MINDSHARE	Amazon Go	Diana Gordon, Senior Partner, Director, Shop+, Mindshare	December 13, 2016

You can also read this piece in Mobile Marketer: http://mndsh.re/2hfFtI2

Background:

No lines? No checking out? No way! Actually, "Yes Way!" says online retail giant Amazon that announced this week that it plans to launch a new brick-and-mortar store concept that eliminates the traditional checkout process entirely. Called Amazon Go, the store will feature new technology called 'Just Walk Out', to deliver a register-less shopping experience where payment is facilitated through an app on your phone.

Details and Implications:

The 1,800 square-foot concept store is currently in beta for Amazon employees but the company hopes to open its doors to the public in early 2017 according to its website.

This is not the first attempt by Amazon to open traditional bricks-and-mortar stores; it has already seen success with bookstores in locations including Seattle, San Diego and Portland. Plans for additional stores in Chicago and Boston are also in the pipeline.

This move by the online giant should not come as a surprise. Despite being the largest online U.S.-based retailer, there are some categories that Amazon just has not been able to crack open, including groceries. According to Kantar Retail, online sales still only make up less than two percent of the total grocery market in the U.S., presenting an epic opportunity for innovation in the food shopping category. In another report by the Trade Survey, 85% of people reported wanting to touch and feel a product before they buy, giving Amazon another great reason to believe the new store concept will work, especially in busy urban markets.

'Just Walk Out' is powered by a combination of machine learning, computer visualisation and artificial intelligence, according to a video on Amazon's website. Industry experts liken it to the same technology used to power self-driving cars. Amazon has been working on the technology for four years and, as reported in *USA Today*, may have found a more cost efficient method for handling the complex computing than others in the space. As Forrester analyst Brendan Witcher puts it: "The challenge is whether you can make it cost-effective. Has Amazon come up with the secret sauce?"

There is some skepticism however that this announcement is just hype, conveniently timed during the peak of holiday shopping where shoppers are likely to be more sensitive to the frustration of the current checkout models, including long lines.

Summary:

With Amazon Go, the retailer that has fundamentally changed the way hundreds of millions of people shop for products is now aiming to further its dominance within the grocery category. As our time becomes an ever-increasing currency, the convenience factor coupled with the superior experience Amazon is known for, makes for a compelling argument that we will be seeing more Amazon Go stores in the not too distant future.

MINDSHARE	Facebook's Express Wi-Fi in India	Mahendra Upadhyay	9th December, 2016

Background:

Facebook has stated that it has more than 166 million monthly active users in India, and considers India to be one of its key markets after the US. However, many individuals in India are still unable to connect to the internet. After the recent failure of Facebook's Free Basics program in India due to it issues with net neutrality, Facebook is attempting to solve this problem once more with the introduction of Express Wi-Fi.

Details and Implications:

Express Wi-Fi is software that enables local entrepreneurs to work with service providers to share their Wi-Fi free of charge with the public. India is the first location where Express Wi-Fi has gone live, with Facebook stating that it plans to extend the service to other regions around the world shortly. Initially this seems a much better approach than Facebook's previous venture Free Basics, as it doesn't appear to restrict the sites users can access, making it simply a platform for connectivity.

Facebook has launched Express Wi-Fi in India first as it is one of the fastest growing markets for smartphones with around 340 million mobile internet users predicted by 2017. Recent developments in the Indian economy have also added to this growth:

1. The entry of 'Reliance Jio' (new telecom operator) in the 4G market providing high speed internet for free for limited periods. The company claims to be very effective and cheap in comparison to existing operators, even after the initial period has ended. This has increased the adoption of 4G in the Indian market at a much faster rate than the previous adoption of 3G. Strategically Jio is also targeting disconnected areas of India in the same way as Facebook with Express Wi-Fi.
2. On 8th Nov 2016, The Government of India announced a Demonetization Plan, giving rise to a much-needed push for cashless banking, which resulted in the very evident and rapid growth of online banking.

If Facebook is successful in providing quality internet to consumers, this should hopefully increase the consumption of content which requires a fast internet connection, such as video streaming. It will also open up the opportunity to understand the behavior of individuals not only in urban, but in rural territories too. Furthermore, for brands and advertisers, the increase in consumer data from more far-reaching areas will not only enable them to understand new markets, but also target these users in new ways.

Facebook has not yet disclosed the markets and regions where it is planning to launch Express Wi-Fi. However, whichever markets are included will help larger ecommerce players and small businesses alike and it will enable Facebook to engage with a much wider audience with more consistency. Moreover, if Express Wi-Fi is successful in providing internet to these new areas, other services will have to be quickly implemented to keep up with the resulting needs of these new users.

Summary:

Hopefully Express Wi-Fi will be successful at providing good quality, restriction free internet to previously disconnected rural areas. For brands and advertisers this presents a unique opportunity to gain insights into and interact with, previously unreachable individuals. For Facebook it could mean adding to its 1.79 billion monthly active users. However, it will still take some time for the service to develop and the true openness of its offering is yet to be seen.

MINDSHARE	Are ads on Snapchat enough of a "Spectacle"?	April Wardy	December 2, 2016

Background:

It was reported this week that Snapchat video ads are viewed for less than three seconds on average (http://adage.com/article/digital/snapchat-video-ads-average-3-seconds-a-view/306915/). This obviously causes some concern that such a short viewing time would not be enough for brand's content to resonate with users. The report comes after Snapchat recently rebranded as Snap Inc. and took its first steps into the hardware world introducing Spectacles - sunglasses with an integrated video camera that enables users to transfer circular video directly into the Snapchat app.

Details and Implications:

Dubbed the "Google Glass – GoPro hybrid", Spectacles have been sold via vending machines since early November with a $130 price tag. The camera, which contains a 115-degree-angle lens intended to mimic the way humans see, enables users to record content lasting up to ten seconds in length. Also, due to the circular lens, once content is uploaded users are permitted to view different parts of the video in a horizontal or vertical format.

For Snap Inc. the foray into video recording equipment has perhaps been quite timely given the speculation surrounding Snapchat's 150 million daily users' actual engagement with the ads served within the app. Spectacles are a way to diversify its advertising offering and demonstrate a potential area of ad revenue growth to investors, especially as it is likely headed for an initial public offering sometime in 2017.

For brands and advertisers, Spectacles offer the opportunity to tell a story from a first person point of view in an innovative and engaging way. If brands are able to get the tone of their content correct, brand-generated content should become less distinguishable from user-generated content. Thus enabling brands to reach the coveted young Snapchat user, who at present flicks through vertical video ads in an endless quest to watch more user-generated content. For the moment however, there is still the notable exclusion of Snapchat filters and lenses available on Spectacles. Without the ability to add any additional layers to a user's content, it seems more likely that brands will work with influencers to produce sponsored content - at least in the early stages. Brands such as Mountain Dew and Sour Patch Kids have been among the first to produce content using Spectacles.

Comparisons between Facebook Live (launched in 2015) and Instagram Live Stories (launched just after Spectacles) have obviously been made, but arguably the first person perspective element should be enough to set Spectacles apart. And Snap Inc. will be keen to avoid Spectacles going the same way as Google Glass. However, it is important to remember that Google Glass was marketed as a practical product, which helped users with things such Google Maps. Spectacles on the contrary are presented as a more social, fun and ultimately brand friendly product – with a much more reasonable price tag!

Summary:

Spectacles have certainly made an impression on the tech world, with consumers eagerly anticipating the vending machine's next location. If brands use Spectacles to create content that feels integral to the Snapchat environment, they could see users engaging with their content for much longer than three seconds in the future. Finally, given the precedent set by Snap Inc. through its early adoption of vertical video, it certainly begs the question - could first person perspective video become the next big thing? Not just within Snapchat, but across other social channels too?

Making predictions is a precarious business. The improbable is increasingly the probable, whether Leicester City F.C, the Cubs, Trump or Brexit. Thankfully digital has always been somewhat predictable; you simply can't keep an old digital trend down. They just keep coming back with new names, upgraded technology and refreshed mojo. So without further ado, here's my forecast for 2017.

Implicit Signals: With the notable exception of the USC/LA Times, virtually every poll in the USA inaccurately predicted a Clinton victory. Even statistical wunderkind Nate Silver gave Trump a 30% chance of victory. Coupled with Brexit, there's a growing unease in the industry that similar misleading conclusions may be occurring in marketing research. To be sure the supposed stigma of publically supporting Trump is not the same as acknowledging that a KitKat advertisement influenced you. However, the increasing anomalies in what people say and actually do has led to some deep soul searching amongst the research community. The result is a greater interest in implicit data sources, e.g., searches and actual online behavior that may be truer reflections and proxy indicators of what people are really thinking and doing.

From Clicks to Conversations: Audio will be back in the headlines, but with a twist: it won't be just podcasts and music streaming. 55% of US Millennials use voice search every day, and not just on Google but increasingly in the home with Amazon's Alexa and in the car with Apple's Siri. And it isn't just the USA. Baidu reports a threefold increase in voice search over the last 18 months. Audio recognition technology is also improving. The latest iteration of Google's DeepMind voice technology is 50% better than today's standards, so it will recognize everything from Welsh to West Flemish. 2017 will be the year that brands tackle voice search, buying and optimizing for a much more natural set of keywords and questions. Furthermore, marketers will also start thinking about what voice they need to layer into their apps and owned assets. As usual pizza is leading the way: Domino's Pizza has given its app a voice called Dom so consumers can go from clicks to conversations.

Gamification v2.0: Inspired by Pokémon Go, AI and the adaptive creative possibilities with AR and VR, marketers will revisit the world of gaming. Several brands have already jumped on the bandwagon: both Under Armour and Gatorade recently launched immersive games on Snapchat, while KFC launched a Pokémon Go type AR game in China that offered virtual coupons for every virtual cat caught. VR, which has been hindered by a low installed base of devices, is about to be boosted by Sony's 40 million PS4 consoles and VR headsets. Facebook is supposedly exploring instant games within Messenger not to mention Oculus, and Google is putting significant resources behind its Daydream VR platform. So sufficient scale will finally exist to justify the creative and media investment in VR and AR immersive experiences, with gaming the primary vehicle for the moment.

The Year of the Rooster: Alibaba's stunning success with China's Double 11 or Singles' Day led to over $18bn in sales within 24 hours (while not an exact comparison, Amazon did $37bn in three months). Other markets are taking notice and are now adopting Singles' Day (or its spirit) in an effort to generate more sales before the holiday season takes full swing. In the US, online orders by Chinese-Americans were up by over 800%, with Michael Kors, Bloomingdales and QVC offering domestic Single's Day promotions. Could 2017 be the year that Singles' Day starts becoming a universal shopping holiday? At a minimum, most will closely look at how to replicate the Singles' Day phenomena and its online tactics for Black Friday and other local shopping-centric holidays.

Back to the Browser: Struggling with getting their apps downloaded and used, marketers appear to be exploring the browser once again. Patagonia recently retired its app and replaced it with Google's Progressive Web Apps technology. So unless you are lucky enough to be one of the 48 apps installed on a phone, or the 8 used daily, a solid browser-based experience may be the solution if built to shapeshift based on different screens. Furthermore, with AI, search, bots and notifications increasingly extracting and managing the information flow outside the app itself, it may no longer be as critical to get an expensive app built, promoted, downloaded and used. It may be more realistic and useful for some brands to push that brand content into the digital slipstream.

Top To Top: Verizon's new AOL/Yahoo Empire will present a credible scaled alternative to the Google/Facebook duopoly (72% share of online advertising outside of China). Twitter, which is quickly becoming the new Yahoo, will find a buyer, perhaps Alibaba or Tencent that will explore expansion opportunities outside Asia. Apple will get its mojo back on the iPhone's 10th anniversary. Snap's IPO will be big. Amazon will make a real run at Google's search share. Online news sites will continue to gain in popularity in the wake of Trump and FalseStoryGate. Spotify, Pandora, iHeart and others will benefit from online radio and music finally going through the same great migration from old to new that print and TV have gone through in the past few years.

MINDSHARE	Quarterly Earnings Q3 2016	Norm Johnston	16th November 2016

Background
The Q3 quarterly earnings reports are all in reflecting good fortune for most with the notable exception of Twitter. Here's a quick overview of the results except Verizon (AOL, soon Yahoo) who will only take full shape next year.

Apple: Anticipation

As usual Apple's results were largely dependent on quarterly sales of iPhones, which beat analyst expectations at 45.5 units, but still lagged behind last year's 48 million phones sold. Nevertheless, Apple remains bullish that a slew of new product releases will give it up some sales momentum in the vital Q4 holiday shopping period, when the new 7 and 7 Plus models will be widely available (they were only on sale for two weeks in Q3). Industry estimates forecast just under 80m units to be sold, a steep increase from Q3 but not beyond imagination given many customers may be looking to upgrade their two to three year old phones. Samsung's recent widely-publicized issues will also boost Apple's chances of reducing defectors and possibly bringing new customers on-board. Beyond Q4, anticipation is building for 2017 and the 10th anniversary of the iPhone, not to mention some realization of a killer new Apple product – an Apple car, speaker, or even glasses. Yes, Apple is rumored to be leveraging its recent AR acquisitions by building a superior model to Google Glass.

Alphabet: Beyond the Tipping Point

Alphabet's Q3 earnings put to rest some of the industry's lingering questions over when Google would reach the tipping point with mobile search reaching desktop levels of monetization. Google's challenge has always been to increase the volume of mobile search to such an extent that it would make up for fewer ads at a lower cost in smaller screens. Google reported a 42% year-on-year increase in clicks on own-site advertisements, primarily driven by mobile; more than enough to make up for an 11% year-on-year decline in average cost-per-click. The result: gross revenue was up by 20% to $22.45b. As usual Alphabet's "Other Bets" delivered great brand PR but little revenue ($197m, up 40%). In fact Alphabet has recently slowed down its Fibre 5G broadband expansion plans, which were proving to be expensive from an infrastructure standpoint but also possibly outdated as wireless broadband becomes all the rage. Google also shared its Daydream VR technology and platform. Positioned as a low-cost alternative to Oculus and others, albeit more sophisticated than Cardboard, it's a much-needed effort to finally get VR scaled.

Facebook: Setting Expectations

Arguably the most interesting part of Facebook's earning call was the company's effort to start setting some expectations that it simply can't keep delivering such high-growth forever. The balance between ad loading (number of ads seen by a user) and the user experience appears to be a particular concern. In the meantime, Facebook's 59% increase in revenue ($7b) coupled with a 16% increase in monthly users shows the company continues to have extraordinary room to monetize its assets at a pace that outstrips user growth. It's only just getting started on Instagram, continues to churn out new ad formats and features on Facebook, has enriched its targeting ability with What's App data, is leading a new innovative virtual social future with Oculus, and continues to experiment with AI and chatbots in Messenger and beyond. And the company's share price seems oblivious to whatever public controversy seems to hit it, whether controversial photos or fake new stories.

Twitter: The New Yahoo

Despite surprising everyone with a decent $616m in revenue (keep in mind Facebook did nearly nine times as much), the writing seems to be on the wall with Twitter. The belt-tightening (over 350 layoffs), cull of assets like Vine, and exodus of key talent, most recently Chief Operating Officer Adam Bain, indicates that either the company is continuing to cut costs to lure a buyer and/or things just suck internally. While Twitter has pumped out some excellent user and advertising features and enhancements, it just feels like the train has left the station. Twitter has now become the new Yahoo. Hopefully, unlike Yahoo, Twitter will avoid dragging the drama out for years by finding a buyer much faster. Rumored acquirers include everyone from Google to Disney to Salesforce. So the good news is that very diverse companies can see different ways to exploit the platform and its products, data, and user base. The bad news is nobody is willing to pay the current price.

MINDSHARE	Windows 10 Creators	Jeff Malmad	2nd November, 2016

BACKGROUND:

Microsoft provided a view of what the near-future holds during the Windows 10 event that took place last Wednesday. The biggest focus of the event was its Windows 10 update called *Creators*, set to launch in early 2017. Microsoft boldly stated that "this update will do for 3D and 'mixed reality' what Gutenberg did for printing". As such, the larger implications for marketers and brands are around a world of 3D - making the physical world around us digital and bringing 3D elements of our real world into a virtual experience. As companies such as Facebook, Google, and Samsung create products and experiences for a world of VR, Microsoft highlighted how consumers can create and experience this space in an affordable way.

