

MARKETING CHANNELS

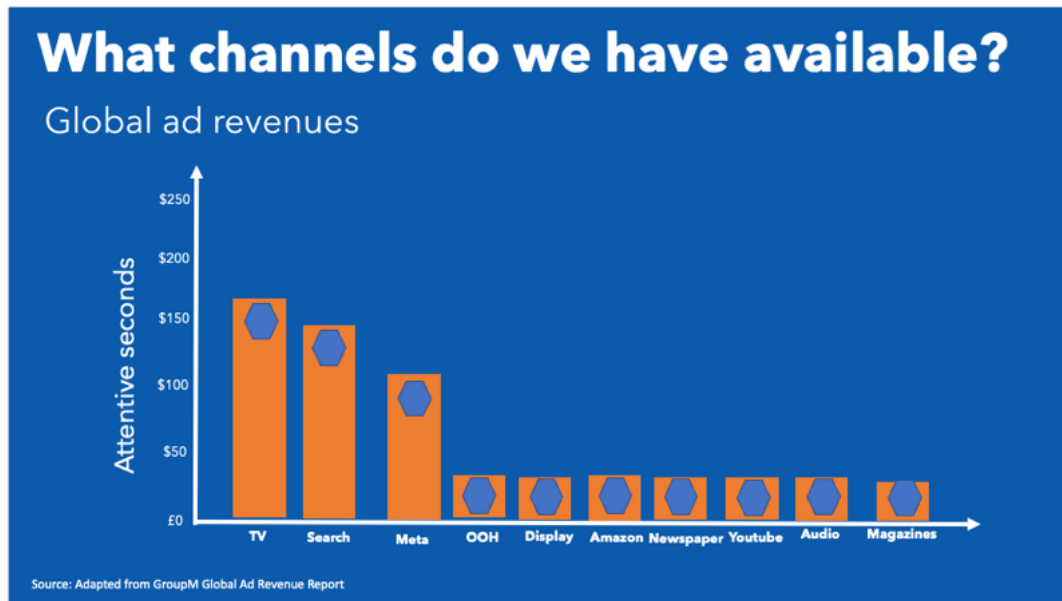
MARKETING FUNDAMENTALS GUIDE



There are so many channels available for you to use to reach your audience; it's an almost infinite decision given the many permutations and targeting options you have at your fingertips.

So, to help, we should look at ways to categorise the channels to assess which combinations work best for our brands.

Let's start by looking at some of the main channels of choice. According to Group M¹, we can see the top media by ad revenue which is a good indicator since it's where brands place their money.

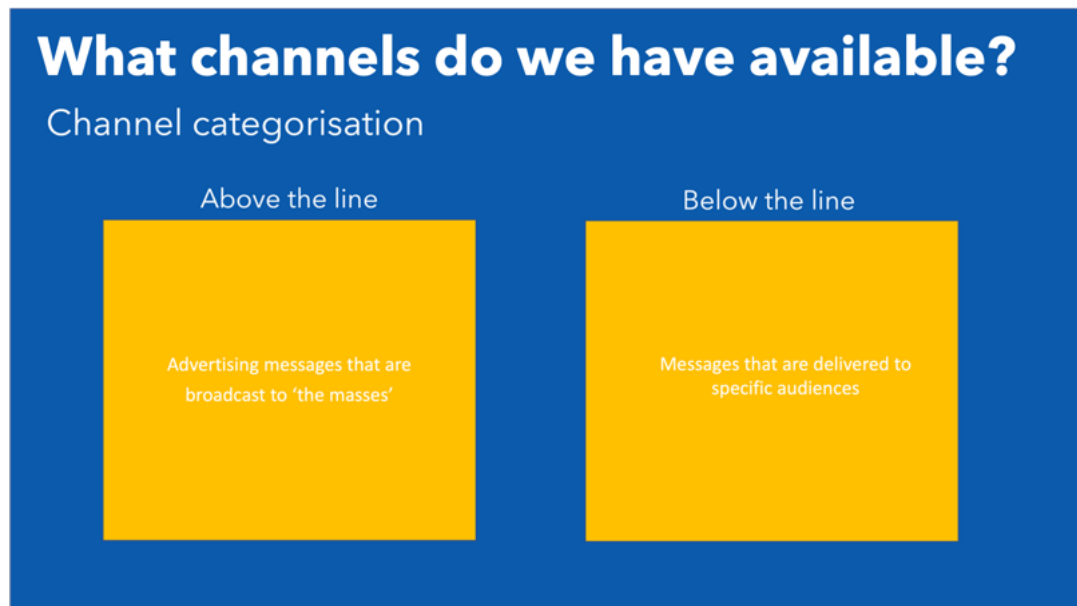


We see that TV, Google and Meta rank in the top three for where advertisers spend their top dollars. Entirely unsurprising. However, Zenith came out with a recent study that showed social media platforms are likely to overtake TV regarding ad revenues. Furthermore, other channels from out of home, YouTube and audio all have an equal share of the ad revenues.

