While 99% of investment in the development of Facebook Applications has been focused on developing stand-alone applications, 2010 will see brands investing in the development of custom experiences for fans of the brand.

Fan pages with large numbers of users see wall interaction that can only be described as chaos, with little value to both the brand and to fans. While being able to provide a tailored experience for fans is a key benefit to this approach, brands will also see great benefit from tighter control (and ownership) of data, and the ability to integrate more advanced analytics than Facebook provides with the core Fan Page structure.

Facebook Payments

Historically much of the ROI discussion around social media and Facebook has been fairly soft around typical online marketing strengths such as metrics, conversion and revenue. As Facebook finalizes and releases its built-in payment system, a significant opportunity will present itself for brands to take advantage of an easy to use, frictionless payment processing system. 2010 will see the launch of this payment architecture, allowing for integration with custom Facebook applications to accept payments for virtual items, services and hard goods. Existing revenue streams will find opportunity on Facebook where social context and commerce will combine. Additionally, wholly new revenue sources will exist for brands as the promise of social commerce comes to bear.

Where to Go From Here?

While each of these developments provides a great route for taking your Facebook execution to the next level, these tactics alone won't spell success. When considering your Facebook strategy consider a few core principles of successful Facebook marketing:

Transparency

As with all social media, transparency in your interactions with users is a must. Your efforts should be led by real people with clear personality. Without people social media isn't social and you don't need Facebook just to push media.

Engagement

The expectation of your Facebook environment is that you'll be engaging in a dialogue with users. If your intent is to publish offers and content and let the masses discuss, you're missing out on the opportunity of social media. Build in opportunities for your fans to engage with you and contribute content of their own.

Evolution

If the last few years within Facebook have taught us anything, it's that Facebook will continue evolve and users will continue to evolve their usage of Facebook. Any effort you undertake within Facebook should be undertaken with a clear understanding that your approach and execution will need to evolve to the needs of your users and the requirements of Facebook.

With these basics in mind consider your strengths and the expectations of your fans, and develop a creative approach that uniquely meets the collective needs of both your brand and those who champion it. Facebook has provided an incredible stage for innovation and the coming years will continue to reward marketers that take advantage of this opportunity to create stronger ties with their customers.
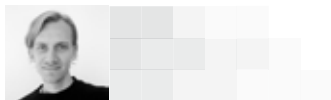
By Chris Johnson, Founder, and Scott McAndrew, Director of Strategy,Terralever

TERRALEVER

Interactive Stories

By Anrick Bregman, Interactive Director, Unit9

The modern internaut is traveling in a galaxy far far away, a digital galaxy, experiencing something genuinely new, but based on something very old. How do the origins of our storytelling culture translate to the interactive medium of modern websites? The potential to create genuinely rewarding experiences is there, but the internet has to embrace emotions to reach it.

Stories Are Cultural Representations Of Ourselves And Our Collective Cultural History.

The Internet
Anyone who has studied the history of technology knows that technological change is always a Faustian bargain: technology giveth and technology taketh away, and not always in equal measure (1). As far as technological advances go, the internet is one of the more significant of recent times. In our modern world, websites are transforming how we do just about everything: maps, music, news, friends, strangers, naked strangers, live cameras, on bombs, history, celebrities, lies, truth, medical help, films, home videos, music, books, pizza, your house, my house, football, feedback, insults, dialogue, micro networking, micro targeting, et cetera et cetera. The number of ways with which we now interact with websites is incredible and the internet is changing almost on a daily basis, fueled by both technology and ideas. But after a deep breath and a moment to reflect on all of this, there is one key question I am left with. How do our stories transfer to this medium. In and amongst all the varieties of websites, and the many different ways to interact with them, there must surely also be a great new way to interact with emotionally driven stories and experiences? What is the interactive equivalent of the film, or book? Yes, there is YouTube. And there are blogs, and podcasts. But what about the next level? To put it another way, how can we tell an engaging story on the internet if a click is not quite the same as turning a page, and the screen is still not quite able to live up to the smell and feel of holding a printed book in your hands, or watching something in the cinema with Dolby surround sound?