DETAILS AND IMPLICATIONS:

There are three main areas of focus:

1: MIXED REALITY

Defined as including virtual reality, augmented reality and holograms. With the Windows 10 Creators update, anyone can create 3D objects by scanning them with an app and then uploading them into mixed reality, which will be powered by the Microsoft Edge Browser on a mixed reality headset (including Microsoft HoloLens).

The great news is that mixed reality will become more affordable to the masses. Companies such as Dell, HP, Lenovo, ASUS and Acer will deploy mixed reality headsets for Windows 10 Creators devices starting at $299. You only need a Windows 10 Creators OS to use one and there is no need to buy high-end computing work stations like you currently need to do with Oculus Rift.

During the presentation, Microsoft showcased an example of how mixed reality will help with home design. With your mixed reality headset, you can grab virtual home items from a web site and place them in your kitchen or living room to see how they would look. You can walk around them and if you really like the way they look you can purchase them.

2: GAMING

In response to the growing phenomenon of eSports, Creators now includes the ability to broadcast your gaming experience with friends as standard. As competition is fierce in the gaming space, Microsoft also now allows you to create tournaments among friends in something called the 'Arena'. Although this wasn't specifically discussed at the event, in the future brands could work with Xbox in this space to sponsor local and national tournaments.

3: PEOPLE and COLLABORATION

What's crucial for Microsoft products is allowing the most important people to send information to you and highlight when that information comes through. Cross-screen messaging and devices have a big role to play here, especially with products like Skype. The ability to capture and elevate connections and community are core. Microsoft showed off a 3D developer community, where anyone can upload 3D images and share and collaborate with others in mixed reality and online.

SUMMARY

The main takeaway from the event was the ease and simplicity with which consumers and brands can create 3D experiences. Mixed reality should certainly be viewed as a growing opportunity for brands to interact with consumers offering truly unique and positive experiences. The affordability is also a big plus here – there's no need to purchase additional computing power or a new phone for this. You only need a free download of Windows 10 Creators. It will certainly be interesting to see what Apple comes back with in response.

MINDSHARE	The First 12 Hours of Single's Day 2016	Chaojie Miao Ben Condit	11/11/2016

Background:

For millions of Chinese consumers, last night was a sleepless night, as they stayed up past midnight for their yearly shopping mania, Single's Day (a.k.a 'Double 11'). According to data released by commerce giant Alibaba, sales this year surpassed 100 million RMB (14.7 million USD) in 20 seconds. In 1 hour and 57 seconds, the number was 36.2 billion (5.3 billion USD) – the total Single's Day sales in 2013.

Details and Implications:

1. **Entertain-ify Shopping**

   Last year, Alibaba started an era of 'Double E': Entertainment + E-commerce by introducing a countdown gala for the shopping mania.

   This year, with more advanced technology in multiscreen interaction and VR, Alibaba took this concept to another level. This interactive, celebrity-adorned gala featured David and Victoria Beckham, Katy Perry and Kobe Bryant amongst others. At different points, consumers could shake their phones and immediately connect to the corresponding brand e-commerce site. For example, Taiwanese actor Ming Dao mentioned Head & Shoulders in his comedy talk. If you shook your phone during the performance, Head & Shoulders' Double 11 offering showed up on your phone's screen.

2. **Shifting away from price-only**

   In previous years, Double 11 has been all about discounts. This year, while some categories such as home appliances and sportswear are still communicating about price, there is a clear shift away from a price-led strategy. Alibaba has clearly focused their Double 11 communication on product variety and quality rather than discounts.

   Experience is another keyword this year. From manipulating 360-degree product photos by simply tilting your phone, to infant milk formula brands enabling VR shopping in Australian drugstores, brands prioritized consumer experience in China's increasingly sophisticated market.

   This shift is even more meaningful for luxury brands as many have argued that Tmall (the huge ecommerce site owned by Alibaba), or more so Double 11, is not a luxury-friendly environment. Personalization is one of the answers for these brands with many offering personal engraving on beauty products.

3. **It's not just a one-day game**

   Pechoin, a household skincare brand with long history, led the sales scoreboard for the cosmetics category. Its sales broke the 20 million RMB (3 million USD) mark in the first 5 minutes. This follows the brand's multi-year effort of rebranding for a younger audience. Leading up to this year's Single's Day, it launched a campaign called "save you from unhappiness" including millennial-friendly elements like viral videos and mobile games.

   Uniqlo is the #1 brand in the apparel category on Single's Day. This year, it broke the 100 million RMB (14.7 million USD) sales mark in 2 minutes 35 seconds. Its success is a combination of its track record for high quality Single's Day promotions and its excellent social engagement. Lots of attention was on the brand as it launched a collection with fashion icon Carine Roitfeld the day before Double 11. Uniqlo also included a new 'store pickup' function to alleviate delivery pressure, satisfying eager shoppers and driving more traffic to offline stores.

Summary:

This 8-year-old shopping mania gets more extravagant every year. The secret? Being adaptive. Every offering from Alibaba is designed to answer the evolving wants and needs of Chinese consumers. A lesson for all marketers.

Full Report:

http://www.mindshareworld.com/sites/default/files/What%20happened%20in%20the%20first%2012%20hours%20of%20Double%2011.pdf

MINDSHARE	Google Click To Message	Daanish Chishti	27th October, 2016

Background:

In a sign of the continued focus on SMS messaging, Google has released Click-To-Message ad extensions that allow advertisers using AdWords to connect with consumers via SMS text. Consumers are now able to click from Mobile search results to SMS (text) with an advertiser. The ad extension has been in beta testing for the past few months and launched globally to all advertisers on October 18th.

Details and Implications:

Click-To-Message extensions are similar to Google Call Extensions in that a button to SMS text the business appears within the ad unit. The extension only appears on devices that have the capability to use an SMS app meaning that it is exclusive to mobile. Advertisers are able to set up a default message that pre-populates in a consumer's messaging app when they click on the extension. Click-To-Message extensions are charged like a click on any other aspect of the paid search ad unit (like the actual ad text or a link to a store location) and include day-parting capabilities to ensure the best user experience during and after business hours.

Advertisers that have a business component that's strongly tied to customer service (retail, finance, dining, entertainment etc.) should test these extensions to understand potential increases in traffic/engagement with their paid search ads as well as the effectiveness of the extension in driving incremental business. The recommendation to test this capability is amplified by data that supports texting as the most widely and frequently used app on a smartphone, with 97% of Americans using it at least once a day according to a Pew Research study. From a B2C perspective, there are numerous studies that suggest consumers, specifically millennials, prefer and are highly receptive to receiving product details and communicating with customer service through text messaging.

An important factor for an advertiser to take into consideration when testing this extension (or other messaging platforms such as Facebook Messenger) is to make sure their SMS customer service capabilities have the infrastructure and support to handle a potential significant increase in the number of texts coming to their business. For example, if a business has one SMS text number and person handling that experience, they'll need to be prepared for an increase in text volume to those resources. With the launch of Google Call Extensions several years ago some business saw that their call centers didn't have the bandwidth to take on the increased number of calls.

Summary:

Given SMS' broad adoption by mobile phone users and consumer willingness to communicate with businesses through text, testing the effectiveness of Google Click-To-Message ad extensions (or other messaging platforms) is highly recommended for advertisers that have the capability to communicate with their consumers via SMS. As with any test, marketers should ensure the right measurement is in place to ascertain not only the ROI of the test, but also the scale of the volume driven by the capability and the consumer experience as well.

MINDSHARE	Spotify 'Branded Moments'	José Valério Mindshare Lisbon	20th October, 2016

Background:
Spotify is serving its first vertical video ads - a mobile-first video format named "Branded Moments" that offers its 70m 'non-subscriber' users thirty minutes of commercial-free music. Bacardi, Gatorade and Bose are among the first to try out the new ads.

Details and Implications:
'Branded Moments' is based on the same format as a "Sponsored Session". The platform allows a brand to sponsor a thirty-minute ad-free session and in exchange the user views a video ad. The difference between 'Branded Moments' and 'Sponsored Sessions' is the ability for the advertiser using 'Branded Moments' to target users around specific categories: chill time, workout, party, dinner, focus and sleep.

When the ad finishes an end card (with image and audio) and a click through URL offers further engagement. The advertiser is only charged when users watch the full video. However, during the 30 minutes, more display ads will appear on the screen when the listener looks at the app. The additional display ads provide an opportunity to tell a story, therefore building on the original message.

Moments gives marketers a way to target the right audience in a different way, by contextualizing the brand's story in order to optimize engagement and not just reach. The prevalence of vertical video is also increasing rapidly, which isn't surprising given industry research suggests that mobile phones are used in portrait mode 94% of the time. Snapchat was the first to take advantage of this fact and now Spotify is following suit.

Spotify certainly faces a different set of challenges compared to other social media sites. With users spending the majority of their time on Spotify listening to, but not actually viewing ads. It is therefore important that brands create content which is not only compelling, but versatile enough to be understood in a variety of formats.

Summary:
Spotify has given brands the opportunity to be viewed as part of the experience, rather than an intrusion. In addition, the reliability of Spotify's data is such that it truly captures a user's fundamental intentions, enabling brands to target users when their product is of upmost relevance to their mood. Brands will also be permitted to continuously optimize their campaign based on Spotify's real-time data. The service is reportedly set to launch fully in selected markets in early 2017 but the price of the Branded Moment ads is yet to be disclosed.

MINDSHARE	Snap Inc New Advertising Technology	Giorgina Clavarino Worldwide	13th October, 2016

Background:
Snap Inc has expanded its advertising offering by unveiling a new API. It now allows advertisers to experiment with ads using different creative concepts simultaneously, in order to optimize for the best performing creative. It is also working on building sophisticated targeting techniques to allow brands to retarget users that have already engaged with an ad.

Details and Implications:
Snap Inc is the hot ticket for many advertisers as it's currently the fastest growing social network. Two hundred million monthly active users share more than 400M 'snaps' per day, making it the most popular and used social media by teens, surpassing Twitter, Facebook and now even Instagram.

Snap Inc has managed to regularly evolve, introducing new features like 'Discover', which provides daily-curated content from top channels and publishers; live coverage of events; video and picture filters. It is one reason why it has fast become a vital element in many brands social media strategies, reaching Gen Z with relevant content in a unique way. Until now, it was hard to optimise and gather enough data and audience insights for each campaign, due to the lack of tracking technology.

The introduction of the new API changes this. Snap Inc ads can now be sold by 3rd parties, and marketers can also expect a greater supply of ad inventory. Special events such as Black Friday are also likely to command a premium due to the supply and demand forces of an auction-based system.

Advertisers will be able to choose whether to work with 'ad partners' or 'creative partners' to deliver their content. The former will develop software for advertisers, enabling buying, optimising and analysing of campaigns. The latter will guide brands to deliver the best possible message to their audience with the Snap Inc vertical-video format.

The new API has the capability to deliver Snap Inc ads not only to the right people, in the right place at the right time, but also to continuously monitor who is viewing the content and engaging with it. This enables retargeting of the people who have actually engaged with the content with sequential messaging and avoids the risk of annoying the uninterested.

Snap Inc can now be added to the mix of platforms like Facebook, Instagram, Pinterest and Twitter that all offer advertising APIs which means marketers can now optimise their media plans according to performance on each social media network, including Snap.

Marketers now have the opportunity, with the help of Snap Inc experts, to narrate the brand's story through real, relevant and authentic content to the right audience in a different way, optimising towards engagement and not just reach.

Summary:
If Snap Inc is not currently part of your social media strategy or media plan, then now is the time to rethink this, especially if you are aiming to reach for a younger audience. Snap Inc has proven to have a five times greater consumer engagement when compared to click-through rates on most mobile ads, largely due to the nature of the content and being perceived as more contextually relevant.

MINDSHARE	Advertising Week	Alex Colcord, Andrew Onore, Fred (Russ) Moretti, Michelle Nagelberg, Stephanie Liao	October 5th, 2016

Background:
Advertising Week brings together industry leaders across marketing, media, technology, and entertainment. In New York, the conference celebrated its 13th year, featuring over 260 daytime seminars and workshops from September 26-30. Mindshare sent a team to report back—here were some of the key themes.

Details and Implications:

Politics and Marketing. Following the most widely viewed U.S. Presidential debate in history, a number of seminars dug into the political arena covering social media, polling and brand strategy. For marketers, the insights behind storytelling on the campaign trail can be extrapolated to brands—no matter who or what you're selling – and the main lesson was to always be clear about what your brand stands for and what you're offering your audiences, versus letting the competition define you. It was also interesting to hear from the team at FiveThirtyEight (the opinion poll website) about how close the election is, the polling process overall and the importance of putting human faces on the polling data they model to better understand how and why certain audiences have been driving unexpected results.

Gender Equality and Diversity. There were more than a dozen panels last week focused on gender, diversity and inclusion and there was also new research released by the 4A's and Ad Week itself. At the seminars, there was consensus around the need for more focused recruiting efforts in this area, as well as data-informed talent development.

The Future of Mobile Messaging. Facebook Messenger, WhatsApp, WeChat, Kik and more were all heavily talked about. eMarketer projects that 2.19 billion people will use mobile messaging apps by 2019 and more and more advertisers are starting to get on board, with everything from chat bot experimentation to emoji keyboards and beyond. One crucial strategy for brand marketers is a unified communication – brands don't want to introduce a tool or integration in mobile (particularly within such a personal platform as messaging) that doesn't talk to the rest of their brand communications/ecosystem. The expectation on the part of consumers is high, so the connectivity between different systems needs to be seamless.

Native Advertising, Data and Targeting. It's no secret that native advertising continues to grow, particularly as mobile consumption is booming and more consumers spend time browsing in their news feeds. Google-owned mobile app Waze released its new native ad product at Ad Week and there were a number of questions and discussions around the intersection of native and programmatic—what kind of inventory publishers are offering and how trading desks are adapting to the mobile native era.

Summary:

As an event Ad Week continues to be key for the industry and now the series includes New York, London, Tokyo and now Havana and Mexico City, making it a global player. If you want to see seminar recaps you can find them here.

MINDSHARE	Alphabet Announcements	Norm Johnston Twitter: @ntjohnston	05th October, 2016

Background:

On October 4th, Alphabet boldly announced several new hardware devices and advancements in software, particularly in voice interaction and artificial intelligence. While not entirely groundbreaking, the depth and breadth of the products and features was a clear message of intent that Alphabet is not backing down from Apple and Amazon even in areas like drone delivery. In fact the hoopla around Google's new Pixel phones and VR kit was slightly overshadowed by the universal joy that Google's Project Wing division is secretly delivering burritos by drones to students at Virginia University.

Details and Implications:

Google's announcement reinforces some key trends and themes that we've been writing about for some time, in particular the rise of voice interaction, which is becoming stronger and more pervasive than ever before. Over 55% of US Millennial smartphone owners use voice search once a day. Even China's Baidu has seen a tripling in voice search over the last 18 months. As a result Siri, Cortana, Duer, Alex and others are scurrying to become your default voice to the cloud. Google's new Assistant takes things a step further by enabling you to carry on a connected conversation across statements and queries. So rather than getting isolated answers to each query, Assistant will build on what you've said before and through machine learning and over 70 billion stored facts provide better and continuous answers. Truly a step closer to 2001's HAL.

So now is the time to get a voice strategy in place, not only for more natural audio search queries and answers but also whether like Dominos Pizza you want to give your brands and its applications its own distinct voice.

Another trend we have been discussing is search anywhere. Google's new Home speaker is a sign of the times as competitors rush to catch-up to Amazon's surprisingly popular Echo (over three million sold and growing fast). With Apple rumored to be launching a speaker soon (possibly via a Sonos acquisition – Apple is now selling them in its stores), Google is in a hurry to remain your prime search engine and source of information, entertainment and communication, whether in your kitchen or in your car. Home will also act as voice-activated remote control for the new Chromecast TV media dongle. Echo retains one key advantage – its ability to seamlessly let you add products to your shopping basket. Google's drone-delivered flying burritos activated by Home may play some role in solving that gap in the future.

Google's Pixel phones are a clear move to put Nexus in the past. The phone has a myriad of features, included headphone jacks (take that Apple) and the ubiquity of and instant access to Assistant and thus rapid access and answers…by voice conversation….across multiple apps, a game-changer and a sign of things to come as people get increasingly perplexed app overload – our generation's version of Bruce Springsteen's *"57 Channels and Nothin' On"*.

