

Andy Latimer:

Welcome again, to Bluewater Talks, today we're going to be talking about media strategies and post COVID-19 era. A lot has changed over the last several months, consumer behavior being the biggest factor. Now we're in a world where people who would never order online are now ordering online and receiving packages at the front door every day, from household items to specialty items, all the way to food. Everything's coming to the front door and I'm going to say this right here and mark it down, write it down. These behaviors are never going to change back, this adoption of the new way of purchasing and the new way of buying is never going back. And that changes a lot about the way you market products and the way you have to buy and place your media strategies going forward.

Andy Latimer:

So we're going to be talking about media strategies and the post COVID 19 era, and I'm joined by Sarah Andreadakis, the EVP of media here at Bluewater media and Monica Mclaughlin. I just have to say it with a little twist because that's the way it should be, she's the VP of media. So we are now in a new era, we're placed ourselves in a place where the world changed. We're now addressing new ways to reach the consumer. And I would say that we're perhaps in the greatest era of direct consumer that we've seen possibly in our lifetime, brands have recognized and started to make the shift. Everything is about capturing the customer all the way down to just the way that we now have to talk to our customer is building a relationship because it's not passive buying in the retail outlet anymore in the retail store. It's about making them want to become part of your brand and buy from you. So what's the big picture? We sit here now in a new era, what should people out there be thinking when they're talking about media today?

SARAH ANDREADAKIS:

Well, Andy, I think the big key there is direct to consumer. Historically direct consumer has been thought of as something that maybe is more of a fly by night or a little bit chintzy, and that's just not what it is. Today it is developing that direct to consumer relationship where a brand is speaking to a customer and showing them who they are. They're not filtering through a retail outlet anymore and more consumers are comfortable having that direct relationship. This COVID pandemic era here that we went through, we saw that 73% of US consumers, they started making digital purchases that they hadn't made before. And as they're prioritizing how they're connecting with brands and how they're doing their shopping as this pandemic has changed over the last several months, we've seen those behaviors continue into the subsequent months. And so, as we look forward, what's going to happen here. We predict people will continue to directly engage with brands and that shifts how advertising needs to happen. There's more of an opportunity for brands to engage directly with their consumers in television, in digital marketing and develop what can become actually loyalty with their consumers.

Andy Latimer:

I think it's an interesting time because before we could clearly see like millennials and younger, they were buying, yes, they were comfortable buying online. If you're a post-internet generation, even myself, I won't say my age, but let's just say I was around when the internet was invented. I'm not Al Gore, but I was around. So that transition, even for me, in getting comfortable buying online over time was a longer tread than my kids today who they'll click and buy without even thinking twice about it. There's no fear in it. And then the older generation are baby boomers we are late adopters and very lagging behind in accepting that purchasing. But now they are growing like crazy as online consumers. So I think that shift that happens were folks that weren't adopting online purchasing are now adopting it.

Andy Latimer:

So that kind of changes, not just the way they buy. You see Amazon booming, you see even HSN and QVC and TV shopping, having huge pops and direct to consumer companies like our client and Tommy John having huge pops, having some of the best quarters they've ever had. And you're seeing this engagement that's now happening because the consumer is willing to now buy more openly. But what that does do is

it changes the way we have to think of media, now you're looking at media, not just in how you're buying on TV, how you're buying on digital, but how they play together. So thoughts on how we start to create a balance between the two. And what's relative, how important is it for marketers and for brand owners and for direct consumer companies or burgeoning now suddenly burgeoning direct to consumer companies. How important is them for to get the media mix right.

SARAH ANDREADAKIS:

So there was a study that was done by Media Science, and it didn't really tell us anything that as an agency we didn't already know. We've historically been working in this environment, I've, you have TV and you have digital, and you shift how much you're pushing in TV versus digital based off of the seasonality and the rates and what's happening at the time. But what came out of this study that was really interesting is, how did they benefit each other for your total sales results? And one of the points that came out of this was, well, there's three points that come out of it. But one of them was that when you have the two of them together, the amount of time that consumers are spending, watching these things visually increased by three times. Then we saw that there's better recall, that brand recall went up by two times when you paired these things together.

Andy Latimer:

So you are saying you can have a direct consumer strategy that also builds brand awareness.

SARAH ANDREADAKIS:

Absolutely. They're not diametrically opposed.

Andy Latimer:

I think for us, we saw it early with brands like Blackstone, where we were able to see the blend of it. It's the blinding flash of obviousness that I think a lot of people are now realizing, "oh, wow." Monica, from your perspective, you've definitely have had to see this trend start to move and has that changed the way you think about buying media and placing media and the strategies there? Or is it more just validated what we kind of already knew.

MONICA MCLAUGHLIN:

I think it's really validating what we kind of already knew and where we're moving forward too.

