Be relevant, be useful, be heard
If we operate with one certainty as brand advocates, it’s that change is constant. Hotwire started its business promoting the technologies that have changed our lives dramatically over the past decade. Today these same technologies are transforming the way we conduct business and represent our clients.

Our target audiences and the channels we use to reach them have become fragmented. Things we took for granted in the past, like the sales funnel, have been turned on their head. The marketing rulebook, if there ever was such a thing, has been discarded in the trash can.

If, like me, you have worked through a lot of this computer powered change, you can be forgiven the occasional anxiety attack. Does this increasingly automated, data driven, super connected digital world still need my human touch?

The answer is a categorical yes. Creative thinking, communicating complex issues, and spotting abstract trends are things that we do exceptionally well, and are more important than ever. In fact the benefits of marketing and communication technologies today are that these human talents can be harnessed to even greater effect.

Trends can be spotted faster and at a more granular level. Where once we categorized audiences into large, meaningless groups, today we can engage niche interest groups. Where once our targeting was indiscriminate, today we can address audiences at a hyperlocal level.

All of this means that our communications can be more specific, and I’d argue more human. In the past you would have to trade personalization for reach, but today you are not required to compromise due to the targeting and engagement tools as well as the channels available.

I’m excited about this brave new world and the ways we can bring brands and audiences closer together.
The purpose of this report is to give you a taste of the changes we are seeing, and share inspiration for how you can get one step ahead of the competition or simply try something new. The trends identified in this report have been crowdsourced from 400 communications professionals, working in 22 countries, spread across five continents. This is not a quantitative study. It is based upon the real life experiences and insights of communications and marketing professionals working on the frontlines.

Each chapter is designed to provide you with an insight into a different dimension of the shifting marketing landscape. Read and share them one by one whenever you have 10 minutes to spare. Alternatively, pull up a comfy chair and enjoy how the different threads overlap and spark bigger thoughts.

Trends was first published in 2008 and has since been downloaded by more than 15,000 people across 50 countries. This year’s report is our most global and collaborative production ever. I would like to thank my colleagues Tom Rouse, Matt Cross, David Clare, Hamish Anderson, Emma Hazan, Miren Elia, Silke Gräßer, John Brown, David Bailey and Paul Stollery for their chapters. I feel so privileged to work with such smart and passionate people. I would like to especially thank Burghardt Tenderich, Ph.D for providing his academic perspective.

Finally, the report wouldn’t have been possible if not for the vision and overall editorial direction of Hotwire’s Andy West and the instrumental resourcefulness and project management of Juliette Keyte.

The Trends Report has always been about sparking a debate and starting conversations. With that in mind, I hope you will be able to continue the debate with us in person or on social media #HWTrends.

Enjoy!

Brendon Craigie, 
Group CEO, Hotwire

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Websites aren’t as important as they used to be. Since the World Wide Web was created the goal of marketers (whether through advertising, social, SEO or PR) has been to drive our digital audience to our websites and then convert them into a lead or customer.

It worked for a while – but it relied on a lack of choice. It also meant we had to do all the heavy lifting of distribution ourselves and hope our content was good enough to lure our audience to come to us.

The internet of 2016 will be different.

We’re already seeing digital native publishers leave the comfort zone of their own websites and go to where their audience is. BuzzFeed now generates 52% of all its views away from its own website – through Snapchat, YouTube and Facebook video.

Where BuzzFeed goes, the rest of the media industry tends to follow – albeit reluctantly. Newer publishers are even less attached to their websites – take NowThis Media, a video news outlet that aims to reach mobile-first audiences who get their news from social media. They are so impassioned about publishing content on the platforms where their audience lives, they have completely shut down their website – leaving only a landing page that directs to their eight publishing platforms: Tumblr, Kik, YouTube, Facebook, Twitter, Vine, Instagram and Snapchat. To date, it has gathered over 2.3 billion video views, proving it doesn’t need a website to attract an audience or, just as crucially, to generate revenue.

It’s not just new publishers – Amazon chose to use Medium to publicly rebut a critical story in the New York Times rather than publishing a statement on its own website. And even more strikingly, the Times chose to reply through the same platform. It’s a big step away from the assumption that you need to drive your audience to your website.

What this means is we are moving beyond the traditional publisher/advertiser relationship. By sponsoring great content, wherever it lives, brands are no longer reliant on display ads and banners to generate awareness. Instead, they can be associated with genuinely engaging videos, imagery and interactives which work on the platforms their audiences are using.
Consumer brands already know this. If you’re selling consumer goods would you rather your customer ended up on your website – likely for the first time? Or on Amazon, which they’ve used dozens of times to make purchases, and which will suggest related products they may want to buy? It’s a no brainer.

It’s the same with apps – why, if you’ve secured great coverage or are paying for advertising, would you send potential users to your website? It’s just another barrier to them actually downloading your app. Send them straight to the relevant app store and let them download your offer.

Despite this, when we create marketing campaigns many of us still follow the traditional marketing funnel and drive people towards our websites. It’s largely an issue of control. We have power over our own websites, whereas when we drive our audience to Amazon, Medium, Facebook or YouTube, we’re giving up a degree of control and relying on their platform to meet our needs. There’s also a wariness of networks moving the goalposts – Facebook in particular is infamous for making drastic changes to how posts are distributed with little or no warning.

It will be one channel we can use rather than the focal point of every campaign

There are real benefits to breaking free from publishing on our own websites. With so much competition for attention, distribution has become more important than creation. You’ve probably noticed an increased number of notifications on LinkedIn telling you someone has published a post. Why waste time trying to drive someone to your website when you can serve them content on a platform they’re already using?