And we finally saw Google's long gestating Daydream View virtual reality headset, a sexier and still affordable (~$100) leap forward from Google Cardboard. It's clear Google is betting heavily on the new Pixel phone being its prime VR vehicle as opposed to Oculus, which requires a powerful and expensive gaming PC above and beyond the headset, a limitation for many (only an estimated 13 million are estimated to exist today.)

Summary:

Cynics could argue that much of what was on display was simply Google catching-up to existing competitive products. While most of the hardware was largely "me-too", it's in the software where Google is really putting pressure on its competition with big leaps in voice interaction, AI, machine learning, and seamless connection and control across multiple devices. In that regard it's a welcome innovation iteration that Apple, Amazon, and others will surely use as the new industry benchmark.

MINDSHARE	The Coalition For Better Ads	Malcolm Murdoch	28th September, 2016

Background:

Publishers have always had to balance pleasing their audience with pleasing their advertisers. Too much advertising turns audiences away, too little means less revenue. Then there are the bad ads, the annoying and irritating, disruptive ones. To tackle this problem, GroupM is helping to form The Coalition for Better Ads - a global industry movement of publishers, agencies, technology companies and advertisers that aims to develop and implement new standards in digital advertising.

Details and Implications:

The rise of ad blockers has tipped the balance of power and consumers now have the nuclear option to block all digital advertising. This means that creating 'good' ads is now the responsibility of the entire industry, because ad blockers are not going to be tempted back because one site or advertiser has changed its ways. It's all or literally nothing.

The Coalition has a strategy to deliver on three areas: defining standards for acceptable advertising, building technology to measure compliance with these standards and building consumer awareness of this change.

These standards will likely be based on the new LEAN scoring from the IAB which specifies that advertising should be: Light, Encrypted, AdChoice Supported and Non-invasive. These four principles will be built upon and quantified but can definitely be put to work right now on current activity.

Once the industry embraces these standards and implements technology based upon them, we are likely to see some significant changes:

Buying ads in 'non-disruptive' environments: Advertising revenues sometimes discourage publishers from maintaining the quality of their properties – adding in more and more ad units. If advertisers pay premiums for 'non-disruptive' environments then publishers may be seduced into improving their sites to improve their yields.

Selective ad blocking: Once a system for scoring ads has been built ad blockers could specifically block ads that don't meet the mark. Imagine an ad blocker that only stops THOSE ads.

Publishers charge a premium for certain advertising: Sites that want to maintain their score could actually charge a significant premium for advertisers who break the rules.

Summary:

While we wait for The Coalition to do its work, Mindshare will be working with its clients and partners to lead the charge towards better ads. Delivering ads that are more considerate to consumers is central to delivering good experiences on behalf of our clients.

We urge you to take a look at the LEAN standards and see how we can move adverts away from being seen as annoying to being seen as something that informs and educates.

MINDSHARE	#DMEXCO2016	Tom Johnson	19/09/2016

Background:

DMEXCO – a local German advertising technology expo or another international 'must attend' event for the diary? That debate will continue but both the usual global media suspects and local German players showed up for this year's biggest European advertising technology show.

Details and Implications:

- **Rise of the machines:** Technology is the driving force of digital advertising – certainly in the programmatic space. Just about every international platform had a stand and all the large business DMP platforms had a presence. In the congress hall a large number of topics were built around the use of data to drive campaigns, although this is the first year that this actually felt real and people were using real examples and talking about things happening now.
- **On-site:** There was a real prominence of on-site testing and usability companies and even the big boys are talking about it. Google obviously has Analytics 360 and Adobe is really keen to start with on-site, whether that's multivariate testing or site analytics. With the push toward data-driven digital this will continue to grow and it's nice to see measurement, which is so crucial to digital, is really starting to bubble to the surface rather than just sit in a specialist space.
- **Ad blocking:** I expected this to dominate, after all no one likes less spend. Whilst it was certainly a topic I think the smoke has cleared slightly. It felt a much more balanced conversation than previously and perhaps the most talked about area was the rise of ad blocking companies, selling, er, ads.
- **Stack it up:** The decision to put all your eggs in one technology basket, or not, really came through this year. From the Adobe and Google closed ecosystems to independents discussing how they fit into a best-in-class, individually selected stack - everywhere you looked people wanted to talk about how they played nice with others, or themselves.
- **Where are the creatives?:** Why doesn't the creative industry show up en masse to DMEXCO? Digital has swung back to a world where even the most technical of us realize the creative and message are crucial (every DSP exhibiting had this top of the agenda). After all, you can have all the data in the world but if the creative doesn't stack up, it means nothing. I had a few conversations about this, it really feels like the first of the creative to take the leap could really do very well out of it. Perhaps we will see more of them next year, but I am not holding my breath.

Summary:

A good place to go and 'geek out'. There is a clear identity crisis at DMEXCO, whilst there are many from the international market, the German centricity is still present, it will be interesting to see how this plays out over the next few years. One would expect the big internationals to eventually 'internationalise' it but right now it seems they are merely tagging along to a German party. Programmatic dominates this show, followed by on-site technology - for it to truly grow into the go to EMEA festival of digital we need to see more from search, social, SEO & the creative industry, after all, it is all part of the performance story. Given our FAST story and belief that all media must perform and be integrated, the more variety the better.

MINDSHARE	Adblock Plus selling ads	Gareth Tyrrell Worldwide	15th September, 2016

Background:

Eyeo (owners of Adblock Plus) announced yesterday at DMEXCO that they will launch an Ad Exchange called the Acceptable Ad Platform, where they will continue to serve ads to users who have blocked ads as long as they meet “acceptable” criteria set by AdBlock Plus.

Details and Implications:

Mindshare and GroupM have always been vocal on our position against AdBlock Plus whitelisting practices, as it feels a little underhanded to compel advertisers to meet an arbitrary set of standards set by an un-appointed third party and to be charged for the privilege.

This latest move by Eyeo means that they are now moving from gatekeeper of “ad quality” to supplier and by taking a cut of the proceeds along the way, removes any claim to impartiality they may have once attested to.

Also, from an ad-blocking user viewpoint, seeing ads from a brand when you are expecting an ad-free experience could cause negative feelings towards that brand – giving the impression that said brand is doing everything they can to circumvent your desired experience of the web.

However, all this could be academic, as recent media reports linking Google and AppNexus to this move as demand-side partners appear to be unfounded as statements from both companies deny any involvement and AppNexus went a step further by suspending the company ComboTag, who made the partnership claim and making the following statement:

"AppNexus does not work with companies like Eyeo; we regard their business practices as fundamentally harmful to the ecosystem. Essentially, Eyeo, via its Adblock product, erects toll booths on a public road and siphons off advertising dollars that should be going directly to publishers. We hold that practice in low regard.

ComboTag issued today's announcement without our knowledge or authorization. The only AppNexus contact with whom they previewed details of the initiative was a junior support manager who is not authorized to sign off on it. When the story was posted today, we promptly informed ComboTag that we would not allow Eyeo on our platform, even through the back door."

Summary:

Advertisers should consider very carefully before using this new channel as it could potentially lead to negative connotations around the user brand experience and also harm long-term relationships with the publishers.

It is also a poorly thought-out move into a new revenue stream by Eyeo that could jeopardise their market-share with users switching to other Ad blocking providers in order to enjoy their ad-free web experience.

MINDSHARE	iPhone 7 POV	Rachel Lowenstein, Mobile & Life+ North America	7th September, 2016

Background:

Today, Apple held its annual September Event to reveal the next wave of products and software. Most of the hype surrounded the highly anticipated iPhone 7, the iOS10 update, and the Apple Watch Series 2. With the 10 year anniversary of the iPhone next year, rumors were right that iPhone updates would be mostly aesthetic but these updates have major cultural implications.

Details and Implications:

Apple unveiled the iPhone 7 with no major surprises. The changes were predominantly to the aesthetic appeal of the phone: new colors, a home button redesign, a Retina HD display that is 25% brighter, faster processing, longer battery life, and an incredibly powerful new camera. The camera and Retina display enhancements will certainly have creative implications for brands where creative will need to amend to the stronger visual capabilities. There is also no headphone jack that Apple dubbed a “courageous” move towards an ever wireless world. With the removal of the headphone jack comes the introduction of a new Apple product called AirPods. AirPods are wireless headphones that connect to all Apple products. The longer battery life and enhanced visual capabilities means that more than ever, users will rely on their iPhones to consume video content. As such, brands should continue prioritizing mobile video advertising and integrations with this product update, reinforcing a trend that has been growing the past few years.

Following the overwhelming popularity of Pokémon GO this summer, it is no surprise that Apple placed a major emphasis on gaming, activity, and wearables. Pokémon GO is now available on Apple Watch and links your game experience with health metrics on Apple Watch, such as calories burned and miles walked. Apple also announced a partnership with Nike for the Apple Watch to provide the least distracting, most motivating running experience. The Apple Watch Nike+ interface will provide customized motivation for individual users based on their habits and needs. Brands should consider this for possible integrations to offer customized experiences to users in the Watch interface via brand challenges. Apple also announced an exclusive Mario game coming but implied that it will be paid, limiting the advertising opportunities.

Finally, and perhaps most exciting, Apple is continuing to position itself as a leader of connectivity with the major changes coming in iOS 10. iMessage will get its own app store where users can seamlessly download and toggle between keyboards. These keyboards will also be highly interactive. Users can communally build orders for food, design custom experiences, and edit photos all using emojis. More than before, brands will have the opportunity to bring new experiences to users with these updates, especially with all of these functions available in Apple Watch too. Furthermore, there is a connected home management system called HomeKit to use your smartphone as a remote control manually. Apple has now made Siri open source, effectively attempting to compete with Amazon’s Alexa where brands have already started developing skills. Finally, iWork will allow workers to collaborate on projects seamlessly in iOS, as they do with Google Docs.

Summary:

While the new product updates for iPhone 7 and Apple Watch Series 2 weren’t particularly groundbreaking, the nuances to Apple’s September Event reveal details that brands should consider. Apple placed an emphasis on the iPhone being the ultimate connected device as a centralized control for connected homes, televisions, and wearables for every aspect of our lives from leisure to work to activity. That is, the world is no longer just mobile but connected through a web of objects controlled by the iPhone.

Finally, there was no denying that the moments that generated the most excitement from the audience surrounded gaming. There was an audible difference in response to the Nintendo and Niantic announcements compared to Apple Music and even most of the iPhone 7 announcements. A key thought to consider is where users are most excited about using their smartphones: in interactive environments rooted in sharable connectivity.

MINDSHARE	Facebook launches Lifestage	Ben Watson	31st August, 2016

Background:

Facebook recently launched a new app called Lifestage. Created by Michael Saymen a 19 year old Product Manager, Lifestage is a social network aimed at video loving teens, ultimately reinventing what Facebook would look like if it was built around the currency of today's digital world of snackable video. Lifestage mimics the early days of Facebook by only displaying your video profile (yes, the original Facebook first page before the newsfeed took over) and its popularity is built around connecting with your high-school peers.

Details and Implications:

What is the purpose of Facebook building Lifestage and what does it mean for the marketing community?

Journalists covering the launch are describing it in many ways; as a Snapchat copycat, a laboratory experiment on the social behaviours of under 21 year olds, and as a play to make the younger end of the community think that Facebook is still cool and relevant.

It is certainly similar to Snapchat in look and feel, although every app which focuses on snackable video is going to have that comparison. The main difference between Lifestage and Snapchat is that Lifestage plays into a different consumer insight, "who are you?" not "what are you doing right now?" For example, for a topic like 'My favourite concert', instead of checking in at the Adele concert at the O2, you have a short video of you there, singing along to your favourite song with your best friend.

As anyone over the age of 21 can only view their own profile, its growth as a social network is obviously somewhat limited. Therefore it should perhaps be viewed as a starter app, something which will gain traction based on initial publicity, but will evolve as usage increases.

For marketers, official rules around involvement are somewhat unclear, although it seems like the perfect opportunity for influencer marketing through product placement in the videos. Either a groundswell of the young discovering a "new" amazing product simultaneously, or someone who is already young and famous casually promoting the latest thing in their profile videos.

Summary:

When you are Facebook you can afford to make bets like this. A chance to give a young Product Manager with a history of success a chance to try something with the backing and resources of a FTSE 100 company. After all, it may evolve into the next Snapchat and save Facebook millions in acquiring whatever the next Snapchat turns out to be. In the meantime, Lifestage is the biggest live action social lab in the world for the young, as well as being a great source of PR – arguably a win-win situation for Facebook.

MINDSHARE	Pinterest Promoted Videos	Noam Dorros	23rd August, 2016

Background:

Pinterest has introduced Promoted Video ads this week in an effort to expand its capabilities and keep pace with its evolving counterparts Facebook, Instagram, YouTube and Snapchat. With Pinterest's recently rolled out video player, brands can now run full auto-play video paid advertisements (with sound) that look like animated posts.

Details and Implications:

According to Pinterest, the move into video was the next logical step because: "the number of posts that linked to videos saved by its user base increased 60% in the past year." As video becomes more central to what defines Pinterest, Promoted Videos is an example of how the company is looking to expand its portfolio of brands outside consumer-packaged goods and retail and into other categories like travel, entertainment and financial services.

Promoted Video ads are very similar to Pinterest's existing cinematic pins, which allow users to fast-forward or replay scenes by simply swiping the screen. This type of scrolling video is exactly what sets Pinterest apart from other social platform video options. The video player supports any length of video, but best practice is for brands to pick a few scenes or create cut down versions of longer form videos to preview in a post that appears in their social feed. These videos can then be targeted to the appropriate audience using Pinterest's existing targeting capabilities. Once the promoted ad is clicked, the video then expands across the full screen and the sound automatically begins. As an added benefit, brands can include pins directly underneath the video that link to products featured in the video. For example, recipe videos may link to the products featured in that particular recipe.

Promoted Video ads are currently only available on mobile, but will be rolled out to desktop in the future. Additionally, Pinterest is currently charging on a cost-per-impression model at a minimum of $500,000. As a result, promoted videos are currently only available to Pinterest's biggest advertisers that work with its account teams – they are not available to companies that use its self-serve ads platform.

Summary:

Pinterest continues to grow at a rapid pace, 92 million U.S. users visited the platform this past July, up 21% from the same time a year ago. This tremendous growth can only be sustained through new services and promoted video was the logical next step in its evolution as a platform. As Pinterest users are generally interested in shopping, the integration of promoted video with e-commerce makes perfect sense – the ability to deliver engaging visual ad formats to the right audience at potentially their highest point of intent is a recipe for success.

Like most new opportunities in the digital market, it comes at a steep price but that entry fee will drop over time. As more brands become able to utilize promoted video ads, it will be exciting to see how this tactic evolves. For now, we recommend that brands capable of utilizing promoted video ads get involved immediately to discover how these videos can resonate with their target audience on Pinterest.

MINDSHARE	Instagram Stories	Michael Hancox	10th August, 2016

Background:

Last week Instagram introduced Stories, allowing users to share multiple photos and videos together in a slideshow format with their followers. Clearly taking inspiration from others, Instagram CEO Kevin Systrom said that Snapchat "deserve all the credit" for this montage style.

Details and Implications:

The Stories feature is integrated directly into user's newsfeeds, with the stories bar appearing at the top and users can swipe through Stories from people and brands they follow. Instagram has ordered Stories algorithmically using both Instagram and Facebook data to decide whose content users are most likely to interact with. This differs from Snapchat, where stories are ordered in chronological order, meaning the most recent post is the first one you see. The other way to view Stories is by going to a user's profile and tapping on their profile image – Instagram indicates there is a story available by surrounding the profile picture with a coloured ring.

One of Instagram's ace cards over Snapchat is the open network it has developed. It's easier to find, follow and connect with people on the platform. This means the new feature is immediately open to a bigger network; 300 million daily users on Instagram, compared to Snapchat's 150 million.

As with Snapchat, Instagram users have the option to use a variety of creative filters, text and emojis. Snapchat still has the edge however with the inclusion of its Lenses (which you can use in the App to augment people's faces), but with Facebook recently buying MSQRD (a company that specializes in augmented reality) and the testing of Selfie Filters on the Facebook platform, it is likely only a matter of time until Instagram rolls out a Lenses-type offering too.