Andy Latimer:

Let's just look at the media mix. And once they look to the media mix and we were able to pull those levers and get it right, suddenly their businesses just skyrocketed and then took off. And I think that that kind of explosion of growth is something that now a lot of companies are seeing now post COVID-19, because now they were forced where before we were like, "hey, listen, let me show you the way. Come to me. Let me tell you what's going on." Now they were forced to come to us and say, "what do we do?" How many clients have you seen that with in the last six months in it? And how has it changed kind of your structure and the way you address them.

SARAH ANDREADAKIS:

Yeah, we actually see quite a bit of that because not only are they looking at how do you shift that, but in studies, like the one I was referring to that third point is, it changes the purchase intent when consumers see it in both places, the purchase intent in the study went up by 15%.

Andy Latimer:

So you're saying purchase intent and probably conversions went up.

SARAH ANDREADAKIS:

Well that's the next piece. Logically, yes.

Andy Latimer:

I think so much of marketing, when you think about it, even brand marketing or direct to consumer over the last 30 years, 40 years has the direct consumer side is let me get you to make the phone call. Let me

get you to the internet. Let me get you to my website. Let me get you the transaction point. And then it's about converting them.

Andy Latimer:

So your point that you just made and listen to that point, 15% on the purchase intent goes up, 15% increase in the purchase intent. What that means is that when they get to that transaction point, they're going to convert better. And that conversion is going to have a greater effect. So now your cost of media, when you're buying the media on this side is leading to a better conversion, so your metrics start to change. And if you don't understand those trends that are starting to go on, and if you're not looking at it, what you guys look at on a daily basis, you'll miss it. So how important is it that you guys are managing accounts across multiple clients and are able to see the trends across different categories? How does that apply now today and in the COVID-19 world?

MONICA MCLAUGHLIN:

Oh yeah. We've seen an increase and the conversions across different categories in verticals that we're working with as we moved through the past few months in quarters. But I think we also need to look at the explosion of the OTT viewership across the landscape and how DTC brands are utilizing that space. Not only just linear too. And the digital piece of it, we've really seen a growth in that space and people are utilizing that because consumers are engaging more with a streaming platforms.

SARAH ANDREADAKIS:

That's a really good point, Andy. Because-

Andy Latimer:

It's huge.

SARAH ANDREADAKIS:

We think about digital and TV and people look at them as separate and OTT, really bridges that gap between the two of them that it's not all digital marketing, it's not all TV marketing and the influx of viewers viewing OTT has been outstanding.

Andy Latimer:

Well think about that, just think about the situation and we get it. I always like to get things down to the layman's terms, and I'm going to describe my house to you. It's me, my wife and we have four daughters. Now, my 19 year old she's out in her own place, but even when she comes over, at some point during the time I will have six different types of consumption of media going on in my house. And they're all watching an individual thing. Half of them, the little one loves little YouTube videos. And other one over here is watching a TikTok. Another one over here is watching a show that they've been streaming that they're picking up, but they're watching it online. They're not watching it on television. And dad's the one always going back to the TV and said, "how do I get this back to cable? I just want to watch my cable shows." So this idea that the consumer behavior has changed in purchasing and buying and in retail is huge. But I think you hit a huge point there Monica, is that the consumer consumption of media content has changed.

Andy Latimer:

So that had to change the way that you look at your media buying strategies and getting the mix right and if you're not thinking about that from a marketing standpoint, God, you're missing a ton, aren't you?

MONICA MCLAUGHLIN:

Oh yeah, absolutely. And we've been working with our team to integrate more of the OTT and the streaming platforms as that mix, as we look at the digital and the linear and how they can compliment each other.

Andy Latimer:

Well, I think that's, what's important about being a converged agency. When you look at it across the platform and I still see it today, which boggles my mind when I look at campaigns and they're, "well, we have this digital agency, we have these guys buying this and this guy buying that." And I'm, "whoa, whoa, stop. Can we just get"...it's fine If you do that, it's fine. As long as everybody's talking and the share of data is right. But when you get it all under one roof and you run from room to room and or in the situation, you a zoom or Skype from room to room, and you're able to talk to everybody on a regular basis and you're all sharing data. It really does change the way you can look at campaigns, doesn't it?  
SARAH ANDREADAKIS:

Well and that's how we structure things over here is so that you can have that discussion right back and forth between what are we seeing in TV and what are we seeing on digital, and how does that advice, how we need to shift? There's so many programs that we've been advertising over the last nine months where we've had to make shifts, to shift more into digital or shift into other dayparting. You know, one of the interesting things about thinking about this pandemic is, it hasn't just shifted how much you spend in TV versus digital, but even what daily parts are working really well, there was this study that Nielsen released at the beginning of December here. And it showed that media watching and consumption during daytime hours, so 09:00 AM to 04:00 PM went up considerably. Now some people might think, well-  
Andy Latimer:

Wait, you mean people aren't working when they're, they're working. Here's what to counteract that, it's not that they're not working at home is that they're working different times during the day because you're taking your moments to do the work when you can do it, but that did change the way people view.