LinkedIn Pulse and Medium are now go-to channels for B2B marketers to find information. We’ll continue to see them being used to distribute information about our own companies and to comment on industry trends. It’s something Facebook and Twitter are moving towards as well. Facebook’s revamped Notes platform is only the start. In fact, with its new event platform, Moments, Twitter is aiming to become a publisher too.

What we’ll see more of in 2016 are brands fully embracing this space. Right now it’s the trendsetters and early adopters. Even in the consumer space, embracing completely off-channel campaigns is a rarity. We’ll see more marketers embrace the potential offered by networks which combine content creation and distribution in a single package. We’ll also see less reliance on the website as an end point – it will be one channel we can use rather than the focal point of every campaign.

Of course we still need to capture leads. This is where technology comes in. Platforms like Hubspot and Marketo create automated lead generation forms which exist independently of our corporate websites. Embed these forms into your distribution channel of choice and you are ready to capture leads and as a result, new business. By automating lead capture and CRM systems we can focus on what really matters – creating and sharing stories which appeal to our audiences.

There will be a growing willingness to hand over distribution of content to third parties, along with an acceptance that our customers may never visit our websites. Instead, we’ll create campaigns which live and breathe on the channels they’ve designed for. No more shoe-horning in clumsy calls to action or expecting our audience to disrupt their routine to visit our content.

The message for marketers in 2016 is clear: if you’re still single-mindedly focussed on driving your audience to your website, you’re at risk of losing valuable leads. Talk to people where they’re comfortable, and you’ll reap the rewards. Websites won’t die out completely, but we might just see the death of them as a primary marketing channel.
If you work in marketing or sales, there is a fair chance that at some point in your life you’ve woken with a jolt in the night, yelling “but we had enough leads in the funnel!” It’s a well-known nightmare, which tends to hit around the tenth week in a quarter and is most often caused by something called “Funnel Anxiety.”

The sales funnel is a well-worn description of the full sales and marketing process. The slowly narrowing pipe depicts the different stages within the buying process – from awareness to purchase. Lots of leads go in at the top and a percentage of those turn into customers at the bottom – at least, that’s the theory.

Google’s ability to help businesses hit a bull’s-eye by repeating a small task with utmost precision over and over again has earned it an undisputed position as the global champion. From this position, it’s hard to see how it can ever be toppled – it’s just too efficient. And yet the company’s own Executive Chairman, Eric Schmidt, publicly admitted Amazon was the biggest threat to its business. Where Google is the King of the Funnel Top, Amazon has undoubtedly become Prince of the Funnel Bottom.

Traditionally, the bottom of the funnel is the hardest place to generate revenue because it requires attracting customers as well as laboring to build or deliver the goods. However, because Google doesn’t have a warehouse full of products, its costs and risks are lower and profits are higher. As long as it has the huge volumes of traffic to underpin the whole model, it will continue to perform highly.

However, traffic volumes are precisely why Schmidt is a little nervous – for many of us, Amazon is the first point of reference when we consider purchasing online. They have built an incredible machine entirely focused on offering and delivering a gigantic variety of products almost anywhere in the world, in a timely manner. While not always the least expensive online option, you know what you’re getting and can be confident about the quality you will receive.

The user experience and logistical efficiency are almost impossible to match. Amazon Prime and One-Click purchasing are just two of the weapons Amazon has served to bring about a fundamental change in the sales funnel. In September 2015, Bill Gurley, General Partner at Benchmark Capital and one of the tech industry’s most respected venture capitalists, outlined this journey and described

Where google is the king of the funnel top, amazon has undoubtedly become prince of the funnel bottom
the change as the “reversal of the funnel”. We think Funnel Reversal has a better ring to it.

Amazon isn’t alone in taking the battle to Google. Gurley cites some of his own investment portfolio, Uber and OpenTable, as great examples of where creating a “dramatically better user experience” has brought about a shift towards the bottom of the funnel. These two disruptive companies have changed the way we travel and book restaurants in countless cities around the world, all while stealing valuable traffic away from Google.

But what does this mean to your business? Should your main objective be to become the Amazon of your sector? We’re all for lofty ambitions, but if you play in a commodity-based market like Amazon you have a mountain to climb.

This is not to say you can’t compete – far from it. But in order to entice customers and have them return again it’s necessary to challenge the Amazons, Ubers, and OpenTables on more than just price. You have to know your customers better than they do and seek insight that can be delivered on a smaller, more personalized, and more profitable scale. This approach has built the level of trust customers have in Amazon – now considered the industry benchmark.

You’re already tracking who, what, where, and how. But understanding how customers feel, how they respond to content, and how you can create learning opportunities, are all elements which build a stronger connection and serve to reverse the funnel.

These are the types of things Amazon doesn’t have the time or interest in providing to customers. To compete, go for depth – creating targeted campaign content which creates a brand experience and keep customers coming back.

Who’s doing it well? Look at deep verticals such as Dove and their “Real beauty campaign”, Old Spice’s “Men your man could smell like” campaign, or Wrigley’s Extra Gum “Story of Sarah and Juan” campaign to discover how marketing has taken a step beyond simply directing funnel traffic to creating content which connects on an emotional level.

If you already have a content marketing strategy underway, adding a new layer of insight might be all it takes to push things to a new level. The next time you’re thinking about customer insight, ask them how they feel, what they’d like to discover, and where they share content from.

Feed this into your content strategy and you could be reversing your funnel before you can say omni-channel versus multi-channel.

It will be one channel we can use rather than the focal
Display ads don’t work. Users don’t click on banners. In contrast, full screen pop-ups and takeovers elicit rage as they interrupt our browsing experience.