The Interactive Story
Stories amplify basic human behavior. They reflect our ambitions, hopes, fears, traumas and triumphs. They bring us undeniable truths about ourselves and each other. They are experiences which not only entertain but also deal directly with real social and cultural issues. "Stories allow our individual actions or observations to be shown in a cultural, social, or political context. Stories are cultural representations of ourselves, and of our collective cultural history." (2) Through the internet, the methods with which we tell stories are slowly changing, multiplying, and diversifying, but a good story is still just as easy to define, and just as hard to create as it has always been. Simple, memorable, offering a journey, and most important, a powerful ending, a revelation, and moments of profound happiness or sadness. But interactive storytelling is new because it allows the reader to control the flow and direction of the story. The reader constructs their own version, and comes to their own conclusions. This works in games, but also in brand campaigns, educational applications, social networking and even virtual worlds. The concept of a truly interactive story has its origins in the Choose Your Own Adventure books, where several endings would be presented on different pages for readers to choose from. Fast forward to today and we have a huge diversification of this form of storytelling, a medium which has proven its creative and commercial potential. But the promise for the modern internaut of using this medium as a place for emotive experiences has not yet been realized.

Brands can play a major role in shaping online culture into a medium which is experienced, not just browsed.

Challenge 1: Playing
The reasons for this are many. To begin with, the attention span of the modern internaut is notoriously short. Our collective obsession with speed, refreshes and single sentence updates, creates chaos; a drain, where all the knowledge is mixed, where the deep and the trivial coexist. A blurred collective brainwave where multitasking is

the modus operandi and playing is thought of as solely an amusing past time. I think that brings us to a big misconception with emotional experiences. We need to challenge the common assumption that anything to do with interactivity is light entertainment. We should challenge that clicking is playing, and therefore trivial in nature or intent. Why not charge our experiences with real, and sometimes serious cultural or social context? Why not create interactive content that links to our fears, hopes or collective painful memories, just like they do with our pleasures and fantasies? Why not use the medium to explore all types of stories? An extreme example: Shindler's List is widely viewed and highly regarded and no one feels guilty for watching it. But when game developer Luc Bernard released an online game about the holocaust, it was lambasted for being highly inappropriate. There were feelings of anger in response to the idea of 'playing' with this sensitive subject. It shows how experiencing a story is still very much misunderstood. Through computers and the internet, "learning by doing becomes the rule rather than the exception. Since computer simulation of just about anything is now possible, one need not learn about the frog by dissecting it." (3)

Challenge 2: Branding

Brands are leading the wave of interactive innovation we are witnessing online today. And through their ability to invest and the power of brand recognition, they have a premium position reserved for themselves because consumers know how to find them online. You go to nike.com and it's obvious you'll get a brand related experience about your favorite running shoes, or whatever. But "too much of the potential of the web is limited by a desire to commoditize it or commercialize it rather than give it its rightful cultural and social context." (4) What brands have in accessibility, they often lack in personality. And the internet is so personal that brands often stand out for this lack of personality. They interact with audiences using a combination of highly generalized stories and a heavy emphasis on product placement. This soft approach lacks a real journey for consumers. It doesn't involve their emotions. The most visible thread in our modern culture is advertising and the brave brands that transcend their consumer base by creating content which reward or challenge them, and so draw them into their world. And by using the story to create that engaging content, brands can take up their role as interactive storytellers, and answer to the desire of consumers for involvement and ownership in their favorite brands. By being brave enough, and investing in the new form of storytelling, through interactive experiences, brands can play a major role in shaping online culture into a powerful medium which is experienced, not just browsed.

Can websites do more than just occasionally entertain? Can websites make you cry?

Challenge 3: Emotional Design

Players don't play to complete games, just as readers don't read to finish books. Players play to feel emotions. Game design is experience crafting for the purpose of emotion engineering. (5) From a production point of view, online experiences are merging with games, video, and film production. They are using advanced animation techniques, complex music soundtracks and intelligent user interfaces. Their makers are part of complex productions involving many disciplines, often backed up by big budgets and extensive research and development. They no longer just design websites, they design emotional experiences; they tell stories. But, for me, this explains what the third big challenge is. As website production gets bigger on