As for Stories, Nike generated 800k views in 24 hours with an Instagram Story the day the feature launched. On the same day on Snapchat, Nike's best video saw only 66k views. General Electric, Mountain Dew and E! have all also tested the new format this week, as have alcohol brands such as Buchanan's Whisky, utilizing the ability to restrict the audience to a given age range. Snapchat offers age restriction too, but only on ads.

Instagram hasn't rolled out an ad solution for Stories yet, but when it does advertisers will likely have access to the wider Facebook network, meaning richer, cross-platform targeting.

Summary:

Along with Facebook's new Selfie Filters, Twitter Moments and Stickers, this is another indication of the big social players moving towards more fluid storytelling.

Instagram seems to have nailed the first version of the Stories feature with a well thought out UX that integrates smoothly with its users. As the offering develops, potentially covering more Snapchat features and launching ads, it will be interesting to see how brands and users react. For now, we recommend brands experiment with this new feature to find out what type of Stories work for their audience.

MINDSHARE	Olympics Rule 40	Emily Turner	5th August, 2016

Background:
Large scale cultural moments don't come much bigger than the Olympic Games and Rio 2016 (kicking off on 5 August) may prove to be the most watched and talked about Games yet. The scale of interest and real-time nature of the Games present a huge opportunity for brands. However, controversial "Rule 40" may limit athletes, and in turn their commercial partners who aren't official Olympic sponsors, from truly maximizing that opportunity.

Details and Implications:
By-law 3 to Rule 40 of the Olympic Charter (commonly referred to as "Rule 40") states that: *"Except as permitted by the IOC Executive Board, no competitor, coach, trainer or official who participates in the Olympic Games may allow his person, name, picture or sports performances to be used for advertising purposes during the Olympic Games."*

So why does the rule exist? And what are the implications?

Rule 40 helps to create a window of "exclusivity" for Official Olympic Sponsors (who have paid millions to align themselves with the Games), prevent ambush marketing, and ultimately protect a vital source of revenue.

Rule 40 isn't new and whilst the guidelines supporting the rule have been relaxed slightly in advance of Rio 2016, the rule is continuing to cause controversy due to the restrictions it places on participants to market their own image during the period of the Games (27 July until 24 August) - for some, arguably the most prominent moment and greatest commercial opportunity of their careers.

The rule means that personal sponsors of participants who aren't official Olympic sponsors can't launch new advertising campaigns or use any terms directly related to (or implying an association with) the Olympic Games alongside the participant's name or image (e.g. Olympic, Games, "Citius, Altius, Fortius", medal, Rio etc.). This means that non-Olympic sponsor brands who have been supporting athletes throughout their long road to the Games won't, for instance, be allowed to react in social media to their Olympic performances or send them wishes of good luck during the Games period.

Under the new guidelines for 2016, in a slight softening of previous rules, personal sponsors of participants who aren't official Olympic sponsors can continue to run existing 'generic', non-Olympic themed campaigns during the period of the Olympics (subject to approval in advance by the IOC or applicable NOC).

In addition, the IOC relies on each National Olympic Committee (NOC) to interpret and enforce the guidelines. This lack of clarity across countries, makes it very difficult for international brands to navigate and means they inevitably have to create multiple versions of a campaign, or design to the lowest common denominator.

Summary:
There's a clear rationale behind Rule 40, and the guidelines surrounding the rule have been relaxed slightly - but the controversy has not gone away and many feel that the relaxing of the rules does not go far enough. The brands (Olympic sponsors, and non-sponsors alike) which will 'win' in engaging with fans and capitalising on the opportunity this summer, will be those with a clear plan, a strong brand point of view and a comprehensive understanding of the regulations.

MINDSHARE	Quarterly Earnings Q2 2016	Chris Wallace	5th August 2016

Background
The Q2 quarterly earnings reports are in. So who's up, who's down, and who's on the acquisition block? Here's a quick overview of the usual suspects.

Apple: hardware business, services, iTunes, cash

Apple reported $42.4b in revenue, $7.8b in profit, 40.4m iPhones sold, 9.9m iPads sold, and 4.2m Macs sold. iPhone, iPad, and Mac sales were all down and revenues continue to decline year on year, yet the results boosted Apple's stock price as the decline was less than expected. Looking ahead, a number of investors are quite bullish still on Apple. Though there is still concern about Apple losing its innovative touch, there are a few bright spots in its pipeline. A lot of that growth will come from the services sector, think iTunes, and less from the hardware business. Tim Cook even forecasted, "the company projects that its services sector will earn as much money as a Fortune 100 company by the end of 2017 (Washington Post, August 1, 2016)." That's quite an achievement if it gets there next year. And don't forget, Apple is still sitting on huge pile of cash – $231.5b to be exact.

Alphabet (Google): ad revenues, mobile, AI, "the cloud"

Topping expectations again, Alphabet reported $21.5b in revenue (+19% Y/Y), 89% of which comes from Google advertising revenues. Quite a staggering figure if you consider the number of businesses now incorporated under the Alphabet umbrella. As always, the key metric for investors when reviewing Google's business is to look at paid clicks and CPC. Paid clicks were up by 23% and CPCs declined by 11%. A lot of that credit goes to mobile. That's good news for advertisers, especially during the first full quarter where Google removed ads from the right-hand side of the search engine results page. Beyond the advertising revenue though, Google has been busy this quarter with a push forward in AI and already reducing energy consumption from servers by 40%, and it expects that cloud-based services will be the next big boost for the bottom-line.

Facebook: mobile, video, VR

Breaking its own record and reporting the highest-ever quarterly revenue and profit. Facebook reported $6.4b in revenue, $2.1b in profit, and $0.71 earnings per share (+184% over last year). But those figures only begin to tell the story, as the real story comes from the growth in mobile and Facebook's ability to completely dominate in this space. It reported 84% of revenue coming from mobile, and a growth rate of 22% year on year for mobile MAUs (monthly active users). Facebook's revenue stream is much like that of Alphabet's – heavily weighted towards advertising at 97% of total. Yet they expect that VR will begin to make a big uptick in the business and help diversify its revenue a bit. Zuckerberg also pushed hard on a 'video first' approach. And in case you missed it this week, Instagram made a huge step forward in that way – launching stories, a quick steal from Snapchat.

Yahoo: Verizon, AOL, original content

Yahoo had another weak quarter, but no one really cared. Just days after reporting results, it was announced that Yahoo had been acquired by Verizon for $4.83b (expected to close in Q1 2017); a steal considering Yahoo was once valued at over $125b. This is big news for Verizon who snapped up AOL last year for a very similar price. Verizon is looking at ways of creating original video content – watch out Netflix and Amazon – and then focus on partnerships through go90.

Twitter: video, viewability, Twixit

"We're seeing a continuation of the trends discussed last quarter with less overall advertiser demand than expected," Twitter reported during their earnings call. They are also seeing a continuation of executive departures, now known as 'Twixit'. Adding to its woes, Twitter continues to struggle with its ad business as pressure on its video pricing accelerates. Twitter recently changed the default setting to 50% in-view for 2-seconds for video ads on the platform, down from 100% for 3-seconds. Yet the biggest piece of bad news for Twitter exists in its slowing user growth – topping out at 3%. While that's still a sizable audience, increasing pressure from platforms, such as Snapchat and Instagram will prove increasingly challenging to Twitter's growth and more importantly, its attractiveness to Generation Z. Recently deemed the "Yahoo of social media" by some analysts, Jack Dorsey should expect a phone call from Lowell McAdam's very soon.

MINDSHARE	Spotify Programmatic Offering	Divya Gai	29th July, 2016

Background:

Spotify's mobile audio ad inventory is now available programmatically through private marketplace (PMP) deals, thanks to partnerships with AppNexus, The Trade Desk, MediaMath and Rubicon. This allows ad buyers to tap into what they know about users using the same 1st and 3rd party data they use across other platforms in order to serve them messaging in unique audio ad formats versus the usual display and video programmatic formats. This offering is available in all of Spotify's 59 markets across the globe.

Details and Implications:

As the industry (and budget) moves largely towards programmatic buying, publishers have made continued efforts to ensure they do not get left behind. Spotify's programmatic audio ad products are yet another way to tap into the same data ad buyers use across their campaigns, as well as use client data in order to more efficiently and effectively target users - even across the more unique ad formats. The fact that this offering is only available via Spotify's mobile platform is telling in terms of where user traffic is expected to grow.

- The same as with a publisher-direct buy, brands using the programmatic buying method will have 100% SOV during the listening experience, with an audio ad and a companion banner. Audio spots can be 15 or 30 seconds and are non-skippable.
- Advertisers are able to buy Run of Network PMPs or audience-specific PMPs, depending on the brand's reach and target goals.
- Spotify 1st party data is available to utilize, but advertisers are also now able to layer on their own data as well. That data can be used to target Spotify users via mobile ad device ID matching.
- PMP targeting packages include: run of site, first-party registered demo, real-time playlist targeting, and real-time genre targeting. Language targeting is also available.

iHeartMedia and Soundcloud are the only other partners in the music streaming space offering audio inventory programmatically, so the addition of Spotify allows advertisers to further scale any audio creative they may have or provide stronger support for creating audio ads. Note that Spotify does have display and video programmatic offerings as well.

Summary:

Spotify's programmatic audio ad offering allows advertisers the opportunity to reach consumers in an ideal high impact and low clutter environment. As the digital media industry continues to move towards programmatic buying, advertisers and media buyers should be on the lookout for the more unique offerings becoming available programmatically.

MINDSHARE	Yahoo Acquisition	Norm Johnston, @ntjohnston	25/07/2016

INTRODUCTION

After months of speculation Verizon has finally acquired Yahoo for nearly $4.83b in cash, slightly more than the $4.4b it paid for AOL just over a year ago. Notably the acquisition doesn't include two of Yahoo's more prized possessions: its stake in Alibaba Holding Groups and Yahoo Japan. Marissa Mayer's four year effort to turn-around Yahoo's fortunes has finally come to an end with the failure to show any significant signs of growth, despite multiple acquisitions, most notably the $1.1b purchase of Tumblr whose value was quickly written-off. However, like a phoenix emerging from the flames, Yahoo may emerge stronger as a result of the Verizon acquisition.

DETAILS AND IMPLICATIONS

Verizon has made no secret of its desire to be the global number one media technology company. The AOL acquisition was a smart means to layer more digital content, data and technology (including programmatic), and advertising opportunities on top of Verizon's historical distribution power and data. Combined the new entity offers advertisers several benefits, most notably enhanced ID-based targeting across multiple screens and premium inventory, particularly video and mobile. The Yahoo acquisition adds more oomph to this combination in the following ways:

- More users: 600m Yahoo mobile users will now join AOL's existing 600m. Nobody is certain how many of these users are duplicates, so it's likely to be less than 1.2bn unique users. Nonetheless, it should give Verizon decent reach, particularly internationally where Yahoo has retained some strength and AOL is weaker.
- More data: AOL has made a big deal over its willingness to open up more of its data than Facebook and Google. With Yahoo, it now has over 165 billion daily data events it can exploit for advertisers.
- More premium content: Advertisers are keen to find better, safer places to move their TV spend. Yahoo's roster of premium content in sports, technology and finance provides an extended safe-haven of viewable, verifiable and brand safe inventory.

However, several challenges remain in implementing the strategy:

- More targeting: While Verizon is a huge player in the USA its global footprint is weak. In order to replicate the ID-based three-screen model it will either need to acquire or partner with similar pipe-providers in other markets.
- More competition: the Yahoo/AOL combination provides a third global mobile advertising alternative to Facebook and Google, which control roughly 43% of total the world's digital advertising revenues. Yahoo's 1.5% contribution hardly puts a dent in that figure but Verizon will be hoping the sum will be greater than the parts.
- More programmatic: AOL has spent a lot of time and money building ONE, one of the industry's best programmatic offers. It will now need to integrate Yahoo's vast collection of assets, inventory, data and tech into the ONE platform, which must be doable but by when?

SUMMARY

Yahoo, one of the oldest Internet brands and pioneers, lives on. For that, we should all rejoice. With a price tag of $5b, it's a long way from 2000 when Yahoo was valued at $125b, or even the $44b Microsoft offered to pay for it in 2007. Nevertheless, it is an iconic brand, in many respects similar to AOL. By bundling them together and layering in some killer targeting, data and distribution paths, Verizon hopes to give Google and Facebook a real run for their money and the industry a credible, third global mobile alternative. Yahoo!

MINDSHARE	Apple App Store Search Ads	Joe Whatnall	19th July, 2016

Background:

Apple is launching a new search ads product for App developers allowing them to bid to appear for desirable searches using a similar model to Google's search engine advertising platform, AdWords. Targeting and set-up options will vary from detailed keyword and demographic targeting (although these will be more limited than Google or Facebook), to a fully automated set-up, similar to Google's Universal App Campaigns. With a full launch in the US slated for the autumn, Apple's developer portal is currently offering beta opportunities to trial the ads for free over the summer.

Details and Implications:

Getting an App noticed on the App store can be difficult. You can discover it through the 'featured', 'categories' or 'top charts' lists but Apple suggests that 65% of app downloads in the App store are driven by searches. Being visible here is currently reliant on publishers ensuring their app is the most relevant for the user's search query, using many of the tactics employed in traditional SEO. With recent studies suggesting that only a third of users download new apps in an average month, Search Ads could offer a great opportunity to stand out and drive downloads. As organic search rankings are also influenced by the number of downloads, this may be a good tactic to drive early downloads of newly launched Apps and stimulate organic visibility but there will be a number of factors to consider to achieve success:

- The likelihood that ads appear for queries is driven by both bid and relevancy. So publishers must focus on optimising their App metadata and other elements.
- There will be only one ad visible for searches at launch. As such, some terms may be extremely competitive, driving up the cost to appear for these terms.
- The ad unit is in two sizes, with the size being chosen and all information automatically being populated by the Apple system. The larger version of the ad unit will push down organic results to the extent that organic downloads may be reduced.
- Tracking will be possible but it is unclear at present whether familiar third parties (TUNE, Appsflyer etc.) will be compatible.
- Publishers may be forced to bid on their own App name and brand to defend against other publishers who are using ads appearing there.
- If they try and appear in a space that is not directly relevant for their App, they will simply not be allowed.

Summary:

Search ads offer publishers the opportunity to get their App discovered in an extremely competitive market. For those with broader paid download strategies across Google and Facebook this will be another useful channel. However it also means that optimization of the organic elements of an App has never been more important to ensure smaller independents are not priced out of the market and that user experience is still prioritized.

Background:

Pokémon GO has taken over the world. Reports from SimilarWeb emerged on Monday morning that the app had overtaken Tinder in Android app downloads and expected to overtake Twitter in daily active users. More surprisingly, released less than a week ago, users are spending more time in the game than on Snapchat, Instagram, and WhatsApp. Highly addictive, vigorously interactive, and fiercely nostalgic, *Pokémon GO* takes two key digital trends and marries them in to a game that is both changing behaviors and culture: **Location** (signaled via GPS) and **Augmented Reality** (by placing Pokémon in the world in front of you via your smartphone camera).

Details / Implications

Here is how you play. Go to physical locations and find Pokémon. Pokémon appear in an augmented reality (AR) format on smartphone screens, giving the appearance that the Eevee you've been chasing is actually in front of you. While the developers, Niantic Labs, actually created a similar-type of AR location-based gaming app called *Ingress* nearly three years ago under Google's umbrella, it is the cultural phenomenon of Pokémon that is causing this game to get so wildly popular. Paired with the location-aware AR technology, *Pokémon GO* is fueling the Millennials who grew up playing and watching Pokémon to indulge in a real-life game of make-believe. Think this is an exaggeration? Take a step outside and you will spot dozens of people glued to their phone, furiously swiping to catch one of the Zubats that have infested New York, London, Sydney etc

The game represents an interesting, if not exciting, moment where our culture is seeing the first true application of AR at scale. Naysayers of virtual and augmented reality have long said that the interest simply won't be there to play games with bulky equipment, expensive investments and complex interfaces. These are valid points and surely why most people haven't invested in the first wave of VR gear. The utility for the average Joe simply doesn't outweigh the cost - at least not yet. But the incredible popularity of *Pokémon GO* proves that AR will become ubiquitous in modern technology, especially and most specifically with existing cultural obsessions. *Pokémon GO* was built on the premise of a game that was released three years ago but the familiarity of the original 150 Pokémon is so beloved to this generation that we all want to '*catch 'em all*'. And, rather than using pricey and perhaps cumbersome equipment, the game leverages the ultimate and most accessible connected device, our smartphone.