This is especially true with mobile. Our smartphones are an extension of our daily lives and we resent poorly thought-out advertising intruding on our private space. Apple, in its latest software update, iOS 9, included support for ad blocking apps, spurring Time Magazine to suggest that the company may have changed the web forever.

While few will shed tears for advertisers, it’s worth sparing a thought for the publishers. The vast majority offer their content for free and rely on advertising to pay for it. If people don’t see the ads or don’t click on them – revenue drops.

In response to this, publications like The Guardian now identify visitors who use ad blocking software and serve them with a message asking them to consider becoming a paid supporter of the organization. Other organizations like CBS Interactive, Forbes & Daily Mail are considering capping the amount of content users are able to consume or even entirely restricting content.

Moving beyond the banner advert

If consumers hate the ads that keep publishers in business – how do we remedy the situation?

First, we need to stop poor advertising. Antti Pasila, CCO and founder of digital advertising platform Kiosked.com explains how:

“The solution for ad blocking is a better end-user experience, and better ads are a fundamental part of this. We are big advocates of the ‘zero advertising waste’ movement.

Ad blocking has become popular as consumers grow tired of bad advertising destroying their content experience. Slow load times and ad volume are just a part of the bad experience but illustrate the root of the problem.

Second, display advertising is not the only method of gaining attention for your brand online. Sponsoring content associates a brand with the site and topic at hand. Native advertising allows brands to develop their own content which looks and feels like a piece of journalism.
Publishers are already experimenting with native video and audio offerings. An approach we expect to see plenty of in 2016 is sponsored podcasts, where brands rely on association rather than advertising to raise awareness for their offering. Two examples that set the standard for sponsored podcasts are This American Life and Serial, which have attracted large brand interests as a result of their approach to generating awareness. This American Life has a sponsorship agreement with Squarespace and the second season of Serial is sure to be subject to a bidding war.

Right now tech companies and start-ups are the common experimenters in the sponsored podcast space – but this will change as brands look for different ways to reach their audience.

Despite all of this, native formats won't save advertising alone. The challenge at hand is one of user fatigue and cynicism. Right now native advertising is new and exciting. But, the more marketers flock to it the more likely our audience is to be turned off from it.

If you can't serve banners and you can't rely on sponsored content, what's left? There's been an age old battle between PR and advertising as to who best reaches consumers, but consumers are voting with their feet. While rejecting advertising, consumers are still highly motivated to read published content – making earned content more valuable than ever for companies looking to influence their target audience.

If you can't pay to make your audience see your message, you need to work twice as hard making sure the message is compelling enough for people to want to talk about. Getting influencer endorsements – whether through traditional media or bloggers, vloggers or Instagrammers – will be crucial in 2016 and beyond. And if brands can't earn them, they'll be paying for them.

Software firm Motim Technologies produces immersive mobile experiences which consumers choose to engage with, creating positive brand engagement which doesn't feel like advertising.

Motim's campaigns often utilize the built-in cameras in smartphones to create an enticing experience for the consumer, such as augmented reality or image processing, and there's no better example than their Pedigree “Dog-A-Like” mobile and Facebook app. Unique facial recognition technology was used to analyze and match the app user's face to a dog currently in a rescue shelter who most looked like them.

As well as sharing their canine match via Facebook, users could also choose to adopt the dog or make a donation to an animal welfare charity.

This emotionally engaging experience became a top ranking app in multiple countries, attracted over 15 million users, generated extremely positive brand engagement for Pedigree and increased the rate of shelter-dog adoptions by 13%.

The future of advertising is suddenly looking up.
Age is just a number. It’s the year we’re in now minus the year we were born. So why do we make it such a central consideration in our marketing campaigns?

It’s mostly because of laziness – age is one of the first things we find out about people, whether through conversation, survey forms, or the targeting options given by our advertising platform.

It’s also based off a single assumption – that our age is one of the key features that defines us. This may have been true once, but these stereotypes aren’t true today. We all know 50 year olds who are hot on the latest technology, and 13 year olds who pass their time filling out crosswords and raving about vinyl records.

It’s these characteristics – the hobbies we do for fun and the causes that pique our emotional interest – we need to focus our marketing on.

How can we possibly expect to reach this entire age bracket with a one-size-fits-all campaign?

Your average 18 year old is likely with their parents and deciding what to do after graduation. Meanwhile a typical 34 year old might be concerned with mortgage payments, climbing the career ladder and having children.

So how can we possibly expect to reach this entire age bracket, across two decades, with a one-size-fits-all campaign?

From K-Swiss shoes partnering with Diplo to entertainers Usher and Nelly singing and dancing their way through a bowl of General Mills Cheerios, the trendy campaign to reach millennials in recent years has been focused on dance music collaborations. There are two problems with this. 1) There is a sweeping assumption that every millennial likes dance music. 2) These partnerships lack credibility, force-fitting two very different sets of values into one.

No one likes being labelled. A sure-fire way to get a 20-something worked up is to quote research about them to them. While millennials do share some common characteristics, they also pride themselves on being unique. Youth marketing campaigns live and die by their relevance to the audience. If we target them as one big group of millennials we’re failing before we’ve even started.

This age bias is particularly apparent when you consider millennials. Referring to individuals born between 1980 and 2000, millennials make up a third of the world’s population. In other words, a hell of a lot of people in very different life stages, with different responsibilities, worries and interests.
We need to really drill down into the data and understand what motivates different segments of our younger audience rather than assuming they all act the same. McDonald’s has caught onto this, with CEO Steve Easterbrook announcing plans for “less sweeping talk to millennials”. Instead, the company will be “more specific in the customer groups where we need to win”.