some level, how do users keep up? There is not one type of website, there are many. And although the internet is rich for its diversity, "we increasingly lack ways to compare in an objective manner, and ways to describe in a shared language." (6) In short, the internaut doesn't know what to look for exactly, and this means the medium is underestimated by most of the people using it. Internauts, like film fans before them, want to be engaged by content rather than the medium alone. Content is king and the makers of websites have the ability to set their audiences expectations much higher by building emotional design into the production process; by using techniques such as emotional terrain maps, intensity graphs, and emotion time lines as visual mechanisms for engineering, writing and expressing emotional engagement in their interactive stories. Emotions deal with intensity and internet is the place of speed. It is a huge challenge to bring emotions into this medium, and focus its power on the hearts of its users. But its not that we are using inefficient methods, more that we are using our methods inefficiently. The potential for incredibly powerful and immersive experiences is there, and increasingly interactive experiences do reach that potential already. Some challenge us emotionally, and prove to be truly memorable and engaging. But in such a diverse and fast-paced environment, they are still the exception, not the norm. For me, the challenges come down to one thing: can a website make you cry? Not that crying is the objective here, but being drawn into a story is, and it's easily done when reading a book or watching a film. The internet is growing up and its users are establishing their habits quickly. We are at a key point of defining what an interactive experience means to an audience. And for the vast majority of users of the internet, this does not yet include any real emotional story. Of course emotions aren't the answer to everything, and aren't applicable everywhere. But there is a specific place for an experience on the internet. Through blogs, art projects, virtual worlds, and with web documentaries, we are beginning to see that potential. The internet as a medium has the ability to do much more than entertain us occasionally. It's up to the makers of web based content to embrace that, and up to the internaut at large (that's you and me) to find out for themselves how powerfully they can be moved online.

(1) From a talk by Neil Postman, 1990.
(2) From an interview with Takayoshi Kishimoto, 2009.
(3) From Being Digital by Nicholas Negroponte, 1995.
(4) From a discussion with Jelly Helm, 2009.
(5, 6) From Emotions Engineering by Stéphane Bura, 2008.

By Anrick Bregman, Interactive Director, Unit9

unit9.

Digital Trends the World Over

Section Contents

*The following articles and insights are purely the opinions of the authors and not to be interpreted as facts by SoDA.

The digital revolution didn't just happen in the U.S. Change and innovation are happening all around our planet. Here are some perspectives from ouside our microcosm.

Trends in Digital: South America
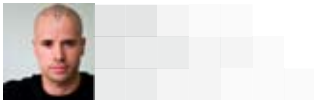
By Andre Matarazzo, Chief Creative Officer, Gringo

Digital took a little while to catch up in South America. The assimilation was mostly hindered by infrastructure and price of technology. Mobile phones being discontinued in Europe are offered at 10x the price in our shops and labeled as novelty.

Despite the late arrival, it seems that we have been catching up in large strides. In 2000, South American connected users represented only about 10% of North America's, and now we are approaching 70%. On that same token, the number of Facebook users has increased 1055% here compared to 38% in North America. The total market size is South America is around 130 million connected users, with 50 million users alone coming from Brazil. About 70% of these connections are broadband. We are not online as frequently as the Brits and Swedes, but when we are, it seems like we absolutely can't get enough, spending more time connected than any other country in the world.

So what is it that entices people to connect and keeps the numbers increasing through the years? Social media. And it's always been, even before the social media explosion. South Americans are social by nature. Nothing is more sacred to us than chatting, gossiping, flirting, meeting new people (which in many cases turn into real-life relationships) and a little everyday drama we grow accustomed to watching on the Telenovelas. Now we are able to experience our sacred communications by being transported to the digital realm through millions of real-life YouTube videos.

In Brazil, 80% of connected users have an active profile on Orkut, a Google social site (Facebook is starting to bother its sovereign domain) and that same number chats on Windows Live Messenger weekly. A very small percentage of South Americans speak a foreign language, but that doesn't deter us to browse away around a myriad of interesting sites in English. For instance, users on Orkut magically learned their way around the English version of the site in 2006, when it was not available in Portuguese. A few years later, aware of

the potential in South America, Orkut launched it's Brazilian Portuguese version.

Most big brand campaign sites are simply translated to either Spanish or Portuguese. It seems most South Americans do not really mind that since consuming goods with international allure is highly desirable over here. Oddly, despite abyssal differences, all social strata is equally represented digitally, from the poorest to the richest. The rich browse on their iPhones and at home, and the poor make use of the ever omnipresent web cafes for their daily dose of online action and drama. The top connected countries are Venezuela, Chile and Argentina. But the excellence in digital doesn't follow suit. Brazil has a disproportionate number of digital awards and recognized works worldwide, perhaps thanks to its positive history in offline advertising that is somehow transposing well to online.