Let's move on and talk about two ways channels typically get categorised. The first is that media can be classified above or below the line.

Above the line and below the line

¹ [https://www.campaignlive.co.uk/article/global-ad-revenue-grow-59-digital-expansion-offsets-economic-headwinds/1825889#:~:text=Global%20advertising%20revenue%20is%20expected,incl%20CTV\)%20revenue%20in%202028.](https://www.campaignlive.co.uk/article/global-ad-revenue-grow-59-digital-expansion-offsets-economic-headwinds/1825889#:~:text=Global%20advertising%20revenue%20is%20expected,incl%20CTV)%20revenue%20in%202028.)



Above-the-line advertising refers to messages broadcast to ‘the masses’.

These messages go out to large audiences via traditional media such as TV ads, radio, newspapers, magazines and out-of-home billboards, to name a few.

The potential reach of these messages is enormous, for example, if they are broadcast on popular tv channels and at prime time or in a large-circulation national newspaper. This is why above-the-line channels are well suited to brand-building.

On the other hand, Below the Line, advertising refers to messages that are delivered to specific audiences.

The specificity of that audience depends on the channel used to deliver the message. For example, paid advertising, including paid search and paid social, allows advertisers to target based on various demographics and other factors.

This means that below-the-line channels are ideal for delivering highly targeted product messages to much smaller audiences likely to convert directly from the advertising message.

Earned, owned, and bought media

Ok, let's turn to another way to characterise channels, known as earned, owned and bought media.

What channels do we have available?

Paid, earned and owned media



Paid Media

Paid media incorporates any marketing that you can't execute for free. This can include traditional print, radio and TV ads or billboards. Online, ads can include paid social, ads on search engine results pages, and display ads on websites.

Due to its advanced targeting options, paid marketing content is a great way to reach your desired target audience in digital marketing. There are many advantages to incorporating paid media into your marketing strategy.

Owned Media

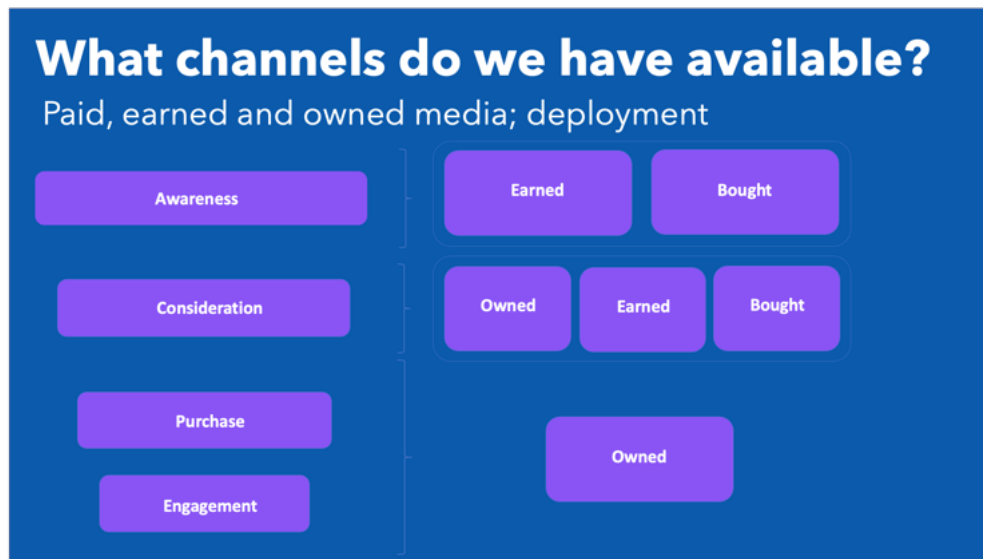
Owned media refers to marketing content you own free. It includes content you publish on your website, blog posts, and social media channels (not including your social ads). It also includes email marketing.

Generally speaking, owned marketing content is free. That makes it a powerful tool in your content strategy. You have to put the budget behind paid, and you can't control earned, but you can always create content with the hope of reaching your audience the organic way, using owned channels.