Forget buying media or pitching journalists against one specific target group; those days are dead. The brands who target audiences based on a mind-set and certain values will come out on top. In 2016 we’ll see increasingly sophisticated and age agnostic content, targeting different groups of this younger audience.

But, that’s only half the battle. Once we’re creating content which works for our target audiences, how do we go about reaching them? It’s too easy for younger audiences to ignore advertising altogether – particularly in print, on TV or worst of all banner advertisements.

To reach them we need to properly understand and engage with new channels and influencers. Yes, you know Snapchat is a popular new channel. But do you use it? How many people in your department use it? An obvious route would be to harness the avid Snapchat users at work and make them your resident gurus, as well as learning the platform yourself.

Mastering Snapchat is only one hurdle you need to jump if you’re serious about targeting a youth audience. YouTubers from all walks of life are an established, powerful group of influencers. Ensuring everyone on your team can name multiple vloggers and talk about their appeal and interests is key.

Once your team is comfortable with vloggers, focus on the next channel relevant to your brand. This might mean delving into Tumblr or becoming comfortable with the key pinners on Pinterest. What matters is understanding not just how content creation varies between the channels, but also the types of content which resonate with audiences. It’s also vital to understand how your target influencers have worked with brands in the past – some will only work on a paid basis, while others may do product reviews or features.

Let’s forget about age – it’s just a number. Let’s focus our marketing on what really motivates our audience – their passions and the life they choose to live.
Being mindful is the place to be. While 2014 was dubbed the year of mindfulness, the hype around the meditative practice is still buzzing. Digital health platform Headspace, which provides guided mindfulness training, is now used by more than two million people in over 150 countries.

The idea behind Headspace is that you pay more attention to what you’re feeling at any given moment and focus less on external factors. This helps you maintain a more objective perspective, and we’re starting to see people apply this to the way they communicate.

Go back a few years and you will remember our need to save the entire contents of our digital lives (photos, documents, conversations) on physical drives. But carrying around hard drives of our lives was a hassle, so we started uploading life to the cloud, using the likes of Dropbox, Box and Google Drive, to keep our content safe forever.

We’re undergoing a cultural shift. We’re starting to understand there is no need to keep a lasting record of everything. The pictures we take and the WhatsApp messages we send don’t need to last until the end of time because they only make sense at one precise moment.

This has resulted in explosive growth for apps like Snapchat, Periscope and Meerkat. They all do one thing brilliantly — allow you to share moments as they happen.

Snapchat was the fastest growing social network of 2014 according to the Global Web Index — overtaking Instagram to become the favorite platform for young consumers today.

These applications and services based on ephemeral content are attractive because they mimic natural communication, are suitable for any activity, and allow us to communicate instantly and naturally. There is no ‘plan’ for how we communicate. Gone are the days where we spend five minutes arranging our plate to create the perfect Instagram meal photo. People want to tell friends they’re at the gym without worrying about showing their best outfit or about looking good in the picture.
These apps put the spontaneity back into communication and result in an authentic and transparent message. Brands, celebrities and bloggers have picked up on this, using it to engage with fans in a more natural way.

Take for example, the launch of Burberry’s Snapchat channel. Instead of a slick, manufactured production, the launch featured a natural looking Cara Delevingne making silly faces in her hotel room. The result? A more human face for the brand and a chance for fans to feel like they are not only getting ‘exclusive’ content but that they are part of the conversation as it happens.

How brands adapt to this will be a big challenge in 2016. While we strive to sound natural, communications activity is almost always planned in incredible detail. As an industry, we don’t like to relinquish control, but to succeed with channels like Snapchat we’ll need to rely less on content calendars and more on gut instincts and guidelines. Pre-planned content is easy to spot, but if we free up our teams to create content in the moment, brand communications will feel a lot more natural.

This move requires two things: confidence in our teams and a consistent set of brand guidelines covering tone of voice and acceptable topics to discuss. Once these are established it’s down to clients and agency leaders to empower teams to do the right thing.

This applies even if you’re communicating using more traditional channels. The question has to be: is your messaging focused solely on what’s essential for your audience to understand today, or are you expecting them to be familiar with a backstory they may never have encountered before?

The same shift is happening in the media. We recently saw Paul Lewis from The Guardian broadcasting the Baltimore protests live on Periscope, giving a voice to people’s testimonies without the need for a professional production crew. The popularity of these new services is further changing how we communicate with our audiences – picturing them only as social networks for the young would be naïve.

As communicators, we need to look at how we can integrate all these new channels with our strategies. When we plan to be spontaneous, we are giving audiences the authenticity they demand from their brands.

2016 will be about living in the moment. Adapt your tone and message to spontaneity and embrace the lack of perfection this moment implies. Your audience will thank you for it.
Media organizations are ploughing time and money into creating content which works at a hyperlocal level – chasing the success Buzzfeed enjoys with its “22 things you’ll only know if you come from X” format. What media is focused on today is a good indication of what brands will be doing tomorrow. Digital publishers’ decisions to double down on localized content and hire regional reporters is a clear sign of the importance being placed on creating hyperlocal content.

During the 2008 and 2012 elections, President Obama’s campaign found success leveraging social media to communicate to specific target audiences. Being able to target voters on a constituency level with tailored advertisements is an incredibly powerful tool that has resulted in great success.

Despite the success, this identification was only half the battle. The real success of the campaign was adding tailored messaging to the local targeting strategy. Younger voters would see advertisements for policies about helping them manage student loans, while older voters would see information about social security.

To make this work we need to move away from basing our messaging on generalized personas. While these personas work when we’re targeting a national audience, advertising based on location and demographics requires a much broader range of messaging.