So what's next for this medium? The teasers of Microsoft Hololens' interface for Minecraft and Magic Leap's secret partnership with Lucas Films to bring R2D2 in to our homes have excited us for months. Though not yet released to the public, both will undoubtedly obsess the masses if and when they become accessible using a smartphone.

Summary:

Nintendo's share price has increased by 50% since *Pokémon GO* was released (Nintendo is an investor in game creator Niantic Labs). This is due to *Pokémon GO* being the best example of the growing blurring of the virtual and real world that we have been hearing about for years. While Niantic predetermines PokéStops (places of interests that drop items like Pokéballs and medicine) and Gyms (places to strengthen your Pokémon by training and fighting), brands with brick-and-mortar locations can leverage rare nearby Pokémon or PokéStops to drive increased foot traffic. You can set up a 'Lure Module' in all locations, which coaxes Pokémon to a PokéStop for 30 minutes, to get customers to your store or restaurant. Then, offer rewards, incentives or even discounts for players. Travel brands can create content around "Best Pokémon I Caught On My Vacation." Brands can even create lists of "Best Places to Catch Pokémon On Your Trip" by linking travel booking with a recommendation widget for a fun additional touchpoint for customers as they book trips. Why not drive tourism to small towns with insights into where rare Pokémon are in unassuming towns? It's all possible in an exciting new world of AR at scale.

Read full article at: *http://www.mobilemarketer.com/cms/opinion/columns/23217.html*

MINDSHARE	Twitter – Emoji Targeting and Stickers!	Clinton Armstrong	07/07/2016

Background

Twitter is introducing a new way for advertisers to target users who have tweeted with a specific emoji or engaged with tweets containing a certain emoji. In addition, Twitter is also joining Snapchat, WeChat, WhatsApp and Messenger, by giving users the ability to add stickers to their photos before they upload.

Details and Implications

Emojis help convey emotion, intent, sentiment and direction with tiny picture characters. The new development by Twitter means that if a user uses a pizza emoji for example, pizza shop owners would be able to target them (assuming they had a love of the odd slice). The new targeting capability opens up some obvious opportunities around sentiment as well as product specific targeting. 'Love' or 'Heart' emojis for example would be a natural add for retailers tweets around Valentines holiday for example.

The introduction of stickers takes this concept one step further, as they are essentially visual hashtags. Clicking on a sticker will bring up a real-time feed of all other images using that particular sticker, just like a hashtag on a post. At present, targeting users who add a particular sticker isn't possible and hasn't been talked about, however given the move to target with emojis, sticker targeting could follow.

Advertisers will of course benefit from the additional targeting layer emojis provide, used in conjunction with their current targeting capabilities. Stickers will also help brands to detect trends and react in real-time. However, at this point Twitter is unable to provide audience size for any particular emoji, meaning testing will be key to successfully developing an emoji targeting strategy. Furthermore, emoji targeting is currently only available through a few select partners - AdParlor, Amobee, HYFN, Perion, SocialCode and 4C.

Summary/PoV

In the past 12 months Twitter has been frantically adding new features in an attempt to keep the stock market and its investors happy by growing its user base. The addition of both emoji targeting and stickers should be welcomed by both users and advertisers.

For advertisers, the increased targeting based on emojis and stickers should increase brand engagement, especially as Twitter's own research has shown that emoji users are 20% more likely to @reply than the average Twitter user. However, although 110 billion emojis have been tweeted since 2014, using them for targeting advertising is new and there is still a significant amount of testing to be done to determine specific audiences and potential targeting strategies.

MINDSHARE	Cannes 2016	Jack Smyth	28/06/2016

The Cannes Lions International Festival of Creativity draws some of the world's best creative talent from agencies, clients, media vendors and tech to the south of France. The Lions received a record 43,101 award entries this year. Whilst lucrative for the organisers, it's also a sobering symbol of a much more cluttered marketing landscape for our clients.

Here are 4 key takeaways:

COMPLEXITY: After reviewing the shortlisted work from those 43,101 entries one thing was clear, as an industry we're making marketing harder than it has to be. Many campaigns introduced tech for the sake of it. Just because something's 'connected' doesn't mean it's useful. It's therefore essential that we find the most effective solution to address a brand's problem, rather than the most glamourous.

VR + WHAT?: VR hype has never been healthier and if the user experience can be simplified it may well be justified. Cannes saw many tech trends collide and connect with each other. Clay Bavor, Google's VP of VR demonstrated how a VR landscape was created through Google's Deep Dream neural network. Imagine a VR experience that was dynamically generated as you explored it, allowing brands to offer a genuinely unique world for every user, every time. Think of it like programmatic imagination. To watch the full session click here.

AI = WHAT?: Cannes had plenty of AI content but little clarity on exactly how we define it. We seem to compartmentalise artificial intelligence into algorithms, neural networks, conversational capacity, Korean board games and so on. To some extent this hides the true impact of AI and the rapid pace of change facing advertisers. The number of internal Google projects based on its machine learning platform TensorFlow has gone from 50 to 2,500 in just 3 years. Products we use today, Gmail Smart Reply allow us to see AI in action. That product took just 4 months from research to launch.

THINK OWNED FIRST: We have more audience data, executions and platforms at our disposal than ever before. But one thing remains the same, a brand's most valuable media properties are its owned assets. Some of the best campaigns from Cannes revolved around the product itself. Want to prove your coffee is packed fresh every day? Print the morning's headlines on each pack like Café Pelé in Brazil. Want to draw attention to your environmental conservation efforts? Place a species' extinction date next to the expiration date on every carton like Global Export in Dubai.

In summary, Cannes 2016 was an inspiring event, not just because of the work, but because it demonstrated that media agency expertise is more far reaching than ever before. Assessing the impact of changing behaviour is now harder, as new technology like AI rapidly evolves from clickbait to everyday feature. One common theme emerges though - every brand needs a bedrock to build on. The better you understand and leverage your own assets the better placed you are to adapt and take advantage of an increasingly complex marketing landscape.

MINDSHARE	Amazon Fresh	Emma-Jane Steele Director, Shop +	June 24th, 2016

Background

Amazon recently announced the launch of its grocery delivery service in the UK, Amazon Fresh. It will provide one-hour time slot grocery deliveries between 7am and 11pm, seven days a week to Amazon Prime members (£79.99 subscription). After operating in the West and East coast of America since 2007, Amazon has now opened its service to London.

Details & Implications

The move by Amazon certainly steps up the pressure on the traditional big supermarkets already locked in a brutal price war. Amazon will partner with UK Supermarket Morrison for support on back end logistics as well as supplying the more commodity based items. However, the majority of Fresh items will be branded goods as well as independent locally sourced products. Selecting London as the first market outside of the US was a strategic move from Amazon. It is estimated Amazon could eventually take up to 13% of all food sales in the UK. Amazon.com has fast growing market share in many markets, including India, Germany, Mexico and Japan, it is also setting its sights on Australia. Global Prime membership increased by 51% last year, with an estimated user base of 285M, the future opportunity for Amazon is to leverage this existing customer base outside of the UK and US and convert them into Fresh customers when/if they launch.

From a marketing point of view, the launch of Fresh helps complete an ever-growing Amazon ecosystem. Marketers can now leverage the different Amazon platforms (Pantry, Fresh and .com) as well as the consumer touch points (Fire TV, Kindle, Search, Display, Alexa) to drive the full consumer experience. The brand to demand synergy Amazon has created will differentiate them from the other grocery players. Therefore, although it's still early days for Fresh (the service is only available in 69 London post codes), its ability to engage with consumers at a much higher level of the purchase funnel - driving the consumer from initial engagement, to research, through to purchase, within the same environment will be a very enticing thought for brands. This is yet another example of the crumbling wall between marketing and sales and how Amazon is maneuvering itself to pick up the profitable pieces from the blurring of lines.

Summary/POV

Overall, it's important for brands not to ignore this move by Amazon. Despite a slow roll out and still operating across a selected region in the US and UK, Fresh users and markets will only continue to grow and impact the online grocery delivery market in a crucial way. Not only do brands need to approach Fresh as part of an Amazon wide strategy, but also as a new channel to market in helping achieve strategic e-commerce business objectives.

Brands looking to integrate with Fresh need to first consider the retail fundamentals. Get the basics right and have all the potential products available on the platform. This way, you can start to learn what customers are searching and buying organically. It is essential to approach the initial stages of integration in an adaptive way. Often during this launch period, due to no historical demand insight it's difficult to project the level of stock required. Therefore, out of stock can often happen during the first few Fresh campaigns. Thus, campaigns that also drive to .com, Fresh and/or Pantry landing pages are a best practice. This adaptive cross platform approach will also make it easier to scale success. It also allows brands to see varying insights (e.g. the types of targeting segments that engage with each platform may be different, which could drive real time creative/targeting tweaks). Creative integration is fundamental in ensuring the marketing activity feels native to the environment. To date, the best performing creative is one that integrates the brand's look and feel with Fresh's. Unlike advertising on Amazon.com where brands focus on one product, brands wanting to experiment with Fresh should choose a few related brands to promote.

MINDSHARE	Microsoft's LinkedIn Acquisition	Sonia Le Louarn	16/06/2016

Introduction

Microsoft dropped a bombshell this Monday when it announced it would buy professional network LinkedIn for $26.2bn. CEOs of both companies - LinkedIn's Jeff Weiner and Microsoft's Satya Nadella are saying that LinkedIn would remain independent, but both would work closely together.

Details and Implications

While much of the talk about Microsoft's plans to buy LinkedIn has focused on beefing up its cloud business, there's much to be considered for advertisers, particularly B2B advertisers. LinkedIn is a gold mine of data to help Microsoft's (via AOL) digital advertising unit target all-important business decision makers

The side-by-side professional cloud (Microsoft) and professional network (LinkedIn) graphs shown in the acquisition presentation illustrate the impact this web of data can have in offering both a holistic picture of the professional audiences and the promise of precision in targeting for advertisers.

The acquisition news is definitely going to provide LinkedIn with much needed capability to monetize its network, especially after a 30% drop in display revenue last quarter. The company prioritized native, in-feed ad units like Sponsored Updates and In-Mail, which now comprise 56% of Marketing Solutions' revenue. LinkedIn has tried everything from a Facebook-style news feed and professional content from "Influencers" like Richard Branson to spam-like emails teasing "Who's Looking at Your Profile." Some of these strategies worked better than others, but none worked well enough to keep LinkedIn from getting acquired by a company that would clearly have preferred to buy Salesforce.

The acquisition does give Microsoft a consumer-facing social app. It acquired enterprise collaboration tool Yammer in 2012 for $1.2 billion but is has now been integrated into another cloud product. The new acquisition means that LinkedIn can be embedded with Skype, its email system (Outlook) and other Microsoft enterprise products so that, in the words of one Silicon Valley expert, it will be able 'to recreate the connective tissue for enterprises.'

As far as advertisers are concerned, it instantly positions Microsoft into the B2B marketing and advertising data authority for programmatic content targeted at professionals. It offers advertisers 4 things:
More refined targeting, particularly for B2B advertisers; more reach with the addition of the LinkedIn universe of 433 million users; more commercial opportunities via Cortana, Microsoft's digital assistant, as it is positioned as "the professional's" digital assistant and finally a content publishing capability that SharePoint has never really been able to fill.

Of course many also speculate that the main reason Microsoft bought LinkedIn is purely commercially driven as it now access to LinkedIn's giant contact database to start selling direct to customers, thus cutting out existing enterprise partners from the sales equation.

Summary:

As both companies work out the details of the acquisition – which values LinkedIn LNKD at $196 a share – we believe it is a smart one that will provide advertisers with an impressive B2B marketing platform. On paper, the deal looks like it could revitalize both companies' digital ad business. How the joint platforms advertising opportunities will be organised and sold less than a year since Microsoft outsourced its display ad business to AOL-Verizon remains to be seen.

Background

Facebook is set to expand the scope of the audience it can reach through its Audience Network. Currently Facebook Audience Network only serves ads to those who are signed-in to Facebook, however Facebook announced this week that it will be expanding the scope of its ad network to serve ads to non-logged in users across the Internet.

Details & Implications

Facebook Audience Network already reaches 1.6 billion users and has the ability to serve ads across multiple devices (desktop and mobile app/web). The validation of each impression to a registered Facebook user has allowed Facebook to amass a wealth of audience data that can be used for targeting and measurement.

Through the use of Facebook plug-ins ('Like' buttons and comment fields on 3rd party sites), Facebook has also been collecting metadata about non-logged in users.

By expanding the scope beyond the confines of signed-in Facebook users, Facebook will now take advantage of the wealth of data it collects and serve ads across all users.

Summary

Although the shift from signed-in to unsigned-in may seem a subtle change the implications are far-reaching

- For Facebook: Audience Network expanding the reach of its ad serving network will pose a significant threat to Google's AdSense. The Alphabet subsidiary uses similar techniques to target potential consumers without knowing their precise identity and has up until now been almost unrivalled.

- For advertisers: The enhanced capabilities of Facebook Audience Network will allow advertisers to quickly scale reach using the same Facebook data and tools that have previously been used. It also offers a viable alternative to Google.

- For publishers: This will create the potential for a significant increase in yield as the value of their inventory will increases along with the quality of inventory improved by Facebook's first party data.

- For consumers: Ads will appear to be more tailored to their interests.

Background

News broke this week that Snapchat is consulting with advertising and publishing partners to introduce an algorithm into its Stories feed. The Stories feed is the element of Snapchat that most resembles a 'traditional' social platform (and is akin to the Twitter feed, or the Facebook NewsFeed). Snapchat already employs a basic ranking algorithm, by filtering content in this feed and giving a heavier weighting to content uploaded by a user's closest acquaintances (as deemed by Snapchat). It is believed that the new algorithm Snapchat would like to introduce would develop this further by 'scoring' all content and then promoting popular content and demoting content with a lack of engagement.

Details & Implications

Platforms introduce algorithms in order to replace the chronological flow of content through feeds. They tend to operate as a highly sophisticated editorial filter, based on the digital signals that a user gives on the platform itself. Whilst there are usually *thousands* of signals, the most basic demonstration is that a platform's algorithm will usually show you more content similar to that which you have clicked on previously.

The algorithm has been a fundamental part of the modern internet since Google launched in 1997. It's PageRank algorithm is what drives its search engine results pages to feel so tailored to the individual. Facebook also famously introduced an algorithm that drives which content it displays on users feeds, followed a few years later by Twitter and in more recent months, Instagram.

Almost all algorithms are continually developed, often with dramatic consequences to publishers and advertisers. For example, Facebook's NewsFeed algorithm hit the news recently over alleged censorship of right wing political content.

There are two critical implications for advertisers with regards to algorithms in news feeds:

- As platforms that display content chronologically begin to introduce algorithms to filter content, organic and earned media will inevitably fall on those platforms – this will likely mean an increase in paid media spend on that platform.

- Advertisers can incorporate the principles of platform algorithms into their own content creation and distribution process. By listening for the signals that users give when presented with brand content, they can learn, improve and then test new iterations – shaping content and distribution around users.

If you put people at the heart of your process, you will build a stronger relationship that allows you to communicate with them more efficiently and more frequently. Facebook, Google, Twitter, Instagram and (by the looks of it) Snapchat are proof of this.