Now that digital is not considered a passing trend anymore, advertisers are starting to open up their hearts and wallets to the possibilities and are being well rewarded. Social media is being seen as a God-like savior that grants brands all their wishes and asks for nothing in return. Everyone is excited, if somewhat also misguided, on their efforts to create blogs, viral videos, podcasts, getting their brand to tweet away hourly and other magical tools that seem to solve all marketing problems for virtually no money at all. Agencies are finally starting to integrate their services. Clients see the value in having one voice across all channels and working trans-media, while agencies covet and drool over the show-stopper Titanium Cannes Lions yearly.

In Brazil, the Byzantine agency structure and the lack of media shops guarantees that full service agencies (that always buy media) still survive on lavish media bonuses, and those that take a firm stab at living out of creative services alone will struggle. How to put a price on creative work when, historically, agencies have given it away for free? The exorbitant media bonus protects cartels, who get enough to cover all costs and turn quite the profit. As even the sad stories

turn magically into samba and salsa at the very last episodes on Telenovelas, digital also has a few cards up its sleeve. Digital work is usually not of the highest level of production craft (and money), but the simple idea touching upon controversy, sex, comedy and lots of sarcasm still reigns undisputed internationally.

The future seems bright for us South Americans. After decades of social turbulence, most countries have stabilized and started to grow at quick rates, allowing a large chunk of the poor to enter middle-class and educate themselves as well as their children, to have leisure time, travel, and consume. Those social catalysts propel digital assimilation and guarantee a positive cycle: more money / more digital access / more education / more possibilities / more open minds / more integration. Our developing nations yearn for change, for better conditions, for less violence, for more education, and for some fun in the sun. Digital is the real agent for change that is taking up the place of unfulfilled political promises we've been hearing about for decades. Good thing it's now here to stay.
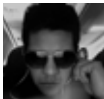
By Andre Matarazzo, Chief Creative Officer, Gringo

GRÏNGO.

Trends in Digital: Mexico

By Ulises Valencia, Co-Founder, GrupoW

In all the world, the most creative and innovative interactive strategies come from independent agencies. Most of them are small companies in comparison with the big networks that work globally and move slowly. In Mexico, the main problem is that the industry, as a whole, is waiting for these big networks to bring new ideas and break old rules in advertising and marketing; and those networks have noidea how to make this happen.

The digital way of life is a buzz in foreigns magazines and blogs, just few studios and companies are taking this as a serious Business model. The audience is growing faster than the content which may be the reason why Mexico is the second largest country with online messenger users; they use the new media on their own desks, not as consumers but as editors of blogs, twitters, etc. We can say Mexico knew digital life with Internet 2.0 without a transition from Internet 1.0. However, this year, brands have increased the amount of investments in interactive and mobile initiative. The biggest players have put 2% of their total advertising budget towards these "new media."

One of the biggest traditional media networks, Televisa, is trying to understand this new channel. They know that people are now using and trusting more in the internet than in TV. Every year, 20% more people have access to computers and internet connection; a statistic that represents many potential consumers.

The old-fashion companies have a temporary problem with the creation of new ideas and content that make their channels relevant and interesting for public exposure to the world wide web; talking about real life and everyone less interested in soap-operas. This is a huge challenge especially for 50 year-old directors. Television stations, magazines, radio stations, newspapers, etc., had a lot of time to grab the full attention of people. Now, those outlets are losing a lot of that time and they do not know how to keep their audience connected to their content.

We started 10 years ago just after the online fever began. The market was really dissapointed for all that represents "digital" and we had to start changing and making a new culture.

The outlook for 2010 is a little bit easier for some clients, but not for everyone.

Digital Networks, like Razorfish, are coming to Mexico and that factor is going to help to increase the need in usual clients and some others. We are expecting a very exciting 2010 with new players and more attention from clients and consumers. Also, some networks have new plans to improve their performance and make a more complete strategy; they have a huge challenge not only in Mexico but in Latin America.

Another interesting point is the economy crisis. In 2009, some of the companies that tried for the very first time to step onto the digital platforms did it because they could not spend money on traditional comunications. They were forced to save money not only on the production of TV spots but in all the media planning as well.

They cut costs and in the more succesful cases they realized all of the benefits with digital media. So they are going to keep doing this; mixing with traditional media. The new model for agencies is going to try and include all the spaces where users are. Suddenly, it is more common to talk with traditional creative directors about online strategies. They are a little bit confused but very interested in learn. More often than not, too many people try to learn something new by self-teaching and so few actually have the experience and knowledge to do so successfully.