As an industry we’re too focused on A/B testing and identifying the message which works best with the majority of our audience. We need to embrace a slight lack of control and accept that there’s no such thing as one perfect message.

This also means changing the way we use hyperlocal targeting. It’s currently used as a trigger – you’re in a certain place, so you receive a piece of collateral at a set time or receive a localized version of an offer. Location needs to be fed in right from the start of the content creation process. In practice that means it won’t be enough to just A/B test six or seven copy variants and settle on the best performing message. We’ll need to create and serve dozens or even hundreds of messages, each of which targets a specific sub-section of our audience. More importantly we’ll leave all of these campaigns running rather than turning off everything except the two or three that resonate best.

This is also true for B2B campaigns. We must consider the location businesses work in when communicating to them. Their core needs will be the same, but the difference between interest and ignorance could depend on demonstrating a nuanced understanding of the entire environment they work in – including location.
This focus on location also provides incredible data about our audience, allowing us to craft messages based on consumer habits. Networks like Foursquare can already make predictions about consumer behavior based on day-to-day activity, providing businesses with rich insights about when to expect peaks and troughs.

With the recent Apple launch, Foursquare was able to accurately predict how many new iPhones were sold. Not because they had access to sales data from previous years, but because they could compare the average number of visits to Apple stores around the world to the number of visits on launch days in years gone by. Our routines reveal an incredible amount about us – the challenge for marketers and sales professionals in 2016 is taking advantage of this data without being intrusive.

Once we’re accustomed to including this data in the content planning stage, the rest of the process will come together organically. Copywriters and designers will have additional creative space to play in, while buyers, community managers, and those in PR will have a far wider range of content to work with and target their campaigns accordingly.

It’s about seizing opportunity. Going hyperlocal gives us the chance to run national and international campaigns without sacrificing personal touch.

Engaging with customers who were near KFC stores drove a click through rate of 40%.

Bridging the digital-physical divide

Location data is particularly powerful because it bridges the gap between the physical and digital worlds. When this data is combined with relevant creatives you have a strong chance of triggering purchase intent.

xAD’s technology is used by KFC to help them identify and meet the needs of their broad consumer base. Through tapping into locational data, KFC found that the most receptive demographic to location-based targeting was young adults and busy families.

Marketing campaigns were then tailored for this audience through dynamic creative content which showed the distance to the nearest store, supported by proximity triggers and conquest targeting at competitor locations. The results were impressive - in addition to an uplift in store visits, the campaign showed that engaging with customers near KFC stores drove a click through rate 40% above the industry benchmark.
Reaching any audience is difficult. The average person sees hundreds, if not thousands of pieces of brand messaging a day – a significant amount of noise to cut through. Complicating this is the consistent change in routine, as consumers bounce between physical and digital media at will.

The difference in developing messaging that our audience is drawn to rather than curating just another piece of white noise is the ability to turn communications efforts into useful experiences that add value to their daily routine.

How it can be done

The way brands approach this varies, depending on both the brand and the product they’re endorsing. When promoting its new high-quality screens, Samsung opted to advertise where it knew people would see the screens – on the back of trucks. Large trucks normally annoy drivers, but Samsung found a way to turn advertising into a value-add experience. By mounting giant screens on the tailgate and streaming live traffic from a camera on the front of the vehicle, Samsung showed drivers when it was safe to overtake. It’s a simple example, but a great way of turning a negative day-to-day experience into a positive engagement with a brand.

Continuing this trend, IBM created outdoor ads displaying its “smart cities” solution, which provided seating or shelter when it was raining. Making the outdoor ads practical and multi-functional ensured that it resonated with people’s understanding of “smart cities.”

These experiences don’t need to be large scale. Volvo recently developed a spray with reflective particles, which cyclists can apply to their clothes or bikes in order to be more visible in the dark. This development is part of Volvo’s 2020 vision that states in five years’ time no one will be harmed by Volvo cars. The product is part of the marketing campaign, while providing a positive consumer experience.

Creating useful experiences

We don’t all have budgets the size of IBM or Samsung, so what can we take away from this?
Mike Brandt, author of “Advertising Awesomeness”, argues that brands must add services and find ways to bring more value to today’s audience. He specifically asks communication experts to forget three things: the product, the idea and the campaign.

In short - marketing is no longer about selling a product or service entirely for its use. For example, a supermarket experience does not start or end at the door to the store, but rather when they are planning a meal. Can a supermarket add additional value at this stage? This is the advertisers’ challenge today. Grocery chain Publix publishes a glossy lifestyle magazine with recipes and articles, essentially becoming a publisher.

Sometimes this means developing a new service which complements your brand. Cars exist to get us from A to B. But car ownership is declining in urban areas across the world. If you’re Mercedes, what do you do? Develop a car sharing service – Car2Go – and become a service provider. On the surface it’s just a marketing gimmick, but if you look deeper it’s directly addressing a consumer need.

Brands need a complete cultural shift to deliver real benefits to consumers. Successful campaigns built on the idea of the “useful brand” requires two things: empathy and a great technical understanding – not just of your product, but of the wider world we live and work in.

In the future, communications campaigns must add value to daily life or risk going unnoticed. When our campaigns are useful, our products will similarly be viewed as useful. 2016 will see both B2C and B2B brands explore ways to insert themselves directly into daily routines.

Of course, it’s easy to get this wrong. If your service isn’t useful, then campaigns like this become counter-productive. Like any successful marketing campaign, the starting point has to be research. Identify a pain point and then create a marketing campaign to solve it. It won’t necessarily involve your product directly, but it will ensure a positive affinity between your audience and what you’re doing.
Betamax, mini-disk, 3D TV – all technologies which didn’t quite cut it.