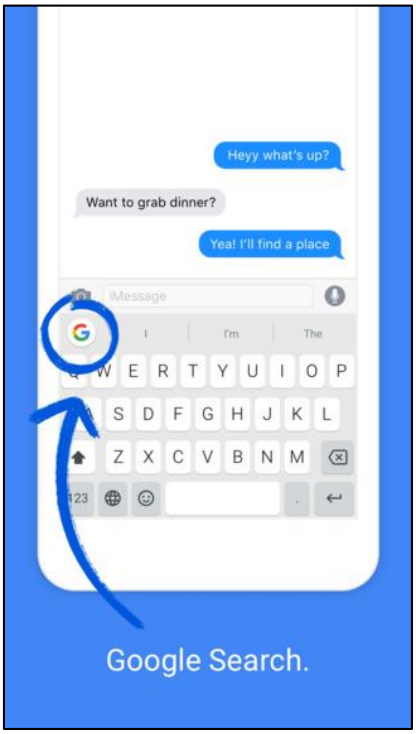
Summary/POV

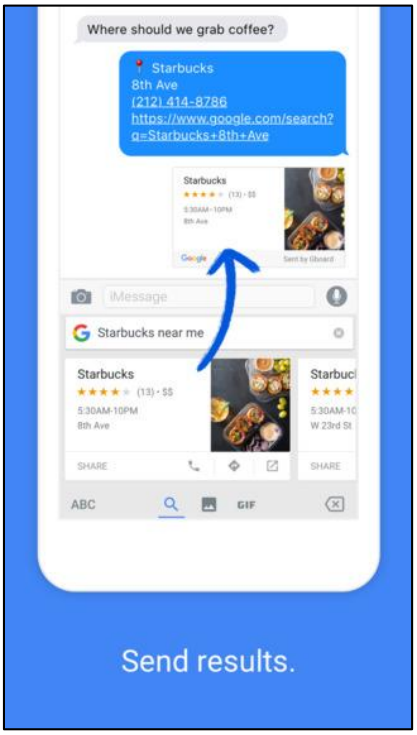
As the volume of content online continues to explode at an exponential rate, platforms will increasingly turn to algorithms (and continue to tweak existing algorithms) in order to present the user with content that is most relevant to them. What's important for brands is to realize that in a world of increasing content noise, it has never been more critical to create content that means something to people and to put people (and data) at the heart of both the content creation and the content distribution planning process. Adapt or die.

MINDSHARE	Gboard – Google's New Keyboard for iOS	Grant Heitkamp	May 19, 2016

Background

On May 12, 2016, Google released Gboard, a new keyboard for iOS devices. At time of writing, it is already among the top 25 free apps in the App Store, and the #1 free Utilities app. Gboard brings integrated Google searching to your keyboard, allowing you to search the web and send information without having to leave whichever app you are using. At present it is only available in the US, but is set to be introduced globally and in more languages imminently.





Details & Implications

Functionalities include the ability to:

Search for a restaurant address, flight information or a YouTube video and slide the content right into the message (see left).

Add emojis (with suggestions as you type) and also search for and add GIFs when typing.

Search results are displayed horizontally and can be clicked to open in a browser or in a map if it's a location or in Yelp if it's a business listing (other options exist depending on which App you are using).

Search results and rankings are based on Google's traditional mobile search algorithms, giving you another great reason to execute sound mobile search optimization strategies.

It's early days and Google will continue to experiment with the rankings for Gboard but we'd expect favorability for Knowledge Graph answers and News listings since Gboard use may be more likely to occur in the midst of a sharing activity (social media posting, text messaging etc).

One big difference between Google's traditional mobile search results and initial Gboard search results is paid ad placements. For now, Gboard does not display ads. No text ads and no shopping ads as you get on the mobile web. While there is no official confirmation that ads will become part of Gboard search results in the future, Google historically adds advertising when usage reaches a critical mass.

Furthermore, the introduction of Gboard means that Google's search results will now also be included in Spotlight search on iPhones, where Bing is the default browser.

Summary/POV

Gboard places Google's powerful search capabilities across all apps that utilize any typing function in iOS. For consumers who choose to download and use this keyboard it eliminates the need to switch between apps when trying to copy and paste search results. Gboard further emphasizes the need to ensure your web properties are optimized for mobile search and while there are no paid listings at launch, it should be monitored closely for the day those may arrive.

Background
The Q1 quarterly earnings reports are in and as usual it's a mixed bag of winners, losers, and in-betweens. Here's a quick overview of the usual suspects.

Apple

So after 13 years of continuous year-over-year revenue increases, Apple missed a beat and reported a 10% decline in its first quarter revenue, reporting $50.56 billion in Q1 compared to last year's $58.01 billion. Profits took less of a hit, with gross margin down by little over 1%, proving once again that Apple has an uncanny ability to squeeze more out if its assets even in the face of declining sales. Three arguably inevitable factors seem to be driving the decline: a 19% decline in iPhone *and* iPad sales as well as an economic slow-down in China, where sales went down by 26% compared to a year ago. However, as always don't count Apple out. It's an incredibly resilient organization with a loyal customer base and one of the strongest brands and product portfolios around. What it now needs, and will most certainly deliver at some point, is a quantum leap in its existing cash cow products, something that the most recent releases have been missing. In short, the iPhone 7 needs to have a significant wow factor, certainly something beyond the long-rumored full-display screen.

Alphabet

Alphabet's stock slid on disappointing earnings; analysts expected quarterly revenue of $20.37b and instead got $20.26b, which is still a healthy 17% year-on-year revenue growth. Not bad for a company of Alphabet's size and maturity. The lingering question over Alphabet is still whether its Google cash cow business of search and video will be strong enough to keep supporting all the moonshots in its Other Bets. Google's paid search business grew by 29% year-on-year, enough volume to offset a decline of 9% in the average cost-per-click. More worryingly for Google is the EU's continued scrutiny over potential unfair advantages the company has gained from its Android operating system. EU Competition Chief Margrethe Vestager has been relentlessly scrutinizing Google, and may yet find cause to penalize, regulate, or even force a break up of Alphabet's increasingly closed and interlinked ecosystem.

Facebook

Facebook surpassed all expectations with a robust $5.38b in revenue, with its core advertising business growing by 57% year-on-year – a critical figure given that advertising makes up about 96% of total revenues. Facebook has built a nirvana of mobile advertising and dominates the app ecosystem with Facebook, Messenger, Instagram, and WhatsApp – all four apps with massive user bases and more importantly regular daily usage by a huge portion of those folks. And while smaller and arguably less ambitious than Alphabet, Facebook certainly appears to be more focused on its core business, with a never-ending stream of product innovations and opportunities for brands to leverage its unparalleled data and reach. With another four billion people about to come online, untapped monetization opportunities across its app portfolio, and a huge demand for more premium advertising inventory on mobile, it's hard to see anything in the foreseeable future that will slow founder and CEO Mark Zuckerberg down. The introduction of a new class of shares will also enable Zuckerberg to sell some of his equity will still maintaining control over the business. Looks like we are stuck with Zuck for the foreseeable future, something most investors would loudly applaud.

Twitter & Yahoo

Where to start. Twitter has yet to hit rock bottom. Once a rising star, the 300m + social network has lately become a casualty of the increasing dominance of Google and Facebook. Analysts expected Twitter to deliver $678m in quarterly revenue. The reality was closer to $600m. Average monthly active users grew at just 3% from the previous year's quarter. Perhaps the NFL deal will help. As for Yahoo, the industry waits with bated breath to see who will step in and snap up various Yahoo assets. The most likely candidate is Verizon, who have been building out a strong three-screen, ID-based premium inventory ecosystem, most notably by acquiring AOL. While most expect the Yahoo brand to remain, very few believe CEO Marissa Mayer will be in her current position for long. Don't feel too bad – she has a rumored severance package of $55m, enough to fund the bills for some time.

MINDSHARE	Google Updates Its Product Listing	Malcolm Murdoch	May 6th 2016

Background

As of May 16th 2016 if you sell a product that has a Global Trade Item Number (GTIN) (a digital barcode) on Google, it will be compulsory to include it in your feed, or else those items will be disapproved.

Details & Implications

Many manufacturers make multiple products that are extremely similar when looked at within the product page of a website. Think of a time when you have tried to order something as simple as a TV, it's amazing how hard it is to work out if you are comparing the same model across different websites. The difficulty in confidently identifying products, is what makes product comparison sites difficult to build. Despite the fact Google has created relatively robust face recognition software, the company has not come close to replicating this with products, so Google has decided to progress by forcing merchants to tell it exactly what each product is.

Merchants must now use a standardized identifier to make sure Google can compare Golden Delicious apples to Golden Delicious apples. The introduction of GTIN (Global Trade Item Number) uniquely identifies any product that arrives in any kind of packaging – barcodes are usually digital versions of a GTIN. The GTIN is as familiar to logistics people as GRPs are to media people. They act as a common language between warehouses and companies to ensure large companies are able to efficiently transport goods from one business to another without needing someone to key the actual order details each time.

Google's change ensures that it is getting access to this consistent data and can therefore innovate on top of the existing infrastructure instead of creating its own framework from scratch. If merchants do not comply with Google's decision, their product listing ads will simply stop working and their products will not appear within Google shopping. This will obviously impact volumes for merchants, so there will be a push on their side to include the GTIN.

Summary

After receiving the updated product listing feeds, Google will have an interesting new data source – the exact products on sale from a range of merchants and the ability to compare. Therefore, Google can start ranking these merchants on how quickly they stock new products, how successful they are at keeping items in stock and how broad \ unique a range they sell. Even more interestingly they can compare the prices these merchants offer, so give a guide as to how competitively merchants price. Google can now also start looking at extending quality scores to include metrics based on what retailers sell. Furthermore, other companies will be making these standardized identifiers available on the internet, making it potentially easier for the next Kelkoo to emerge.

MINDSHARE	**Social Media Giants Enter Live Video: Twitter to Stream NFL, FB Adds Tab**	**Floramae Yap**	**22nd April 2016**

Background:
Twitter and Facebook have both recently announced key partnerships and product updates around their live streaming services.

Details and Implications:
A new partnership between Twitter and the NFL is bringing live Thursday Night Football to the social platform. Twitter will stream ten out of sixteen regular season games broadcast by NBC and CBS free to air to its global audience. The deal also includes in-game highlights and pre-game Periscope broadcasts from players and teams.

The deal, which reportedly cost $10M, is not entirely exclusive as the games are simulcast on the NFL Network and are accessible on the NFL's Mobile app via Verizon, in addition to being aired on network television. This makes for an increasingly fragmented and potentially confusing way for NFL fans to watch their favourite teams. The most obvious beneficiaries of this deal are NFL diehards abroad who can't watch the game anywhere else, but given the myriad of ways a user can watch NFL online (via subscription services in selected markets) Twitter's live stream needs to be both seamless and high quality to compete in this crowded marketplace.

Not to be outdone, Facebook, which recently hosted its most watched video to date with Buzzfeed's exploding watermelon experiment (which had more views than a Conan show on TBS), recently signed deals with content producers including New York Times, Tastemade and Buzzfeed to produce a hundred live videos each month. Facebook is also making it easier to view live content by rolling out a dedicated live video tab on mobile, which will include different sections for live broadcasts around the world as well as live stories from your friends and Pages you follow. Facebook has also updated its algorithm to favour live videos as they are viewed 3x longer and have 10x more comments that non-live videos.

Summary/ POV
Facebook and Twitter are already everyone's favourite second screen and as major social networks double down on live video streaming publishers and brands have additional opportunities to create more interactive video experiences to have deeper engagement with their audiences.

However, it is still unclear if viewers are willing to watch long form content, e.g. a three-hour football game on their mobile devices. While Facebook has improved its live video experience, Twitter has yet to disclose how its live stream will work. Can users still see their timeline? How easily can users toggle between apps while watching the stream? For many, three hours is a long time to be doing just one thing on your phone. Sports is also a social activity and watching it on a tiny screen makes it less so. Twitter can solve both issues if it follows the Periscope model and integrates real-time, relevant tweets from sports commentators and friends and allows the user to participate in the conversation in real-time without interrupting the stream.

Both platforms have yet to announce what the advertising opportunities are but this could be a game changer for marketers who specifically want to reach NFL viewers and other major live events like awards shows. Twitter and Facebook's people based targeting is significantly more accurate and real-time than any broadcast buys allowing advertisers to tailor creative in a number of ways, reaching the right person, at the right time, with the right message. If the live streams are high quality and user experience is seamless, this could hasten the movement of "TV media dollars" to social media, which is what they really want.

MINDSHARE	F8 Conference 2016	Joey-lyn Addesa (New York) Floramae Yap (Los Angeles)	14th April 2016

Background:

This week, a mix of marketers, developers and thought leaders descended upon the San Francisco waterfront to hear what's next and noteworthy from Facebook. While the announcements ranged from the here and now (Messenger and Live Video) to the future-forward (VR, AR and lasers), central to each announcement were these common Facebook pillars:

- Consumer-first
- Utility at every touch-point
- Deeper experiences to enable more connected world

Details and Implications:

• Messenger: Messenger was the fastest growing app last year, with over 900MM Monthly Active users worldwide and over 60 billion messages sent daily. Facebook will invest more in the channel this year to create a hybrid communication/service portal. While Facebook spent most of last year testing services such as live chat, ride sharing, and order receipts, we anticipate that their opening up the channel to bots will enable deeper in-messenger experiences with implications for travel, ecommerce, and content distribution.

Right now, businesses can use Messenger as a community management or customer service channel; however, direct-to-consumer brands should consider how Messenger could compliment their current omni-channel strategies. Facebook is testing paid ads in Messenger; while it could be a tactic to reach customers in an intimate, mobile-first environment, it will still be paramount for brands to bring utility and a true value exchange to the platform.

• Video: A major player in the consumption and sharing of video content, Facebook announced a few video updates to enable users to have deeper and more immersive experiences on the platform: Live and 360-degree video. Facebook will launch a new tab to enable the discovery and cataloging of live video, in addition to new tools to make Live Video more engaging. For brands, Live Video can enhance tactics such as tentpole events, influencer partnerships, and corporate keynotes. For deeper storytelling and to foster content creation, Facebook also announced new hardware for the capture of 360-degree video, the Surround 360. These types of videos can be used in scenarios where surround-sound storytelling can deepen brand messaging and for live events with clear implications for the entertainment and travel industries.

• Deeper Publisher Engagement: Building on the first bullets, F8 underscored Facebook's partnerships with the publisher community. From enabling content distribution in Messenger to Live Video, Facebook is providing new avenues for users to interact with their favorite media properties such as Buzzfeed, CNN, and Tastemade. Instant Articles, another tool in the publisher toolkit, is a seamless way for people to digest, share, and engage with longer form content in the Facebook environment. It also provides ample opportunities for brands, from creating sponsored editorial to running surround media (i.e. banners and video). These new tactics are excellent ways to borrow equity from relevant publishers and drive contextual relevancy for brands. From live game shows to curated messenger content, expect publishers to bring new Facebook-driven syndication and integration programs to the marketplace.

Summary/ POV

F8 demonstrated Facebook's commitment to fostering connectivity. While the implications of the platform's long-term goals in regards to VR, AI, etc. are unknown for brands, there are tactics we should consider now to drive deeper connections. While the offerings are new, the big questions remain the same for marketers: how will they use these new channels for scale, utility, and the ever-important value exchange?

There will be a rash of posts that detail Facebook's roadmap.

It's not in every context that 'virtual and artificial' would be the basis of a compliment. If you add 'reality and intelligence' it gets better, much better.

At F8, Facebook's annual developer conference, advances in the virtual and the artificial showed that Facebook has begun to thread the needle between science fiction and real world fact. These manifest most obviously in the consumer launch of Occulus, the continually brain scrambling 1.6 billion user personalized news feeds, natural language translation, computer vision for the sight impaired and the launch of learning chat bots in Messenger (bots are people too perhaps).

Alongside this the company showcased new connectivity projects that reduce urban data congestion via its Terragraph initiative and, in parallel, multiple initiatives to deliver 4G beating bandwidth to 96% of the world's population.

The infrastructure investment has created an ability to innovate at scale that encompasses Facebook Live Video and the remarkable morph of VR from an almost isolating to a completely social experience. This has potential far beyond gaming and entertainment through to never having to write the words 'wish you were' again. This is the beginning. What's next is the cracking of the elaborate unwritten social code of expression, prediction and visual cues that define human behavior.

In other posts I have criticized Facebook and some of its peers for putting much of what it does in relation to its ad products behind walled gardens. I still think that; but I can't say the same about their engineering. Their commitment to open source and advancing the state of the art with partners as diverse as individual developers and Microsoft. This behavior is the basis of a sustainable and powerful corporate and technological ecosystem.

F8 is as close as the outsider gets to the inside of Facebook. The reality is fascinating and far from virtual.

ANNOUNCEMENTS AT F8 2016:

What they mean to advertisers

On April 12-13, 2016, Facebook will host F8, our global developer conference, where the technical community will join us for two full days of sessions, workshops, product demos and 1:1 time with Facebook's product experts.

While the content and announcements at F8 are geared for developers, we want our advertisers and partners to be aware of what was announced and what they mean.

KEY ANNOUNCEMENTS INCLUDE:

Facebook Analytics for Apps

What this is:

Announced at F8 2015, Facebook Analytics for Apps is a free mobile analytics tool that helps developers better understand how people use their apps, improve people's experiences and grow their businesses. At F8 2016, we are announcing improvements to Facebook Analytics for Apps including deeper audience insights, push and in-app notifications (beta), powerful breakdowns, and a App Events Export API to analyze data offline.

