

Building stronger digital teams

Getting campaign optimisation right

Theory and trends in optimisation and targeting

Digital Analytics Academy

Making sense of a digital world

The Digital Training Academy

Academy | 10 Years | 20 Countries | 40,000 People

Getting web analytics right

About these notes

These notes are the handout materials to accompany the lecture series about analytics and optimisation. It's intended as a summary of key points and you are welcome to mail me for more.

The argument is that optimisation should be at the heart of digital marketing and that analytics should be at the heart of optimisation. However, there's a significant disconnect between where marketing practices can be and the reality inside most firms.

We use the history of online marketing as a way of tracing the past, present and future of optimisation.

www.DigitalTrainingAcademy.com/analytics

To support this workshop we have created a dedicated online classroom where you can post questions to Danny and other tutors at the Digital Training Academy.

How to get in touch...

Mail me more of your questions

Danny Meadows-Klue
CEO, Digital Training Academy
CEO, Digital Strategy Consulting

Previously...

Co-founder IAB: UK, Europe, many more
Vice-president: NBC's European web services

Publisher: UK's first online newspaper
Helped coach or train 7000 companies

Trainer | Commentator | Strategist | Coach

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What to do after these notes?

Explore digital marketing in 4 ways...

Course handouts and accompanying study materials:

1. Discussion / comment

You can post your questions in the online classroom
www.DigitalTrainingAcademy.com/analytics

2. Reports on 'Blended' marketing and 'Digital Media Planning'

Download these reports that accompany the talk
www.DigitalStrategyConsulting.com/insight

3. Enjoy our fortnightly digital marketing news service for free

Email for your guest account
Team@DigitalStrategyConsulting.com

4. Try our marketing management and strategy training

Danny@DigitalStrategyConsulting.com

Summary

Five steps in approaching optimisation

1 Get the frameworks

- Analytics engine
- Adserver technology
- Optimisers and analysts

2 Build the models for optimising media value

- Frequency capping
- IP/geo
- Dayparting
- Creative rotations

3 Develop models for optimising key advertiser variables

- Sales
- Direct response
- Brand effectiveness

4 Develop contextual and behavioural models

- Evaluate
- Test
- Deploy

5 Then apply to the formats where it matters most

- Graphical
- Test
- Video

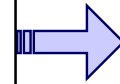
Optimisers: Unsung heroes

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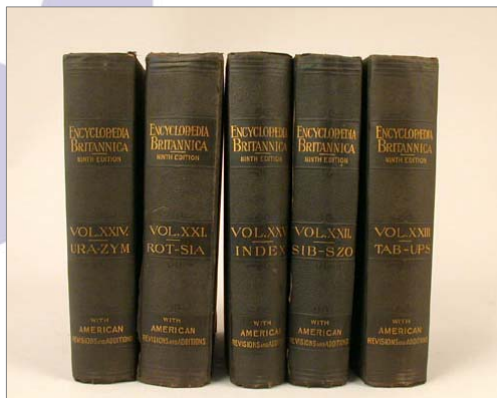
Timeline: Journey of media



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Every channel has its time



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Journey: 1920 Marketing enters a new era

- KDKA AM of Pittsburgh, Pennsylvania
- The first licensed "commercial" radio station
- November 2, 1920



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Journey: 1930s-60s Broadcast media crossing points

History of the BBC

1920s

John Reith

Radio presented an advertisement in 1922 as a joke at the newly formed BBC. Of his response he said: 'They didn't ask me my opinions, and some they did. I didn't know the answers to The Fact is, I had the remotest idea what broadcasting was. I had and a year later became Managing Director.'

History of the BBC

1960s

Launch of Radio One

BBC Radio 1 was launched on 30 September 1967 to meet the need for a light popular music station after the leaving of pirate stations by the Government. Tony Blackburn (known as the first voice on Radio 1) and the first song played was 'Flowers in the Rain' by the Move. The station has undergone radical changes in its 40 year history but throughout the years its DJs have kept household names.