Although you can still buy a 3D TV, after two hours of charging the glasses, 20 minutes of trying to get them to work and five minutes of viewing, you’re left with a poor user experience and possibly a disgust of the technology.

Virtual reality (VR) won’t be another dud.

First, let’s get over the hardware hurdle. A line of tech giants are getting involved in VR with Facebook, Google and Samsung leading the pack. This means we’ve got the perfect hardware climate to ensure enough companies have a vested interest in the technology, increasing the chances that at least one of the ‘headsets’ will become dominant and pervasive.

On the content side of things, Zuckerberg is likely squirming at the idea of users being able to ignore Facebook posts and have the distinct pleasure of physically turning their backs on irritating ‘Facebook friends’ with a virtual reality equivalent of the Facebook wall. VR will provide an expansive array of applications in 2016, we will see the technology become very important to us as communicators and human beings.

Try before you buy

Consumers are making purchase decisions based on more data than ever before. We’re barely able to get dressed in the morning without checking to see what styles are trending.

Equally, we crave experiences. We want to be able to get a sense of a brand or a product through a non-committal experience before we part with our cash. VR will satisfy the desire for data and brand experiences – and it will likely be heralded by the travel industry.

Who wouldn’t want to check out their villa, yacht or cruise liner before handing over the deposit? By integrating the latest reviews into the virtual experience, you get not only a visual sense of the magnificent dining room but a factual sense of the type of service you will receive.

Marriott is already experimenting with VR by incorporating sensory-rich virtual reality into their customer experience. They recently introduced virtual journeys using 4D sensory technology based on Oculus Rift. Travelers are able to receive a multi-faceted experience with a 360-degree live action video, and even feel elements like heat, wind or mist that may be
characteristic of their intended vacation locations - even the sense of smell can be simulated. This drastically changes the way consumers approach making travel plans and provides travel companies with a valuable tool to influence customers.

Airlines will also look to provide a virtual experience of their lavish first-class cabins. If you have the cash, you can choose a private cabin with a VR experience as part of the check-in process. If you don’t have the cash, you can still have the experience and continue to hate yourself as you languish in economy.

While travel will lead the way, expect other industries which rely on selling long-distance products to adopt VR as a marketing tool – real estate will undoubtedly be next.

Living a cause

We’ve all been approached on the street by a representative looking to collect funds for charity. This, unfortunately, is the frequent experience given to the public by the charity sector. However, for consumers to part with their money for a charitable cause they need to feel a genuine connection.

Imagine a pop-up stall offering the public an opportunity to experience 10 minutes of life as a Syrian refugee. Amnesty International recently used VR to give people a very real experience of the crisis situation. The result was not only an immediate impact in the form of donations, but also enough online chatter to ensure a simple use of technology translated into an extraordinary use of social media channels.

The charity sector is going to drive some of the most incredible VR experiences in the coming years. We’ll see rapidly deployed campaigns to allow people to "experience" the aftermath of a natural disaster and see for themselves the devastation and how their donation will help.

VR lends itself perfectly to organizations looking to bridge emotion and fact. The non-profit sector will drive this, but we can also expect to see the public sector make use of the technology – particularly when it comes to city planning. For example, it will provide tax payers with the opportunity to experience their new car garage before they vote on whether to build it or not.

Get to grips with it

As our customers demand more experiences and less linear communication, VR will become a key trend for 2016. While the hardware will become pervasive as a result of the gaming and entertainment community, it will be the content creators and communicators who ensure the platform bleeds into all walks of life.

It’s crucial that as communications and marketing professionals, we understand the impact VR technology can have on our strategy. We don’t all have to be experts, but we do have to be adept at knowing when it can be used and how to implement it.

VR is here to stay. Get used to it.
Some of the world’s biggest brands are increasingly entering the fray over divisive political and social issues, particularly in the United States. Putting a stake in the ground on social issues such as marriage equality, immigration and the Confederate flag inherently raises business and communications questions. We need to consider such issues when working for, or counseling, these brands.

For those unfamiliar with the Confederate flag debate, South Carolina had been flying the flag over its statehouse grounds for decades. Proponents of the flag cited it as a symbol of the positive aspects of southern history, heritage and pride, while detractors viewed it as a symbol of racism and division. Following a tragic, racially-motivated shooting in a South Carolina church, the controversy erupted anew, this time on a national level. As reported by CNN, when South Carolina Governor Nikki Haley called for the flag to finally come down, “a myriad of companies including Nascar, Boeing, BMW and Michelin also rallied around” Haley. Meanwhile several of the country’s top retailers from Walmart to eBay and Amazon announced in quick succession they would stop selling Confederate flag merchandise.

Putting a stake in the ground on social issues.

Many companies have also weighed in on gay marriage, making statements after U.S. Presidential candidate Donald Trump’s recent disparaging comments about immigrants. Also from CNN:

“Corporate and business leaders say abandoning the flag is a step towards inclusiveness for a region which has long struggled to shed negative images. It’s the same principle, they say, which has driven the business community and Wall Street to be increasingly outspoken on divisive issues like same-sex marriage (some of the country’s largest banks and corporations signed a “friend of the court” amicus brief earlier this year requesting the Supreme Court to support same-sex marriage).”

What is the motivation behind this increased activism, and what are the implications for brands? Some might argue that the motivation is a practical business one, such as a desire to ensure inclusiveness for potential paying customers. The counterpoint is that businesses risk alienating millions of potential customers who hold opposing political views. One South Carolina leader said organizations need to disregard potential negative business impact because “it’s the right thing to do.”
Regardless of the motivation — brands have tremendous influence when they put their weight behind these issues. This leaves an opportunity for communications professionals to advise brands on the corporate values which resonate with the wider world.