What this means for advertisers:

Advertisers can use Facebook Analytics for Apps to better understand how their mobile app impacts their business. Facebook Analytics also help businesses learn more about the people who use their app and build audiences for Facebook ads through segmentation tools. For more information on Facebook Analytics for Apps, please visit: https://developers.facebook.com/products/analytics

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Account Kit

What this is:

Account Kit helps developers grow their apps by providing an easy way for people to log in with their phone number or email address. The flow is passwordless, removing barriers to entry. Account Kit is a complementary solution to Facebook Login.

What this means for advertisers:

This won't impact advertisers, but businesses may have some interest in implementing Account Kit for their apps.

NEXT PAGE: "FACEBOOK SHARE UPDATES"

Facebook Share Updates

What this is:

We're announcing a host of sharing updates including new quote and hashtag sharing products that allow people to share in new ways, a more seamless sharing experience for mobile web, as well as improvements to our Sharing Debugger tool to help developers better optimize what their content looks like on Facebook.

What this means for advertisers:

These updates have no impact to advertisers. Publishers and developers may benefit from the new sharing features as these are designed to provide more consistent and seamless ways people share their content on Facebook. With the Sharing Debugger tool, developers can more clearly see what makes their links appear the way they do on Facebook.

Social Plugins Updates

What this is:

We're releasing new tools and features that help developers drive engagement and sharing on their websites and mobile apps. Updates include a save plugin, improved mobile web share dialog, sharing insights, embedded posts and improved comments plugin.

What this means for advertisers:

While these features have no direct impact to advertisers, the Save button may be of interest to e-commerce advertisers. The Save button allows people to save interesting things they see, including products, around the web in one place on Facebook. For businesses who are promoting their product catalogs through Facebook's dynamic ads, we'll detect changes in the catalog and send people, who have saved products from their catalog on Facebook, notifications at relevant times — like when the price drops for something they've saved, or when something they've saved comes back into stock. At this time, businesses cannot promote saved items. Facebook will occasionally remind people of saved items.

Profile Expression Kit

What this is:

At F8, we are announcing a new identity expression platform which includes profile pic frames for Pages and Profile Expression Kit. Profile pic frames enable certain verified Pages to submit and post frames for their fans to create new profile pictures with. The Profile Expression Kit enables people to post a profile video from third party apps with one click.

"PROFILE EXPRESSION KIT" CONTINUED...

What this means for advertisers:

This update has no impact to advertisers; however, businesses with Pages may be interested in profile picture frames. At this time, profile frames are limited to certain Verified Pages within the sports, entertainment, and cause-based verticals.

Messenger Platform Updates

What this is:

On 4/7, we released several announcements for Messenger including 900M MAU, one billion messages sent between people and Pages monthly and a host of new ways to initiate conversations (Messenger Codes, Messenger Links and Messenger Greetings). At F8, we are announcing that we are expanding access to the Messenger platform through a closed beta. The new Send/Receive API will give businesses and developers the ability to reach their customers where they already are: Messenger. In addition to the API, we are also announcing the wit.ai Bot Engine. Built off of learnings from how people pose questions to M, and powered by our acquisition of wit.ai (an AI/semantic search company), the wit.ai Bot Engine will help businesses create bots to manage common conversations. Businesses will be able to "train" bots on how to address common questions, freeing up customer service representatives to tackle only the most complex/challenging of needs. Bots created in the wit.ai Bot Engine can be triggered by messages received via the new Send/Receive API. Finally, at F8, we are announcing that we are testing sponsored messages in Messenger.

What this means for advertisers:

We are focused on creating value for people. With over 900 million people using Messenger each month, it is increasingly important that businesses support this channel to best serve people where they are already spending their time. The number of messages sent between people and businesses on Messenger has more than doubled over this past year and we continue to invest in growing and improving this channel.

As always, we test and measure the impact of any new features on all of our products, including Messenger, to ensure that we are creating delightful and engaging experiences for people. Many of the features we've released in recent months have been around delivering great customer service through Messenger and we are also testing new experiences such as ride-sharing, order receipts, and live chat. Today, the primary way that businesses can serve their customers on Messenger is to enable messaging on their Page and be responsive to the messages that they receive. While we are currently testing sponsored messages in Messenger, we cannot confirm broader availability at this time. For more information Messenger, please visit: https://www.facebook.com/business/news/find-and-contact-businesses-on-messenger

NEXT PAGE: "INSTANT ARTICLES"

Instant Articles

What this is:

At F8, we will be opening up the Instant Articles program to all publishers—of any size, anywhere in the world—that want to join. In addition, we recently announced an ads policy and product updates for Instant Articles that include allowing video and animation (rich media) for publisher direct-sold ads, increased ads density for publishers, and Audience Network updates that include plans to support new native formats like video and carousel ads. Additionally, we will start supporting branded content in Instant Articles.

What this means for advertisers:

Advertising within Instant Articles: Audience Network will continue as the approved ad network solution for Instant Articles, delivering people-based ads in high-value, native formats. To opt-in, check the box for Audience Network.

Publishing on Instant Articles: Advertisers interested in publishing their content on Facebook should evaluate whether Canvas or Instant Articles is the best product to help achieve their objectives. Instant Articles is built for media organizations and journalists that are publishing their content at scale on mobile, and is the best platform on Facebook for publishers. Canvas is a flexible space to tell a better brand story or showcase products to drive all product objectives, and was built with marketers in mind to give them the space and technology to better engage with their customers on mobile.

Live API

What this is:

Live API allows publishers to seamlessly integrate Live into their existing broadcast setup and also create new ways to interact with their viewers. Device manufacturers can use the API to incorporate Live directly into their latest video products. The Live API will be available for verified Pages to publish Live Video directly to Facebook beginning April 12th.

What this means for advertisers:

Although there are no monetization opportunities for brands at this time, businesses may be interested experimenting with the Live API to publish Live content to Facebook with existing video equipment and want to enable creative interactions with viewers.

NEXT PAGE: "BRANDED CONTENT"

Branded Content

What this is:

Branded content is a growing and evolving part of the media landscape and media companies, public figures, influencers, and marketers have been asking us for a way to bring this to Facebook. On Facebook, we define branded content as any content — including photos, videos, Instant Articles, links, and Live videos — typically from media companies, celebrities, or other influencers (Page owners) that specifically mentions or features third party products, brands, or sponsors.

On April 8, we updated our branded content policy across ads and Pages to enable verified Pages to share branded content on Facebook. We are also launching a new tool that makes it easy for publishers and influencers to tag a marketer when they publish branded content. Marketers will be able to see insights on tagged posts and have the option to share and boost the post.

What this means for advertisers:

We know that many of our media partners have existing sponsorship deals with marketers, and this update gives them the ability to extend their branded content business onto Facebook. For marketers, the new tool introduces more transparency and allows them to better understand how their marketing initiatives are performing across Facebook. Additionally, marketers can now leverage these types of content creative and activate sponsorships that drive value and are useful, interesting, and entertaining to their target audiences.

For more information on branded content, please visit:
https://www.facebook.com/business/news/branded-content-update
For our Pages policy, please visit:
https://www.facebook.com/policies/brandedcontent
For our Ads policy, please visit:
https://www.facebook.com/policies/ads/#restricted

Rights Manager Copyright Program / Policies

What this is:

At F8, we're introducing technology and policies that enable owners of video intellectual property to surface, monitor, and take action in response to other parties' uploads of their copyrighted content to Facebook.

What this means for advertisers:

This update has no impact on advertisers; but may be of interest to media and publishers.

NEXT PAGE: "CROSSPOSTED VIDEOS AND INSIGHTS UPDATE"

Crossposted Videos and Insights Update

What this is:

Crossposted videos is a content management capability that lets publishers reuse the same video across multiple posts and/or Pages. The associated Insights updates give publishers a view of total performance across these multiple uses of the same video.

What this means for advertisers:

This may be of interest to advertisers and publishers with a lot of video content.

Events Ticketing

What this is:

Millions of people on Facebook connect with their favorite bands, artists and causes to find out about events happening in their community. We've heard feedback from venues and artists that Facebook is an important platform for them to update and connect with fans. At F8, we are announcing that we are starting a test with Eventbrite and Ticketmaster to make ticket purchasing easier and faster for people on Facebook.

What this means for advertisers:

We are in early testing of events ticketing and do not have immediate advertising opportunities at this time.

Marketing API Updates

What this is:

At F8, we'll be announcing two updates to the Marketing API: the Recommendations API and launch of a new Java SDK. The Recommendations API is intended to serve as the repository for all best practices on ads. The Java SDK provides an easy interface and abstraction between a Java application and Facebook's Marketing API.

What this means for advertisers:

These updates will particularly useful for advertisers and partners who use our Marketing API. For more information on the Recommendations API, please visit: https://developers.facebook.com/docs/marketing-api/reference/ad-recommendation

Questions?

Contact your account representative or visit our Help Center at facebook.com/help.

MINDSHARE	Capturing Attention with Captioning Facebook Video	April Wardy	6th April 2016

Background:
Facebook recently introduced automated captioning for sound-off video ads in its newsfeed. This service is available only in the US and Canada for ads in US English at present, but is set to be introduced globally imminently. In addition to the captions advertisers are already permitted to add, advertisers will now be able to automatically review and adapt the captions generated by Facebook, or simply allow Facebook to check the text as part of its review service.

Details and Implications:
With the exponential growth of mobile in recent years more content is being consumed on the go than ever before. However, according to research conducted by Facebook, 80% of people react negatively to loud videos automatically playing in their newsfeed, ultimately blaming the brand as well as the platform. Furthermore, an alarming 41% of videos inevitably prove impossible to understand when the sound is omitted.

This new update will not only see Facebook offering an automatic captioning service, but serving metrics to brands to indicate the exact percentage of users who actually watched their video ads with the sound off. Facebook is also actively encouraging brands to make their videos more visually appealing, especially as recent research indicates that around 65% of people who watch the first 3 seconds of a video watch at least 10 seconds of it.

For Facebook, the use of captioning is a further push to entice users to engage with content in its newsfeed and of course further monetize its video advertising product. The initial tests have inferred positive results, with captioning producing a 12% increase in average view time. This uplift should be especially apparent for video consumed on mobile as users usually rapidly scroll down their newsfeed.

For brands and advertisers this update presents an exciting opportunity to target users in a more diverse range of settings, as videos will possess a much greater chance of being viewed in previously noisy environments, such as shops and public transport. Content is still king, but now more than ever it should be relevant either with or without sound. Furthermore, videos with a strong call to action should also be utilized more frequently by brands.

Summary/ POV
Although the addition of captioning is a relatively innocuous update, the repercussions for brands and advertisers could prove to be great. The need to create content that is truly immersive, captivating and adaptive is more important than ever before. Brands should now consider not only device type but also the potential location and format videos could be viewed in. For Facebook it's all about evolving its ad offering to continue to be both beneficial to its users and advertisers.

MINDSHARE	Ad blocking Update	Jeff Malmad	1st April 2016

Background:

A group of key stakeholders from the World Federation of Advertisers, the World Economic Forum and the Interactive Advertising Bureau Europe met in London recently with other key stakeholders -- advertisers, agencies, consumer groups, publishers and a government representative - and issued a four point plan on how to improve digital advertising as ad blocking, intrusive tracking, and poor metrics continue to be an issue. Anti-ad-blocking firm PageFair put together the meeting.

Details and Implications:

Ad blockers allow consumers to access content for 'free' by stripping out the ads. The way ad blockers generate revenue is by selling data that they gather from your device, charging consumers to use the service or by allowing ads to pass through their blocker based on a fee that a publisher splits with the ad blocker based on what is delivered to the end user. Although ad blocking is larger on desktop, it will grow on mobile, especially among millennial males.

There are many reasons why people choose to use an ad blocker, from speeding up page load time to eliminating intrusive and poorly created ads. Regardless of the reason, ad blocking is not going away and the industry needs to do a better job at delivering relevant brand experiences to consumers on mobile and desktop screens.

All parties at the meeting agreed on four main points:

1. A user must have immediate tools to reject and complain about advertising
2. A limited number of premium advertising slots should be displayed
3. Contextual targeting should be increased to end over reliance on behavioural tracking
4. Better metrics of advertising success are needed to improve online advertising

Summary/ POV

The holy grail for advertisers is to deliver relevant messages that are not intrusive and that provide consumers a value exchange in the form of content, offers, access and utility that helps them in their daily lives. It is not about just delivering a coupon or awarding additional levels in a game and the brand must give consumers easy access to determine if they want to continue and receive messages.

Think of it like this, in your social feeds you receive recommendations to follow people you may know or share similar interests and you can easily choose to follow or reject that individual. This approach could be cascaded into the world of advertising.

Limiting the number of ads, especially annoying ones, is critical in mobile as the screen is small and personal. Mobile messages can be powerful if deployed at moments that are relevant and the ability for a brand to own quality content at scale in this way is vital to the health of mobile advertising.

Yes behavioural and retargeting works, it drives metrics, but it also can be deemed too intrusive. In comparison dynamic ads based on content and location can help drive relevancy in a non-intrusive way.

Although the four points were broadly agreed upon, it will mean nothing if action is not taken.

MINDSHARE	Apple "Let Us Loop You In" Announcement POV	Rachel Lowenstein, Senior Associate, Mobile Activation & Strategy Mindshare NA	March 22, 2016

Background

Apple hosted its "Let Us Loop You In" event on March 21. While announcements were generally considered lacklustre compared to previous years, there are implications for both consumers and brands.

Announcements

Most changes focused on welfare through innovation and the event started with a discussion on the company's stance that innovation starts with sustainability. Apple then unveiled LIAM, a robot that deconstructs old iPhones to redistribute and reintroduce the parts into global supply. Apple also announced the launch of CareKit SDK, a build on ResearchKit SDK launched last year, which allowed developers to build apps that gather medical research. The open source framework of CareKit SDK will allow the development of apps to give people more of an active role in their healthcare – offering such services as having customized care sent directly to their smartphones from their physicians, dynamically updated based on their health data.

Other wellbeing-focused product developments include Night Shift, which uses geo-location and clock data to infer if a user is settling down for the evening. Studies have shown that blue lights from phones stop you getting a good night of sleep, so Apple has developed Night Shift to automatically shift screen colours to lean towards warm tones. A similar application, True Tone, available in the new iPad Pro, adjusts the tablet's display to match your surroundings' colour to make screen viewing more natural.

Finally, Apple has been riding the "bigger-is-better" wave in past years (the original iPhone had a 3.5 inch display, the 6s Plus is 5.5 inches) but is now launching the iPhone SE, which has a 4-inch screen. With the inevitable launch of the bigger-than-before iPhone 7 later this year, Apple is now adopting a dual approach to size and providing another entry point into the iPhone ecosystem for those who want a small and cheaper phone, presumably to be upsold to bigger and more expensive models later.

Implications

Apple's new developments in its software and iOS continue to root the brand in superb user experience. Night Shift and True Tone, small visual changes to user experience, will make viewing brand ads and experiences feel more natural.

Larger screens have created an ideal canvas for brand storytelling and the iPhone 6s and 6s Plus have helped increase popularity for immersive content, like 360 degree and VR video. The smaller screen of the iPhone SE will challenge advertisers to find ways to drive experiences with smaller screens.

Background:
Every March, thousands of people flock to Austin, Texas for SXSW Interactive—an incubator of cutting-edge technologies and digital creativity, featuring five days of compelling panels, presentations, brand activations and more. Some of this year's key themes and takeaways for marketers included:

A New Generation of Influence: The focus for marketers is shifting from Millennials to Generation Z. This mobile-native generation is on the cusp of entering the workforce but still has a strong influence on the purchasing power of Gen X and Millennial parents. Gen Z is vastly different from its predecessors – for them, gender standards barely exist and categories and labels are meaningless. They're twice as likely to use YouTube versus Millennials; they're also more likely to shop online and have an attention span that's almost 50% shorter. To them, media and communications is all about immediacy, authenticity and privacy.

The Virtual World: One of the biggest focal points at SXSWi was virtual reality. On top of numerous panels, it was almost impossible to find a brand-sponsored lounge or party that **didn't** have a VR headset. While there's still a lot of challenges ahead regarding scale and adoption, many at SXSWi were bullish about VR's potential for storytelling and audience engagement. For example, consider a VR cycling experience—it takes a lot of self-discipline to exercise, but VR can help people more easily escape the mindset of pain and boredom and submerge into another world. There's also an opportunity to deliver empathy: you can enable users to virtually 'walk a mile in someone else's shoes,' by showing people the hardships of refugees and poverty.