Earned Media

Earned media isn't a term you hear too often, but it's crucial: it involves any content where other people are talking about you. This includes influencers, PR, reviews of your product or business, or fans and advocates who share your content on their own or through social sharing tools.

Now, the question is, when should we use different types of channels?



Here is a valuable tool to help your planning process; the marketing funnel. There are typically three stages of the funnel: Awareness, Consideration and Conversion, each delivering something different. Therefore, you must consider each stage's objective before deciding what channels to use. For instance, you have undoubtedly heard of the top of the funnel, which sits at the awareness stage and aims to generate brand awareness. Vs the bottom of the funnel, which is at the conversion stage and looks to turn a prospect into a sale.

Nielson² conducted a study to look at which channels do better at the different stages and found that generally speaking, digital display, social and TV are vital for sales and brand objectives about 60% of the time. Whilst say digital video has the most potent effects on sales.

Let's explore things further by applying the earned, bought and owned channel model to the marketing funnel.

At the first phase of the funnel, the awareness stage, your goal is to try and get your audiences to notice you. So, it would be best to go bold; your channel selection must reflect this. To achieve this you likely need most of your channels to be in the 'bought' category to give you the reach you need. There are some notable exceptions, and one may argue that you also want to include 'earned' channels, such as organic social.

My take is that sure, go for it, but in the context of Prof Byron Sharps's POV, it won't do much for you given the limited reach organic social has these days, although it will make you feel good that your network has given it a 'like'!

In the next phase of the funnel, the consideration stage, it's likely that owned and earned media will play a significant role. Your awareness campaign should drive audiences to your 'owned'

² <https://www.nielsen.com/insights/2017/when-it-comes-to-advertising-effectiveness-what-is-key/>

media, such as a landing page, website or social media page. And you can point to the positive vibes earned from reviews and recommendations to get more people to consider your product or service over others.

The final stage of the funnel, the purchase phase, is all about driving people to your ecosystem to buy your product or service. So, you need very simple-to-use systems to make the purchase seamless and get them over the line.

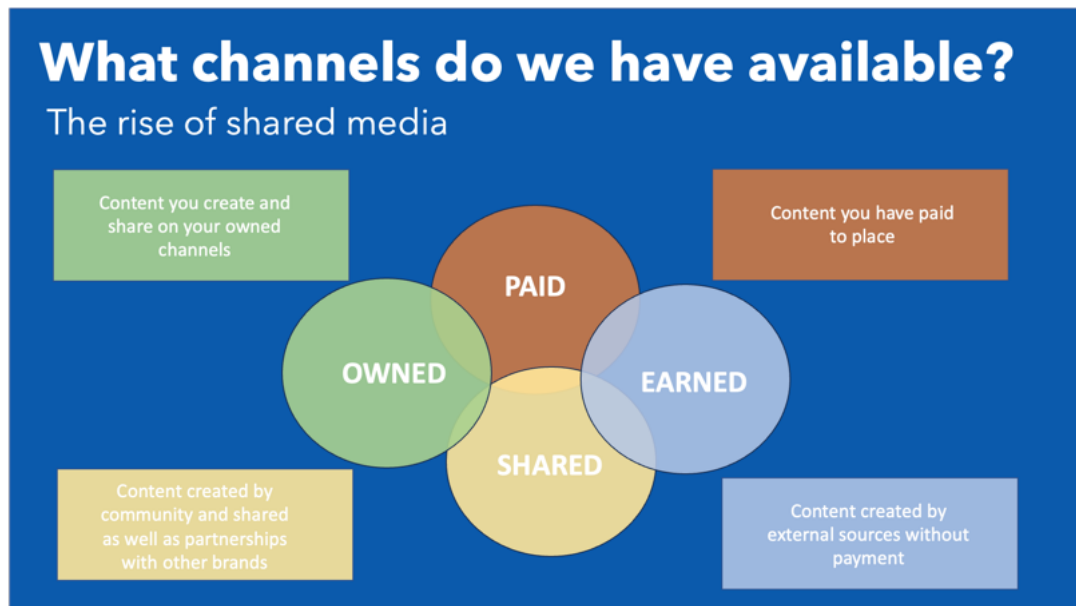
The evidence for this approach is straightforward; here is a study from Dr Grace Kite at Magic Numbers that demonstrates that significant uplifts and effectiveness can be seen when you use TV, which is a bought channel at the first stage of awareness. It then drives people further down the marketing funnel to other media such as SEO, which is earned and into owned such as a website.