Another aspect is education. Only a few universities include digital courses in their offerings. And sometimes it's really hard to find the right people doing relevant work since the schools aren't properly preparing them.

This September, our own school starts with 15 students from all over the country. We made a recruitment process and received a lot of portfolios and work from young people from all over the world. This first program is a refreshing experience for us as we are teaching not just technique, but criteria, cinema, creativity, etc. It is absolutely free, but is a challenge to finish. The building where this school is located is still under construction, so it's not yet a comfortable space. We are also learning from the students; their appetite to learn, their passion to share, to compete, and to be part of. This may be our most exciting project since we started the company in 1999.

Whats Next for 2010?
I think a fantastic voyage in trying to be notorious with strong messages. Because the audience is waiting for that. I see new competitors as partners, trying to finally open this industry. I also see clients very open to enter even when they tried once, but with the anxiety of being part of something as big as the "unknown."
I think it will be exciting.

By Ulises Valencia, Co-Founder, GrupoW

Trends in Digital: Russia

By Andrei Anischenko, President & CEO, GRAPE

The Internet is penetrating deeper and deeper into the Russian consumer perception. While the majority of people view the Internet as an optimal source of communication and business, someone "lives his everyday Internet life to the fullest." Well, it is rather obvious, just look around – the world wide web opportunities are unique and indispensable; they perfectly cater to every specific request and provide a huge supply and service set.

According to statistics the percentage of internet users will increase drastically in two years, and it will involve half of the Russian population. For example, over the last six months, the number of internet users has reached the following index - 39.6 millions of fourteen year-old teenagers who make up 32 % of the whole Russian population. The Russian Federation takes the 6th place among rapid internet-user growth countries. That is an important statistic for future perspectives.

In the year 2008 the 3W penetration into Russian regions index increased up to 4 %. Regions are a considerable gauge for this research, as the majority of the country's population lives there. It would be also relevant to mention the level of cell phone use, which will make up 127 % of the whole Russian population by the year 2010. All these figures prove the fact of global Russian internationalization which is freely growing as well as the digital service market.

Over the last year the Russian consumer's level has considerably changed. There are several probable reasons for that: crisis, huge info field around consumers, and obviously – the accessible Internet. Statistics show that an average Russian user is cruising through web space around 84 minutes per day (an hour and a half), which is way too much. Here comes the redirection of informational flow that leads to the failure of proper and traditional ways of communication. People no longer face the product remoteness; brands just gave the way to brand socialization. In other words, "we are what we consume." The social clarity of internet users majority resulted in a totally different level of society perception. Today, brand is not just an achievable/ usable item; it's the object of social status, pride and self-expression. Thus, we get an access to the audience that has a lack of banal information: they want to informally communicate with the brand, get the experience, new motions and feel the brand care.

There's one more important factor – the statistics of consumer's approach to advertising. Basically, the internet as a source of information has one of the highest rates of audience's confidence with 28% of those interviewed. Only TV's rate is higher at 30%, but the situation is likely to change in favor of the internet. Despite that, 54% of those interviewed were negative about advertising, explaining that the tendency of informational exaggeration immediately destroys their confidence. At the same time, 89% of respondents said, with assurance, that they would take the information they need from the internet. Optimal, fast and understandable – oh, they definitely will! From the different point of view the use of direct advertising for creating the brand communication with customer is becoming less and less profitable; it's different with nonstandard long-term companies in the internet though. They do succeed in wide-spreading and effectiveness.

There are a few general online goals that should be successfully reached by brand. First, there should be target audience attention maintenance (to the brand itself and its products). Second, the loyal audience and brand ambassadors' growth stimulation; therefore, the growth of product reconcilability. And, finally, the demand increase. That all sounds good but more tools are needed for reaching success. A considerable gap of communication channels between users and brands is a real challenge. To limit yourself to the use of single channel or advertising campaign is not a good idea; there's a risk to be well forgotten due to the violent speed of the internet trend modifications. That's why our future depends on complex long-term communications which make all the aforementioned above goals the real ones. The customer is asked to be introduced to the brand, to specify its nature and sense. It's much easier to make someone's life more carefree, interesting and informative after the introduction.

