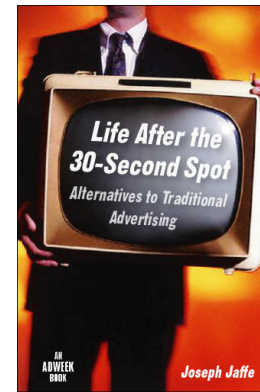
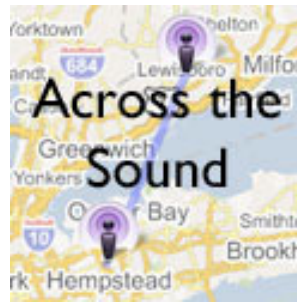


A World Without Advertising

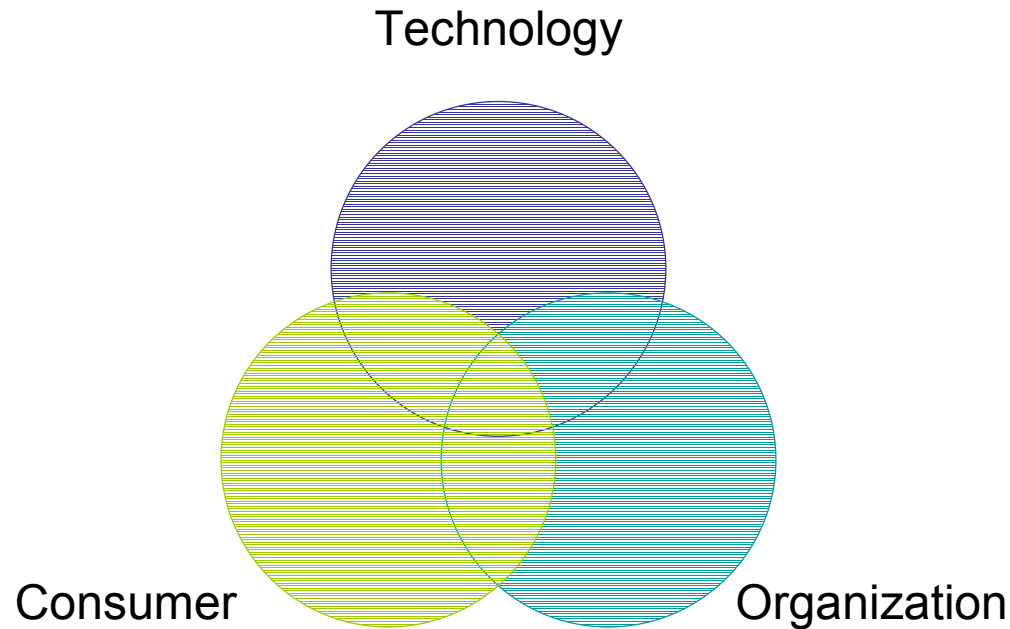
Ad Club Symposium
March 9th, 2006

About jaffe, LLC

- 4 year old *New Marketing* thought leadership & consulting practice:



The world has changed



"There are major changes and we don't understand the speed and scale at which they're taking place" - **Sir Martin Sorrell, WPP Chief Executive**

Fragmentation of touchpoints, consolidation of attention

- Top of mind consideration is being replaced by **Top of Page Consideration**
- Funnel of Interest Is being replaced by the “**Funnel of Trust**” (Tom Troja – Pyjamas Media)
- ABC is being replaced by **MyBC** (or their version MyABC) AKA My Time
- Impressions are being replaced with **engagement** or **time spent**

Marketing's Crossroads

- We need a new business model
 - Advertising endorsing/subsidizing content is no longer cost effective for marketers
 - There is no longer a win-win-win
 - Publishers are in danger of being bypassed
 - Consumer generated content is as viable as publisher produced content
 - A new blog is created every second!
 - There are over 20,000 produced podcasts...and counting!
- We need a new golden goose
 - The 30-second spot is the epitome of creative atrophy
 - It is white noise to consumers

Are consumers outgrowing advertising?

- What is advertising?
 - Generally speaking, advertising is the **promotion** of goods, services, companies and ideas, usually by an **identified** sponsor (source: wikipedia of course)
- And we need this, why?
 - Issue #1: Not consumer centric
 - Issue #2: Where's the beef?
 - Issue #3: Disclosure

Advertising is not a right.
Advertising is not a privilege.
Advertising is not an obligation.