Example 1: The Rise of Shared Media: A huge opportunity

Shared media forms the latest edition to the Paid, Earned and Owned framework completing the acronym 'PESO'. It is critical to solving high CACs and media fragmentation.

It's a media planning tool that allows marketers to determine the different media opportunities for their brands.



What is Shared Media?

Shared media is when brands, individuals, or influencers boost and amplify the content of partners and collaborators across their paid, earned and owned platforms.

The Power of Shared Media

They say a problem shared is a problem halved. And what are the biggest problems for marketers right now?

- Customer acquisition costs
- Media fragmentation

Shared media can help brands solve both of these. By sharing media spaces, you can gain more reach and buzz, be seen by new audiences, and generate advocacy.

The sum will lead to new cost-effective customer acquisition opportunities, enabling you to leverage new media opportunities and open more creative avenues.

How can you leverage Shared media?

Let's look at several examples of how brands have leveraged Shared media.

Brand collaborations and partnerships

There has been a flurry of new brand partnerships that have come on the scene. Typically, coalitions adopted the mantra 'birds of a feather flock together'; however, lately, it's more like 'opposites attract'.

From partnerships like Gregg's and Primark³ to The North Face and Gucci⁴, it appears that magic happens when you combine two contrasting brands. The buzz on social and press alone is worth the effort, let alone the access to new audiences, new channels and a way to revitalise interest in the brand.

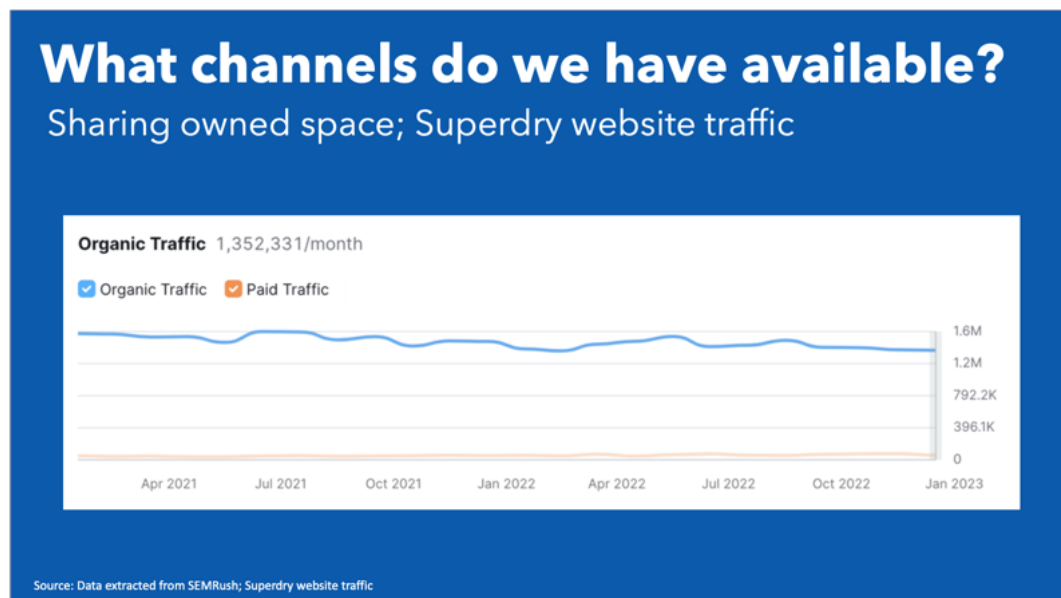
One of the most exciting brand partnership announcements of 2023 has to be between Nike and Tiffany⁵. It zings in so many ways.

It has generated a considerable amount of earned media for both brands. It's been discussed in almost every channel and corner of the world. It enables Nike to move in on a cultural shift towards the high-end jewellery space. Tiffany's has an opportunity to redefine what 'bling' actually is in a new category.

The best part is that the combined firepower will enable them to have a larger media budget and infuse new creative flair into the brands.

Sharing owned space

The owned real estate of particular brands is the envy of so many others. For instance, Starbucks has one of the largest social media followings, Superdry having millions of unique visitors to their website.



Sharing digital and even physical spaces can have significant advantages for brands to get “free” exposure to new audiences.

³ <https://www.primark.com/en-gb/r/collabs/brand-collabs/greggs>

⁴ https://www.gucci.com/uk/en_gb/st/capsule/the-north-face-gucci

⁵ <https://www.tiffany.co.uk/stories/tiffany-and-nike-air-force/>

A good example is Tony's Choccoloney and Ben and Jerry's⁶ collaboration. They are represented on each other's websites, and it wouldn't be a far stretch to think they could share physical space to sell complimentary products.