It can be done with the help of 5 steps of digital communications:
• To inform.
To inform the customer about yourself, to provide fast and simple informational access when it's needed.
• To supply more.
To help the customer do more then he expected by creating special client services.
• To interact
To keep on involving the client into communication, ignoring the whereabouts; to be where he is.
• To surprise
To be extraordinary by amazing the client.
• To entertain the client
To play with him by creating ways of exciting communication.

Looking through these 5 rules we should remember the necessity of spreading the communicational channels for keeping the brand closer to its customer and his informational space. Unbelievably popular Russian social media spaces, like vkontakte.ru, blogs.mail.ru, livejournal.com, odnoklassniki.ru etc. and new ones like facebook.com and myspace.com.are used for effective interactions. By the way, the rate of socialization in Russia seems to be the highest one in the world – 45.5% of the whole country's population from 12 to 54 years-old. There are more than 20 million people who are ready to become manifold brands' clients.

Social spaces are just one kind of communication anyway. It's really important to remember that when making an extraordinary promo website, correct SEO-optimization, proper brand and its products PR. Here come widely used web 2.0 elements that are extremely useful in modern advertising companies. Users have become more creative, they inescapably like to "DIY." That makes no sense - whether the client is projecting his own snickers or kitchen - he does it himself by getting experience and opportunity to share his piece of art with friends. It's also necessary to mention other effective tools- mobile activities, special content, offline communications, nonstandard banner campaigns, and so popular in Russia - virus marketing. Virus marketing makes the brand look just like the background, it's an amazing eye-stopper though: it's humorous, based on hilarious situations and different curious messages.

It's getting more and more common for virus companies to become the part or the basis for well-known brands. Thus, we get a huge diversification of manifold decisions for long-term companies, which are limited only by the perceptional level and digital agencies and departments creativity. Within the last year, such large agencies as G2 Moscow or BBDO Moscow created special digital departments or got the investment-happy companies with the history(Actis Wunderman). Russian representative offices open digitals like Trible DDB and Digitas, while independent digital agencies organize long-term relations with their clients (Grape, DEFA Interactiv and others). Offline agencies work hard as well, being conscious about the digital future and looking for appropriate clients. The conclusion goes without saying; the digital market is growing faster than true professionals are coming. Despite this, there are enough supplies to be prepared if it's necessary to act in irregular ways by using up-to-date trends for successful relationships with advertising communications.

In conclusion, we should sum up the idea that this tendency will develop every now and then, with every new user. The internet shows incredible dynamics and right now the user is so difficult and selective that every day needs more great inventions and innovations. It results in the digital sphere's growing professionalism and new awesome long-term contracts.

By Andrei Anischenko, President & CEO, GRAPE

GRAPE
РЕКЛАМНОЕ АГЕНТСТВО

The Society of Digital Agencies (SoDA) serves as a worldwide voice for digital marketing professionals with a mission to advance the industry through best practices, education, and advocacy.

The Society of Digital Agencies

Society *of*
Digital Agencies

The brief history of SoDA founded on mutual trust among peers - and mojitos.

The idea for the Society of Digital Agencies (SoDA) literally started over a few drinks in South Beach Miami in March of 2007. A number of CEO's from recognized digital agencies had known, spoke or met each other over the last decade and agreed to meet in Miami to discuss the industry as a whole and at a minimum, have a good time. There was no agenda and no expected results. In attendance were the 13 founding agencies and executives of SoDA. Two days and nights of Mojitos both created new, and enhanced existing relationships.

During spirited discussion on the state of the interactive industry, the group discovered that they experienced a range of similar business problems that included not having any industry recognized best practices, a shortage of qualified, educated staff to meet the demand of new business, and there was no independent organization that represented this decade old industry.

At the conclusion of the meetings in Miami it was agreed to think about what had been discussed and to meet again in several months to see if, time permitting; there were still strong ideas of how to address the business issues that affected the interactive business and collectively were these representatives in attendance up to the task before them. The next meeting was in New York and then again in San Francisco where the idea for SoDA was officially formed. Five more agencies joined in 2008 to launch the Society of Digital Agencies, also known as "SoDA" at SXSW with Adobe as the launch sponsor.

It is now 2009 and SoDA has expanded internationally with 41 agencies around the globe. The organization continues to grow and is in constant motion with events, education initiatives and working collectively to continue as a voice of digital marketing professionals with a mission to advance the industry through best practices, education, and advocacy.