Getting it right, means...

...the right message in front of the right person in the right mindset at the right time in the right place, the right way **to get the right result...**

That's a lot of rights that have to be aligned for success

S.A.F.E. - Save Advertising from Extinction

- Move all lawyers, bean counters and purchasing agents to a desert island
 - Pursue getting paid for big ideas like a pig pursues truffles
- Make advertising relevant again
 - R.U.E.
- Retire the 30-second spot, before it retires you
 - Remember: The 30-second spot is a metaphor
- Embrace New Marketing
- Connect the dots

How can New Marketing help?

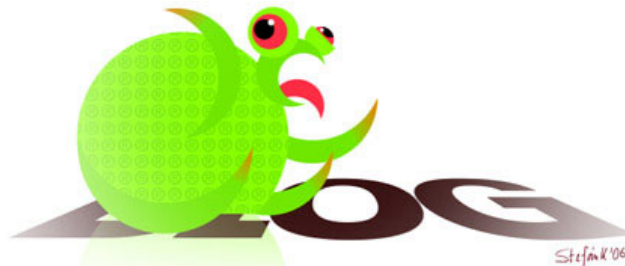
1. Embrace a world without advertising. Get out of the advertising world and into the world of content
2. Consumer Generated Content
3. Social Media
4. Behavioral Targeting
5. Cause New Marketing

Content is King

- Advertising is pond scum – it is time for evolution and revolution
- ...but if content is truly King, when did it become the Court Jester?
 - Product placement; Madison + Vine™
- Long form content is the ultimate expression of life after the 30-second spot
 - Is there a proportional relationship between time spent and engagement?
 - How about brand favorability and intent to purchase?

Consumer Generated Content

- In the eyes of the consumer, all content is created equally
- Don't throw the bath at the baby
- In a recent Ad Age poll, only 53% believed CGC would "turn into a trend"
 - Place your bets: 53 or 47
- Consumer Generated Content (CGC) is not the same as Agencies Creating What They Think is Consumer Generated Content (ACWTTICGC)
 - Have the humility to call in the experts*



Social “Media”

- Who knows your brand better?
- The Social Media Index
 - Get in on the act. Now!
- The democratization of content creation and **distribution** is profound
- “Social Media” = Conversational Media
- There’s a reason they call it a “medium”
 - Moderation comes from the word moderate

Behavioral Targeting

- Re:aggregation – the sum of the parts is greater than the whole
- Verklin's 100% composition is coming true
- RevenueScience'nTacoda is not one word
- Let's settle this once and for all: The difference between good, bad and relevant advertising
 - R.U.E.
- ...look beyond the shores of the WWW

Cause New Marketing

- Truth in Advertising has become an oxymoron
- A brand is supposed to stand for something...so stand for something already!



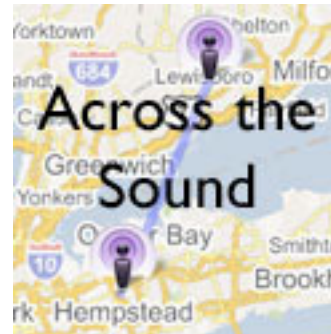
The Future

- Consumers will elect to *pay* for content with their time or money
 - Affluent and discerning are not one and the same
- MDD to AOD: Those who still elect to watch ads, will customize their “quotas”, based on:
 - specific needs (overt/explicit selection)
 - behavior (implicit learnings, registration data)
 - action (interaction, feedback)
- Commercials therefore will still exist, except....
 - there are a lot less of them,
 - their length will be determined by consumers
 - The creative product by default will inevitable improve.
 - Rates will rise, but in no way will offset the loss in revenue
 - ...but performance based pricing offers huge upside

Summary

- Content might be King...but this king is not an autocrat or dictator
- People will not watch content your way anymore...and they will not be forced to watch advertising either
- Get out the advertising game (while there's still time)
- Embrace New Marketing
 - A new C.O.S.T. Benefit relationship
 - Cultural, Organizational, Strategic, Tactical

Thank you



WWW.

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