Return to decade VI

Launch of BBC2

The launch of the BBC's second television channel on 20 April 1968 was a landmark evening experience for all concerned. A line of Britannia Royal Naval College cadets in full dress uniforms and the planned schedule of music, comedy and educational programmes for the day were designed for the occasion. So the first programme broadcast on BBC2 at 7pm the next day was the children's programme 'Playhouse'.

Return to decade VI

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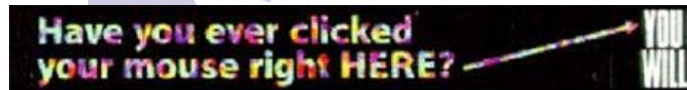
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Journey: 1953 Advertising enters a new era

1953: The first TV commercial - Gibbs SR toothpaste



1994 Marketing enters a new era



HotWired and AT&T: 468 x 60 banner October 25 1994.

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➡ A new era in analytics

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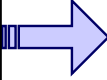
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A new era...

“We are entering a new era in digital marketing that places analysts and analytics at the heart of decision making.”

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 **What counts for web media publishers?**

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What should you count?

Emails Registrations Logins Pimps Hits
Bouncebacks Click-throughs Posts Minutes
Open rates Press Radio TV
Unsubscribers Retail PR Finance
Gone-away Outdoor Brand & ons
Brochure Direct Marketing Uniques
Pass-on rates The sum of all media
Mouseover events Leads Customers
RSS subscriptions Uptime
SMSs sent

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Only a few will be relevant

Frequency Posts
Click-throughs Reach Visits Clicks
Impressions
Cookies Uniques

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Optimisation

What we optimise against has changed

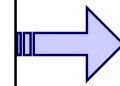
Why we optimise has changed

It will now change radically



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Optimisation timeline



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Timeline...

“1996- Optimisation aims:
Effective asset delivery.”

The challenges of under-delivery and
discrepancies



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Challenge...

“Did the geekyness of the
early days created a culture
of metrics independent of
business goals?”



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Building stronger digital teams

Lessons from the Digital Publishing Strategy Academy

www.DigitalTrainingAcademy.com


Creating a model for business growth
Financial strategies for media groups
Digital Publishing Strategy Academy

In the Digital Publishing Strategy Academy programme we look at ways media groups structure their online divisions and plan for their revenue growth. By getting close to the way each page and each user generates revenues, publishers can develop models that build powerful, efficient businesses. By rethinking product development and aligning it more closely to response, publishers can instantly boost traffic and revenue where it matters most.



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Analytics 1.0



- Page impressions
- Ad impressions
- Visits
- Visitors

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Publisher centric optimisation

What's the business model?

Audiences > Advertising

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Publisher centric optimisation

What drives revenue?

Simple model

- 1 page = 'A' ad impressions per page
- 1 visit = 'B' page impressions per visit
- 1 person = 'C' visits per person per month
- Number of months = 'D' of involvement

Volume of ad impressions in the lifetime of a visitor (potential AdViews) =

$$A \times B \times C \times D$$

Simple example

- 1 page = '2.5' ad impressions per page
- 1 visit = '6' page impressions per visit
- 1 person = '8' visits per person per month
- Number of months = '6' of involvement

Volume of ad impressions in the lifetime of a visitor =

$$2.5 \times 6 \times 11 \times 14 = 2310 \text{ potential ad impressions}$$

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Publisher centric optimisation What the key metrics?

Digital Strategy's 5 Ps of traffic...

- People (unique users)
- Pages (impressions)
- Persistence (stickiness / duration of visit)
- Pulling power (repeat visits)
- Passion (intensity of their activity)



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Building stronger digital teams

Timeline...

“1998- Optimisation aims:
IP Geotargeting.”

The cutting edge of online optimisation



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Building stronger digital teams

Timeline...

“2000- Optimisation aims:
Frequency capping.”
Removing crude inefficiencies



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Building stronger digital teams

Timeline...

“2002- Optimisation aims:
Dayparting.”
Learning from other media



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Building stronger digital teams

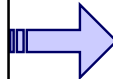
Timeline...


“2004- Optimisation aims:
Combined targeting
techniques.”