After all, employees, products and strategy all change. Values on the other hand, when nurtured and propagated, not only endure, but have a direct influence on the health and growth of a company.

Dave Hawley of Fast Company put it well in this piece:

"Brands need values which hold their community together, and as a smart tribe builder, you must show these values through both words and actions. By identifying the interests and values your ideal customers share and demonstrating your brand shares those values through the conversations you start, join, and share, you bring about stability and growth for your brand."

The time is ripe for every corporate communications counselor to engage their clients in serious discussions around planning company values, especially with the U.S. Presidential elections coming up. Brands will have opportunities — if they choose to engage — on any number of pressing social issues. Gun control. Environmental policy. Healthcare. Immigration. Racial equality.

Indeed, many companies will engage on these issues because consumer preference increasingly factors in a company's stance. "Consumers have been judging companies more and more by their social and economic policies, it's become a big part of decision-making in determining where they spend their money," according to San Diego State marketing professor George Belch. As a result, every communications professional should understand value-based activity and what it can do for the business.

Values hold communities together, and so they form the core of communications strategy. However, communicating values requires incredible thoughtfulness. No one ever convinced anyone of their values by simply rattling off a list. Values must be lived, and they must be seen in action.

Every communications leader should hold a strategy session specifically dedicated to establishing corporate values, with the aim to proactively drive these through all communications and campaigns. We need to ask these questions (see overleaf).

The fruits of such a discussion have far-reaching implications for branding, corporate social responsibility initiatives, social media, employee communications and more. If you help a company clarify and communicate its values you'll be at the very core of its communications strategy as a trusted advisor on their most important conversations.
The public relations industry is in the midst of a profound identity crisis. With the erosion of mainstream media and the surge of social media, PR experts aren’t entirely sure what their profession is or should be. Some view this as an opportunity to shun the PR label and replace it with integrated marketing or integrated communications.

This may be the wrong response. The strength of public relations has always been the ability to engage audiences and negotiate relationships - mostly via media relations. These two skills, arguably, have never been more important than now, in a media environment where all participants are communicators and selectively choose information they engage with.

Transmedia branding is centered on the idea that consumers and businesses want to engage with content which matters to them. People don’t want to receive random brochures or ‘unsubscribe’ from email lists they’ve never subscribed to. People tune out TV commercials by fast-forwarding their DVRs. If brands instead produce and disseminate content audiences care about, they are likely to create a conversation and engagement around a product, service or cause.

As a derivative of transmedia storytelling, popularized by Henry Jenkins, transmedia branding is defined as a process where integral elements of a brand are shared across multiple delivery channels to create a unified and coordinated experience with each medium making its own unique contribution to the unfolding of the story.

A good example of a transmedia branding campaign is Dos Equis’ The Most Interesting Man in the World. Integral elements of the Dos Equis brand were packaged into a central storyline — the most interesting man’s adventures — which was dispersed across a variety of media channels, ranging from advertisements to YouTube videos, tweets, a contest website, memes and other user-generated content. The campaign created a high volume of fan engagement by allowing fans to participate in a storyline, albeit entirely fictional.

Other successful transmedia campaigns include The Beauty Inside by Intel and Toshiba, as well as the Molson Canadian Beer Fridge or Old Spice’s The Man your Man Could Smell Like.

These examples, as well as many other cases, share the same methodology,
which makes them repeatable. The design elements of transmedia branding are: brands, narratives, media and participation.

Brands

The most basic component of transmedia branding is the brand - an abstract idea used to differentiate products, whether it’s a consumer good, personality, company or idea. It’s the collection of perceptions held by all those who are aware of the product and the meaning derived from those perspectives. A brand most commonly refers to a consumer product or service. Other types of brands are products and services targeting other businesses (B2B), as well as individuals, causes and ideas. As of now, most transmedia branding campaigns have targeted consumer products and services. To be expressed in the form of a narrative, a brand requires a protagonist or main character, and might even benefit from secondary characters.

Narratives

In the context of transmedia branding, some marketers choose to develop their brand’s own story elements, while others decide to join existing narratives. For the first option, every brand has a story, even if the communication team has never thought about it. Old Spice translated its stodgy and traditional maritime imagery into a loose storyline, giving it a fresh feel.

For an example of a brand joining an existing story, we can look to New Zealand Air and their production of an air safety announcement video titled “An Unexpected Briefing,” all done in the style of the Lord of the Rings and The Hobbit movies. The video was posted to coincide with the premier of The Hobbit I, and Air New Zealand painted all its planes in major airports with imagery from the franchise.

Note the trade-off between the two strategies: building a campaign with your own story is generally less expensive, but you don’t benefit from the exposure of an existing franchise. If a brand joins a big story, the investment is much greater, but visibility is almost guaranteed.

Media

In transmedia branding, brand information travels across culture in a variety of media channels, where frequently content on one channel leads to engagement on a different one. For example, The Man Your Man Could Smell Like was kicked off by releasing the original video on YouTube as owned media. The PR team brought the video to the attention of a reporter eager to write about commercials being aired during the Super Bowl - a classic case of earned media. People started to tweet and post about the video on a variety of channels, and eventually the brand responded to select tweets in a series of YouTube videos. People created and spread memes and posted their own adaptations of the video. In other words, the central storyline was dispersed in unique story contributions—including user-generated content across a variety of media, in a highly engaging way.