At the heart of this partnership is a shared philosophy and values fundamental to any shared success.

Influencer Spaces

Tapping into the audiences of influencers can be very valuable. Getting them to talk about you authentically to their audience and even feature or trial you as part of their content can give you accurate exposure like no other.

A good example is the latest crave drink, Prime, fronted by two of the world's biggest influencers, KSI and Logan Paul⁷. The earned media attention the glass got was nothing short of astounding, given the endorsements of these influencers.

By engaging this way, you have an automatic audience of highly engaged and loyal fans you can speak to.

David and Goliath brands

One of the significant benefits of shared media is the ability for David and Goliath brands to team up for the shared benefit.

A David brand benefits from sharing the floor with a behemoth, whilst Goliath benefits from the diehard fans their partner has garnered. They are also seen to be helping local brands and communities, which have potent synergies for their brand.

A great example is when Adidas teamed up with a local Dubai-based long-standing Pakistani restaurant, Ravi's⁸. Ravi is like an icon in the community, so Adidas' partnership solidified positive brand associations. It also positioned them well as they celebrated community-focused restaurants in cities worldwide.

There is an important lesson baked into this. By sharing the stage with Ravi, Adidas associated themselves with an everyday occasion, i.e., casual dining. So, when people think of going to a restaurant, they think they will slip on their Adidas shoes and walk over.

Product placements

Another great way to use shared media is by partnering with media owners, entertainment companies and event's organisers. This enables brands to be displayed and play a role in cultural

⁶ <https://tonyschocolonely.com/uk/en/benandjerry>

⁷ <https://boardroom.tv/logan-paul-ksi-prime-hydration/>

⁸ <https://images.dawn.com/news/1190301/dubai-based-pakistani-restaurant-ravi-teams-up-with-adidas-for-a-sneaker-collaboration>

occasions and other exciting events that expose them to new audiences, from movie releases to national events. It presents super opportunities for brands to show how relevant they are.

Summary

In summary, brands have many great opportunities to share spaces, places, and identities and forge synergies for mutual benefit. In today's world, it's usually the case that 'better together' creates tremendous opportunities for brands to collaborate rather than compete.

Example 2: Hottest new marketing channels

Part marketers and part naysayers predicted the 'death of advertising', citing reduced consumer attention spans, lack of trust, ad blockers and the rise of VOD and ad-free subscriptions. But we see the opposite where advertising pervades even sacred 'advertising free zones'. Here are four of the hottest areas every marketer should consider as part of their marketing channel mix:

Podcasts

They were pipped to be one of the most potent emerging channels. According to Neilson⁹, podcast advertising delivers a real punch, which suggests a 71% ad re-call when heard through this channel.

There are many ways to advertise through podcasts; on platform banners, in-pod intros, mid-way messages, sponsored sections and even organically by being a guest on popular pods. Don't miss out!

Advertising-led Video on demand (AVOD)

This one is HUGE and will be a big challenge to the current TV advertising model. With Netflix¹⁰ moving into this space, we can see the rise of AVOD as consumers feel their pockets pinch and opt for advertising-led VOD rather than the subscription-based ad-free equivalent.

This is a mega opportunity for marketers, agencies and advertisers looking to gain strides in current media 'white space'.

Retail media

I love this channel; it's getting so good regarding the reach and BOTH top and bottom of the funnel impact. The level of sophistication of targeting shoppers who are in the category but have not yet used your brand (i.e., light buyers and top of the funnel) on the one hand and targeting shoppers with a high propensity to purchase (and re-purchase) on the other end (conversion/bottom of funnel) is just unparalleled.

⁹ <https://markets.nielsen.com/us/en/solutions/podcasting/podcast-ad-effectiveness/>

¹⁰ <https://edition.cnn.com/2022/11/03/media/netflix-with-ads-launch/index.html>

This is because the shopper data retailers hold is incredible, so retailers like Boots have set up retail media units to contend with demand. This channel is also critical for brands in an eventual cookie-free world.¹¹

Community and shoppable platforms

With all social media brands making big moves in this space, it can capture in-context and in-the-moment purchase opportunities. Ad in contextualise targeting for community groups, and you have added to the firepower of this channel.

¹¹ <https://www.raconteur.net/marketing-sales/retail-media-networks-are-set-to-transform-the-advertising-landscape/>