Improving media efficiency

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 **The end of the early
days of analytics**


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Building stronger digital teams

**End of the early days of
analytics ...**

“In the digital networked
society Analytics are the
digital nervous system of
the firm.”

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Reflection

“As an industry
we failed on our
promise of
measurability”

Are we measuring everything, or the right thing?

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Building stronger digital teams

Timeline...

“2006- Optimisation aims:
Audience behaviour and re-
targeting.”

A paradigm shift to consumer-centric targeting

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Building stronger digital teams

Timeline...

“2008- Optimisation aims:
Optimising on rich
consumer data.”


The future of optimisation and targeting

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Advertising: paradigm shift


Push vs pull
Interruption vs engagement
Shouting vs listening
Monologue vs dialogue

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Advertising: paradigm shift

Site vs Network
Network vs ISP

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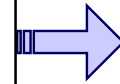
Reflection

“Is now the time to refocus on the real advertiser needs?”



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All customers are not equal



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All customers are not equal...

“In the science of marketing all customers are not equal. Advertising optimisation needs to segment these.”



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Question

“What do advertisers buy?”
(Customers, not media space)



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Lessons from the Digital Media Planning Academy

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Digital's web advertising conversion funnel Getting to grips with conversion models

Digital Training Academy

We use this model to explain the relationship between online advertising, traffic and sales. The advertising process in digital channels mirrors what marketers know from classic channels, and by unpacking the advertising effect into a funnel that describes the steps from ad attention, through advertising persuasion to sales results, marketers can better see the role advertising and the web plays in generating increased business. These handouts recap the principles and suggest a simple way any marketer can start to assess the impact of a campaign strategy.

Digital Training Academy

Digital's web advertising conversion funnel

Helping to unlock the steps in advertising

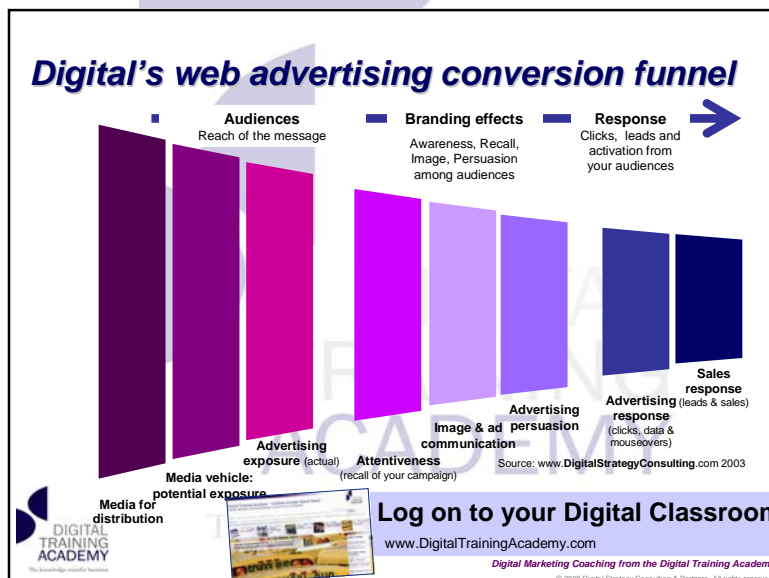
This technique:

- Breaks down the steps in the advertising process
- Encourages marketers to consider the role of each element in their communications
- Makes marketing teams rethink the role of their websites in the process of brand building
- Can be a base for modelling the brand effect, calculating audience volumes and predicting the effectiveness of a campaign



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“Let the analytics grow from business process and you’ll analyze what counts”

Navigating the knowledge drought, while drowning in data.