SARAH ANDREADAKIS:

So, that's part of the study because part of me might think, "oh, it's kids, kids are home. They're not watching, they're not in the school quite the same. They have TV going in the background," but they actually segmented it down into professionals, people who are office employees and found that, here is their data on it, that their media consumption went up by 21% during the office hours of 09:00 AM to 04:00 PM. And what's interesting is their evening hours didn't go down. So its additional consumption. So that changes as we look at where we're placing advertising dollars, the value of the daytime day part, and it's not that evening or prime time has changed. It's that there's so much more consumption happening. And it's not just in linear TV, as we were talking about from an OTT standpoint, there's a significant amount of consumption happening from these office managers and these professionals as well. Not just our kids who mine too, are you using their screens a lot more than they did before.

MONICA MCLAUGHLIN:

Yeah, OTT has been growing over the past couple of years and it's been really top of mind as we moved into this year. And, you comScore did a study as well that jumped 30% from March to April. And that's only going to increase as we go into 2021. So we still are looking at strategies and how we can continue to build on that, looking at the options and layering it into our strategies.

Andy Latimer:

What kind of flexibility is that get you to move the dollars, but when you're sitting there and you're looking at sampling, when you see something not working, how quickly can you move it and how quickly can you adjust? And what are you looking at to say, "I need to turn the knob left to turn the knob right."  
MONICA MCLAUGHLIN:

So Sarah's point, we can take something and get on air really quickly within a matter of days. And same thing when we're seeing something go into the wrong direction or even into the right direction and really capitalize on it. And that really is in a matter of 24, 48 hours that we can make those changes. And that's one of the great pieces about direct response television is that flexibility, that nimbleness and to proactive and react on what we're seeing in metrics across our campaigns.

SARAH ANDREADAKIS:

So to add to that, and what are we looking at, Andy, this is a great thing about direct response is that you have the order data right there. Okay-

MONICA MCLAUGHLIN:

Best part.

SARAH ANDREADAKIS:

So whether brands are now doing drive to text where consumers are texting a response based off of their TV, they're calling a number, they're going to the website, with how well tracking technology works today, we can see that was because we've run TV, we see this burst that happens on their website. And so that kind of precise attribution helps us to refine that media mix and really with a good agency, you can refine it and make changes every single day. So when you're just doing something that's like drive to retail, you don't have that immediate feedback that when I placed this ad on this station and it aired at this time, did it work? And direct to consumer with the technology that's out there today, we get to see that and we get to make every spot work harder.

Andy Latimer:

Well, you get so much data. You have Amazon data, you have your website data, you have any phone data, you have... They're not just the response sites, but their corporate site data. You're seeing all this information feeding back. That's giving you a true picture of the media landscape. And then you can see where the buys, you can see where the traffic's coming from. I think what most people, or a lot of marketers and a lot of advertisers are missing in that mix though, is when you start to look at it and say, "well, it's coming to traffic's coming from digital or the traffic's coming from TV." And they don't see the connection between the two and they don't see how, or through OTT or they don't see how they're all working together to feed each other. How important it is to look at the media mix when you're doing your analysis. And when you're looking at what's working and what's not working. How relevant is that on a day to day planning for you guys?

MONICA MCLAUGHLIN:

That's very relevant.

SARAH ANDREADAKIS:

Yeah. I think a lot of companies will put themselves down a rabbit hole where they're trying to account for every single marketing dollar and attribute it to a particular order without realizing how they benefit each other. So kind of like what we talked about in the beginning, when you're running TV and digital together, how that increases the purchase intent and therefore your purchases-

MONICA MCLAUGHLIN:

By right 15%?

SARAH ANDREADAKIS:

Exactly. So if we're trying to specifically say, well, if you do just branded PPC, what's going to be the impact. If you just do social, what's going to be the impact. If you add up all those individuals, they're not going to equal your total because they benefit each other. So there's two ways to look at this. Number one is what happens when you incrementally add media and what is the incremental impact to your overall business.

SARAH ANDREADAKIS:

And then the second one is to look at your overall business. And when you're really looking at things from a top level standpoint, and looking at things from an overall standpoint, and you're engaged with a good partner. Who it's looking at more than just your media, but how is your website working? How is your call handling working? What's your customer experience. Then you're creating a holistic solution. And you're optimizing based off of that holistic solution from an individual, when we're trying to look at

optimization within a particular channel, and then we're looking at numbers that we can make assumptions. Let's assume based off of technology that there's this much that was generated from TV. That's great for making comparative performance optimizations at a station level or set, but at a total level, we got to look at a bigger picture.

Andy Latimer:

You got to have a holistic, I think to your point, you got to have a holistic approach, but then you also, you have to have the deep dive a little bit to look at the specific inside those categories. But if you don't think of it with a whole overarching campaign and overall health of your business approach, you're going to miss it. Is that right?

SARAH ANDREADAKIS:

Exactly.