Participation

Audience participation differentiates transmedia branding from traditional one-directional marketing communications. Once people are intrigued they gravitate to the story and actively seek ways to participate. Completing calls to action such as liking a post, emailing a video to a friend, tweeting a signup link, commenting, submitting user-generated content, or passively watching a video on a sponsored YouTube channel are forms of participation. The design of transmedia branding campaigns allows the audience to participate as much or as little as they want.

In summary, transmedia branding is one of potentially many alternatives to traditional “media relations-centric” PR. As the media environment continues to evolve, practitioners need to embrace the expanded nature of their profession by taking ownership of the full breadth of the PESO model, where media relations, targeted advertising, multimedia content production and social media campaign execution work seamlessly hand in hand.
Since media started its journey online, we’ve had to break with tradition – but we’ve done so quite willingly.

Audio has trod the same path. Falling physical music sales made way for early players such as Kazaa and Limewire. Then more legitimate services such as iTunes and Spotify entered (and dominated) the market.

And now it’s the time of video. Video has been available online for some time, but with a low quality interview here and a buffering music video there, it simply didn’t get to show off its full capabilities.

Then Netflix came along and changed everything…

DVDs to world domination

After 10 years and delivering over a billion DVDs, Netflix launched its streaming service, which allowed the company to grow into the global media giant we know today. We are now seeing the rest of the streaming industry catch up and become a genuine alternative to satellite and cable services. In the same way consumption has shifted away from newspapers and CDs, consumers are moving away from traditional television offerings. In fact, a recent study showed 8.2% of North Americans said they would ditch their cable/satellite service, and a further 45.2% said they would reduce their package.

What does this mean for the communications industry? Put simply, our approach to marketing around video needs a shakeup.

A lot of television is available without advertisements, and those who use systems like TiVo interact with them in an entirely different way to those on traditional television services.

Is the future ad-free?

It’s entirely possible the future of streaming will involve advertisements in the same way traditional television does. So far, however, Netflix has resisted any temptation to include them. “It’s fundamental to that control orientation that we don’t cram advertisements down people’s throats.” Reed Hastings, co-founder and CEO of Netflix, said last year.

Even if Netflix doesn’t introduce advertisements, other services already do. As these channels grow, so will the opportunity for brands to use them as a platform. It should be cautioned that taking the same

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North Americans said they would ditch their cable/satellite service, and a further 45.2% said they would reduce their package.
approach as traditional television would be naïve. Ask anyone who’s designed advertisements for print and online platforms. They’re two totally different disciplines, because people act differently when their hands are hovering over the keyboard versus when they’re slouched on the sofa watching a screen six feet away.

YouTube ads are a great example of this. YouTube offers a range of different options for advertisers, including pre-roll advertisements with an option for the viewer to skip. The vast majority of users skip the ad before it reaches the end, meaning the first five seconds of advertising are crucial. If your message hasn’t come across by then, it’s a wasted opportunity.

As consumers continue to cut the cord and move away from traditional television services, brands need to change the way they communicate to ensure their messages are heard.

**Talking their language**

Netflix has already shown us how brands can communicate with consumers with no advertisements. When Netflix brought back Arrested Development, it generated thousands of tweets, and the majority of those fans credited Netflix with the show’s return. Consumer sentiment towards Netflix skyrocketed.

Not every brand owns a streaming platform, of course, but this doesn’t mean they can’t reach out to consumers. Subway paid to plug its product on the light-hearted spy show, Chuck, which was under threat of cancellation. Fans, desperate to save the show from the chop, organized a “Save Chuck” campaign, which encouraged fans to buy a Subway sandwich. At one point, Zachary Levi, the star of the show, led 600 fans to the nearest outlet to buy more sandwiches. The result? The show was saved.

This campaign was more than just product placement. It was a brand doing something fans actually cared about. We’re not saying the best or only way to engage with fans is to rescue their shows. We’re also not claiming product placement is the hot trend of 2016. What we are saying is audiences on ad-free streaming platforms can be reached – if you treat them right and show respect for their passions, they may become your most vocal champions.

**Adjusting to a new news cycle**

Cord cutting doesn’t just impact advertising. Public relations needs to shift too. For years we’ve worked to a linear format – timing our work around print and broadcast news cycles. We work our set 9-5 pattern and then go home – unless there’s a crisis. This won’t work forever. If consumers can access news on demand and aren’t working to traditional news cycles, we can’t stick to them either.

It may mean more work for us in the short term – but in 2016 we expect to see PR agencies operating more like newsrooms: with in-house editorial teams and communications staff working later into the evening and earlier in the morning. Journalists are working these times, and enterprising agencies will do the same in an effort to maximize the success of their pitching.

**Getting ahead of the game**

Some communicators didn’t react fast enough to social media because they didn’t think about getting their house in order until social media was already dominant. This led to brands making knee-jerk reactions, throwing money down the drain as they jumped to have a presence on platforms they didn’t understand.

If we don’t start thinking about how to communicate with our audience on streaming platforms today, we will see another five years of painful communications from brands as they try to get their act together on a new platform. It will be necessary to work with planners, account teams, and experts in video production who have a deep understanding of the channels in which video works best.
About Hotwire

Hotwire is a global communications agency dedicated to helping ambitious companies change their game, build their reputation, and stand out from the crowd. Our communications experts work in sector practice teams to provide our clients with in-depth knowledge and experience of a number of market categories.

From Sydney to San Francisco, we’re a team, with a ‘one office’ mentality. Our international team works across our 22 locations, including the UK, US, France, Germany, Spain, Italy, Australia and New Zealand, together with affiliate partners.

We bring the best of our knowledge, skills and experience to all of our clients wherever they are in the world.

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