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Digital's web advertising conversion funnel

Applying the funnel

Boost your media planning results by:

- Modelling brand attentiveness
- Planning your expectations of brand uplift
- Making reasonable estimates of brand activation
- Using existing conversion data to model the sales response

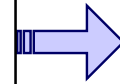
An exercise to consider:

- When the calculations are complete, consider whether brand campaigns should involve bringing customers to the brand website, or simply deliver the message and the exposure within the media owner website, using the model of conventional advertising?
- Some marketers prefer to 'fish where the fish are' rather than drawing traffic to their own sites



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**What counts for
advertisers?
An example of
branding..**



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Over the page ad formats

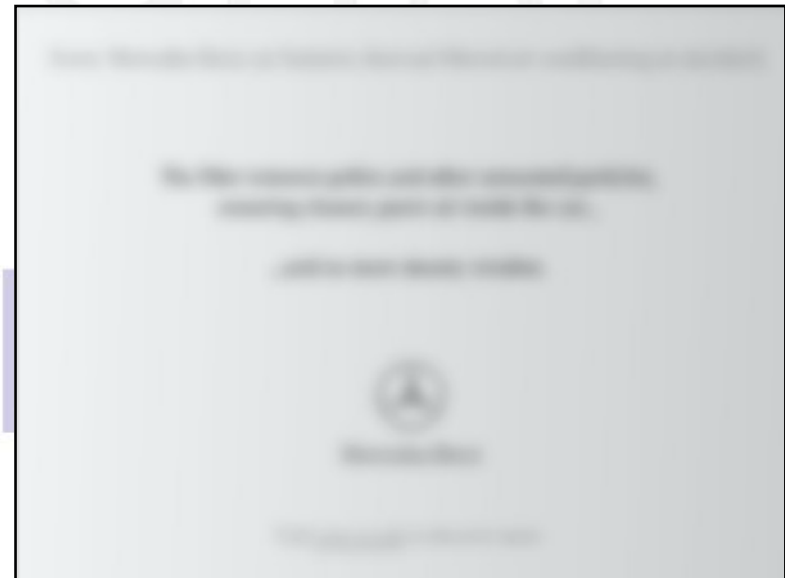
Every Mercedes Benz car features charcoal-filtered air conditioning as standard.

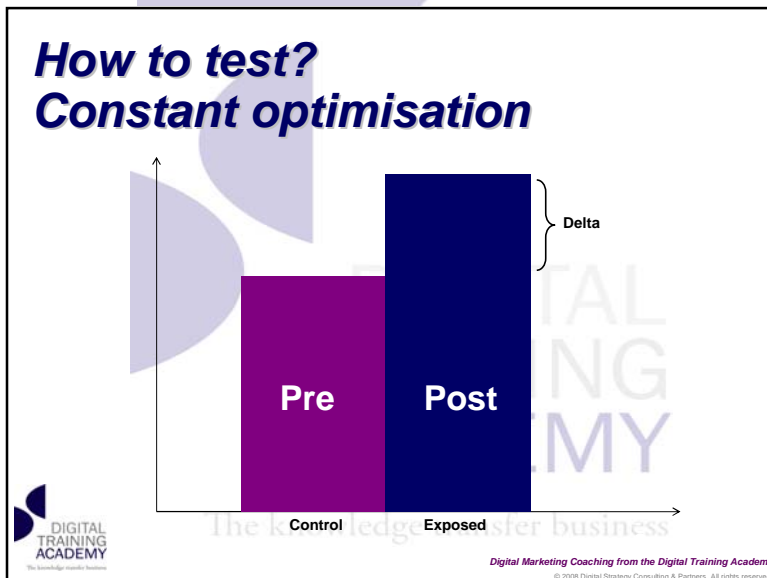
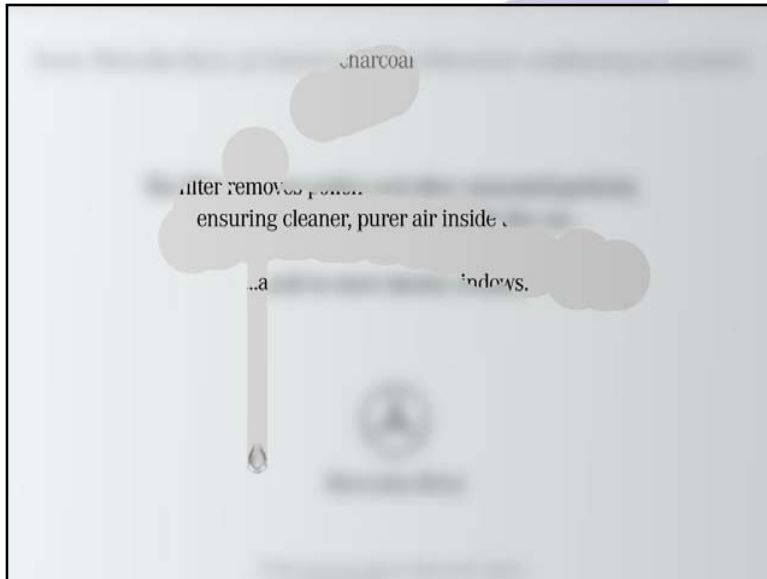
Roll over.



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Over-the-page advertising

Media metrics

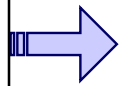
- Audience reach
- Technical interaction
- Duration
- Engagement
- Email registration

Marketing metrics

- Brand favourability
- Purchase intent

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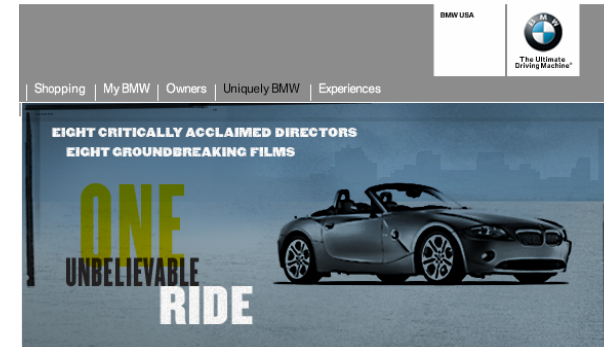
What counts for advertisers? An example of customer journey..



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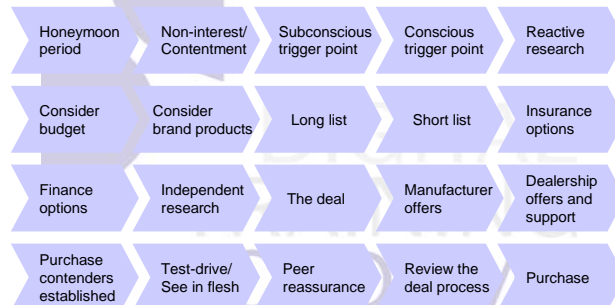
Company website



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Buying a car Where does the web advertising fit?



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5 key steps

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Summary

Five steps in approaching optimisation

- 1 Get the frameworks
 - Analytics engine
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- 2 Build the models for optimising media value
 - Frequency capping
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 - Dayparting
 - Creative rotations
- 3 Develop models for optimising key advertiser variables
 - Sales
 - Direct response
 - Brand effectiveness
- 4 Develop contextual and behavioural models
 - Evaluate
 - Test
 - Deploy
- 5 Then apply to the formats where it matters most
 - Graphical
 - Test
 - Video

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Context and behaviour

- **Behaviour:**
 - Part 1: Breadth and depth of the profile
 - Part 2: Volume of ads to target against
- **Context:**
 - Part 1: Richness of the and depth of the profile
 - Part 2: Volume of ads to target against

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Implications & takeouts

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Optimisers; Unsung heroes

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- **Content Academies**
Blogging, community, email publishing, product dev., site design, social media, Web 2.0, writing for the web
- **Publishing Academies**
Driving traffic, media sales, website design, ad trafficking
- **Commerce Academies**
Getting more sales, increasing conversions, increasing traffic



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Get in touch...

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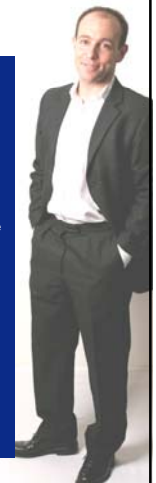
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Previously...

Co-founder IAB: UK, Europe, many more
Vice-president: NBC's European web services
Publisher: UK's first online newspaper
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