Some at SXSWi predicted VR as the main computer screen of the future. If this becomes true, then imagine a generation where having an online vs. offline experience might be a foreign concept. Will social networks like Facebook just become a virtual club for your friends to hang out in?

Robots vs. Humans: IBM introduced SXSWi to Pepper, the first social humanoid robot capable of understanding and reacting to human emotions; he listens and adapts to your preferences the longer you're with him. Pepper is being tested in Japan now, with a key focus on benefits for the healthcare, retail and hospitality industries. He could be particularly useful for tasks with little room for human error—like providing pills at a regulated time each day.

In 50 years, there will likely be nothing a human can do that a robot can't. But while a robot that vacuums your house is easy to adopt, one that cooks you dinner or minds your baby is much harder to grasp. Robots are fueled by big data—but will the human race be able to trust this data and the robot's ability to perform such tasks?

Future of Retail. The future of shopping is about online-offline integration. For example, the commercialization of AR apps can enable brands to link offline media (like print) to a digital experience. Moreover, products must deliver some sense of ceremony beyond pure function and even the shopping experience must delivery utility rather than being merely a concept space. That blending of qualities is key in e-commerce; brands must embrace the convergence of both content and commerce in order to appeal to the increasingly demanding consumer.

A lot of the SXSWi tech showed potential for retail, from VR to 3D printing to the Internet of Things. AI in particular is interesting—it's becoming advanced enough that AI recommendations and anticipation of needs are starting to feel very human and natural. Thanks to data application, the suggestions made around clothing, food, music and travel spots you might like, continue to improve, moving us from human curation to machine learning solutions.

Evolution of Language: Emoji usage has exploded in the past couple years, providing users with an efficient means of expressing emotion online. Studying emoji patterns is quickly becoming a cultural mirror into different regions of the world. A session investigating the linguistic trends of emoji usage posed the question of whether our language is becoming more like the hieroglyphs seen in ancient Egypt. Will our language eventually evolve (or devolve) to just using emojis/gifs for digital communication?

3D Printing: Last but not least, it turns out that 3D printed food tastes pretty good. And fun aside, it's gaining purpose for people dealing with health obstacles or food allergies, be it in the military, space, hospitals and more. Computers can print out the food that modern chefs just can't cook up for people in need.

For more insights on these topics, check out more SXSWi recaps from Alexandra Spaseff, Ann Kelsey, Chrissie Hanson, Elliot Nam, Emma Witkowski, Jason Maggs, and Kristin Hogan here and here.

MINDSHARE	Mobile World Congress 2016	Neil Bruce (London UK) Sam Green (London UK)	2nd March 2016

Background:
Last week, 100k+ people descended on Barcelona for the annual Mobile World Congress. Exhibitors included device manufacturers who use the event to launch flagship devices, companies providing the hardware inside phones, businesses working in the Internet of Things (IoT) space and mobile media and ad tech businesses. The 3 main themes of this year's conference were: the rise of virtual reality, the increase in connected objects and ad blocking on mobile.

Details and Implications:
The rise of virtual reality: As an industry worth an estimated $70bn by 2022, VR took centre stage at MWC. Samsung and Mark Zuckerberg announced the new Samsung Gear VR will be powered in part by Oculus. The Gear VR will ship free with pre orders of the Galaxy 7S and 7S Edge devices. Zuckerberg envisages a world where VR will power everything from gaming to films, conference calls and social networking. He also announced a new "Social VR team" that will focus entirely on exploring the future of social interaction in VR. Samsung and Facebook weren't the only companies showcasing VR at the conference. HTC demonstrated the Vive VR headset and LG also launched its LG 360 VR headset.

Connected objects, connected lives: The Internet of Things revolution is gaining momentum. Many of the consumer electronics brands were demonstrating smart home devices such as Sony's Experia Agent prototype – a smart home hub designed to take on the Amazon Echo. Many of the innovations in the Internet of Things arena came from businesses developing infrastructure needed to connect IoT tech together. Ericsson showcased networks built specifically to facilitate machine to machine communications. Alcatel-Lucent, Sigfox, and Aeris were also showcasing this technology that will in part be powered by new 5G network technology, which itself will be rolled out in phases over the next 4 years.

Ad blocking causes friction at the conference: The rise of mobile ad blocking is such a hot topic that ad blocking companies like Shine exhibited at the event and clashed with Google and Yahoo. The focus of the adblocking provider's presence was how they monetize their service. Shine works directly with mobile networks while Adblock Plus charges businesses a premium for access. While network-level ad blocking is a great consumer-side play, it shouldn't worry advertisers who will increasingly be the primary source of revenue for networks.

Summary/ POV
Although the conference was underpinned by concerns surrounding data privacy and poor user experience, innovations in the VR and IoT spaces show that we are past the point of these devices being gimmicks. They now offer ways of communicating and consuming media for users and represent new advertising channels for our clients.

MINDSHARE	Beacons are lighting up for Google	Emma-Jane Steele Shop+	25/02/2016

Background

Last week, Google announced that it will be supporting physical beacons in its Chrome browser for Android. Beacons are now becoming a reality after a long hype period. Retail giant Target rolling them out in 2,000 of its US stores and WPP-owned OOH agency Kinetic partnering with Exterion Media to install beacons across the UK's transport networks and in major shopping malls.

Details and Implications

Beacons have always appeared to be an attractive way to communicate with consumers via mobile, but the ability to scale beacon solutions has really prevented them from taking off. Most current uses of beacons rely on an Android and/or iOS app detecting them with push notifications turned on and as 85% of consumers tend to only use 5 apps, the experience becomes diluted quickly. However, Google's next version of Chrome for Android, version 49 (currently in beta) cuts out the need for users to have an app downloaded and for brands to have a high app user base. The new Chrome will be able to alert users to low-energy beacons near to them. The idea is for people to be able walk up to any "smartened" device without having to download an app first.

Google are calling this 'The Physical Web', a nod towards the blurring of lines between the physical and digital world. The first time a user comes into contact with a beacon they receive a notification through Chrome asking if they want to enable The Physical Web. If activated, users will then see notifications that list which nearby beacons are available, including URLs to be clicked on to visit a linked webpage. This means consumers can receive information, offers and exclusives from all types of companies when on the move. For example, airlines can send pop-up alerts on departure information, or you could receive a notification from a shop, which now has your size back in stock, or you could receive vouchers when walking past your favourite store.

It's clear that Google is thinking about how to take beacons to the next level by rolling them into the wider world of smart devices. Google wants to ensure beacons are integrated into the Internet of Things and don't operate as a standalone entity but rather help facilitate the world of connected devices. Scott Jenson, Google, said: "There will be millions of smart devices in our homes, work, and everywhere in between. Accessing functionality from these devices will be just like using the Web. You wake up, tap, and go."

Summary

Location based signals are playing a pivotal role in connecting the physical and digital world. Location targeting combined with consumer relevancy has never been more important for brands looking to drive consumers to the point of transaction through media. Google's decision to support beacons with Chrome for Android reemphasises the vital role of proximity marketing. As beacon technology evolves, it's also important to consider how it can deliver in relation to omnichannel, personalised experiences for consumers.

Background

Last week, US mobile company Verizon said it is interested in purchasing some or all of Yahoo. With more than 112 million wireless subscribers, it is looking to add Yahoo's more than 1 billion e-mail, finance, sports and video users to AOL's 2 million users, in an attempt to secure a foothold in digital advertising against YouTube and Facebook.

Details and Implications

Verizon's success or failure will depend on the size and accuracy of its identity graph – the volume of single user IDs that it can apply to the eyeballs across its properties. Facebook and Google have built strong identity graphs that are modeled on a large set of deterministic data (email address to log into an app on mobile or desktop) to enable them to identify Single Users across multiple devices. Verizon is sitting on an incredibly powerful deterministic set of data to rival, or even exceed, that of Facebook and Google in terms of richness - 112 M subscribers and their physical address, email, mobile number and home phone numbers (visibility on web browsing, interest data, mobile app usage) – that is an extraordinary amount of information they hold at a single ID level.

Though the details aren't clear, Verizon would be able to match its own data on individual consumers with identifiable data held by Yahoo and AOL, all of which likely will be hashed or encrypted in order to remove personally-identifiable information, but remain linked through anonymized IDs. Verizon's deterministic data set is largely US based but it can drive scale in other markets by using the learnings from this set to validate probabilistic modeling. This will allow AOL and Yahoo to aim ads at what it believes to be the same person on the desktop, in mobile and via addressable television in the UK and further afield.

Summary

It is the data (identity graph) that is the differentiator in today's digital advertising landscape. The ability to target and serve meaningful content at a single ID level is an incredibly compelling proposition for advertisers and is one they have come to expect with the likes of Facebook and Google. Verizon has used its privilege as an ISP to collect an incredibly powerful data set that it puts at the heart of its business. It is this data set that enables Verizon to buy and resurrect the likes of Yahoo and AOL.

MINDSHARE	Kickoff: A Snapchat Super Bowl	Mike McLaughlin, Managing Director, Digital, West Coast, Mindshare NA	Feb 8th, 2016

As the sun sets on Super Bowl 50 and the Denver Broncos revel in the spotlight, the endless onslaught of talking-head speculation comes to an end. Most questions have been answered: Peyton Manning's legacy is secure and Denver's defense is the best in the league. But, for online giants like Facebook, Google, Snapchat and Twitter that all courted real dollars from legitimate brands for various iterations of an extended Super Bowl experience, the questions go into overtime. There was also continued experimentation around live streaming. For this dynamic, rapidly evolving ecosystem that sat on the periphery but relied so heavily on the most-watched TV program in the United States, the question is simply: who added value and who added noise?

Real-Time Super Bowl 50: The award here very clearly goes to Snapchat. Despite showing up just prior to kickoff, its Super Bowl 50 Live Story immediately brought the heat with footage of President Obama tossing around the pigskin and Lady Gaga (who joined Snapchat for this) warming up the pipes for her inevitably flawless rendition of the national anthem. The Worldwide Live Story checked off the need for watch-party action and the global perspective was an unexpectedly nice touch. The editing and publishing speed, simplicity of use and insider access, not to the mention the oft-controversial skippable ads, all impressed and continue to set Snapchat's Live Story product apart. Undoubtedly aided by its ephemeral nature, looking in on a Live Story feels special.

On the flip side, the recently launched and conceptually interesting Facebook Stadium will take time to mature, as it struggled under the weight of the event. Most of its unique value proposition, which is in the ability to filter out friends' posts, got lost in the clutter of delayed score updates and amateur video inclusions.

And sitting somewhere in between was Twitter. Given its stock price, it needed an MVP performance, and its Moment and well-oiled Trending Topics engine got the jump on the field. Clearly featured and launched well before kickoff, the content stream delivered an expected volume of mixed media from in and around Super Bowl 50, and Pepsi's Promoted Trend felt organic.

Super Bowl Everywhere (sort of): This year, not only did the NFL air the Super Bowl on CBS, but the game streamed live on CBSSports.com, on mobile devices through a partnership with Verizon and across a host of connected devices. For the first time, the digital stream mirrored the TV airing – most notably matching specific commercial inclusion – which was a nod by the NFL to the changing tides of viewership. The stream was crisp, if slightly delayed, but functioned without many reported issues. It's a step in the right direction, although opening the gates to international viewers (without a hefty subscription fee) would certainly match the NFL's quest for global appeal.

The NFL's official app also featured near real-time highlight clips. That said, in the context of so many choices and shifting expectations by consumers for skippable or short-form ads, both delivery platforms were unfortunately hampered by lengthy forced pre-roll video ads.

Alternatively, Key and Peele's Real Talk live stream was an interesting experiment, but ultimately fell flat without any direct Super Bowl relevance, given the lack of NFL rights. However, as with reaction and unboxing videos, and the unquestionable genius of Mystery Science Theater 3000, there is certainly inherent value for both brands and viewers in a "sidecar" experience of mainstream events if rights issues can be overcome moving forward.

The End Zone: Super Bowl 50 proved that that there are legitimately interesting second-screen experiences for consumers to have and brands to align with that don't simply distract from the main event but enhance and at times exceed it. The technical ingenuity, creativity, and innovation on display yesterday was truly incredible. Despite some snags, it is commendable that brands and media platforms alike continue to forge ahead and test the unproven, even when forced to abruptly shed the "beta" tag on the biggest stage in the world.

Looking ahead to Rio 2016, the global stakes will be higher and the complexity increased. The challenge will lie in sustaining this pace for not one day, but two weeks. And looking even further ahead, it is completely within reason that both virtual and augmented reality technologies take a serious foothold in Super Bowl 51. The real question then will be: how soon until the second screen exceeds the value of the first?

MINDSHARE	The end of iAd	Neil Bruce Head of Mobile, UK	26/01/2016

Background

Apple has announced that it is closing its iAd App network with effect from June 30th 2016. Apple's focus will shift to developing marketing platform technologies for publishers, rather than having an ad sales team and service and all of the iAd sales, account management and creative teams are being made redundant.

Details and Implications

Apple have shared an official statement to say that campaigns booked via iAd sales will run through 31 March 2016. App Network advertising will be discontinued from 30 June 2016. Campaign reporting will be available until 31 December 2016.

Apple's decision to launch the iAd network in April 2010 was an attempt by an increasingly successful tech company to exert control over a fast growing media channel that it had helped to create. This 'control' wasn't merely financial – when launching the product Steve Jobs stated that 'mobile ads suck' and that it was the goal of iAd to create beautiful, engaging mobile advertising that would allow developers to monetize their Apps and in so doing keep them free.

In 2010, there can be no doubt that mobile advertising formats did need fixing and iAd offered 'the emotion of TV with the interactivity of the web' that Jobs had promised. However, the desire for perfection that Jobs demanded from everything associated with the Apple brand resulted in exorbitantly high entry costs for the first iAd advertisers. At launch in July 2010, Apple expected $1m investment per iAd campaign. This was lowered to $500k in February 2011 and $300k in July the same year. These high entry costs resulted in fulfillment rates so low that even a company as profitable as Apple was forced to concede – in June 2013, the minimum investment for a campaign was reduced to $50k.

Apple also had problems reconciling its core business in the premium technology environment with its advertising business. Apple sits on a vast amount of data which could have been used to make an extremely compelling sell to agencies. However, its reluctance to share data and refusal to accept third-party tracking, when combined with high prices and the rise of mobile creative platforms - such as Celtra - meant that iAd never lived up to its full potential.

Summary

The knock-on effects of the closure of iAd have the potential to be much more serious than the closure of the platform itself. iAd never really fulfilled its potential as a media partner and the build capabilities offered by iAd Workbench can easily be replicated in Celtra, our preferred mobile creative platform in the UK.

It's targeting, while based on iTunes account information, was never as accessible as hoped and our mobile trading partners have more than enough scale to fill the void. If it does signal Apple's intent to change mobile display advertising on mobile devices then it places more of an emphasis on our objective as an agency to create adaptive content that draws upon data and technology as a means of delivering engaging mobile experiences to an elusive audience.

MINDSHARE	Twitter Gets Conversational	Ben Howson	20/01/2016

Background

Twitter have recently been rolling out an array of new products to make the platform seem more conversational. Ranging from the introduction of conversational ads, proposed changes to the character limits (140 to 10,000), and the rumored addition of "Direct Brand Messaging". If Direct Brand Messaging comes to fruition, it will permit brands to interact with Twitter's users in a way they haven't been able to before, enabling them to speak directly to individual users, during, and in advance of the launch of campaigns.

Details and Implications

At present, brands can message users directly only if it is deemed necessary to respond in a more private manner to something which was tweeted previously. This was primarily designed to be a customer service tool, and therefore had a much larger character limit of 10k. The recent introduction of Conversational Ads has again seen Twitter offering brands the ability to interact with users, by creating a poll with customizable hashtags, enabling a user to vote in the poll, and automatically generate a relevant tweet with the option to personalize further.

The introduction of Direct Brand Messages would ultimately see Twitter building and developing the customer service tool and Conversational Ads. Direct Brand Messages would enable brands to harness the positive sentiments of tweets already in existence in an ad format for their own benefit. Essentially, tapping into the theory that the endorsement of products by an unpaid, local user, could be perceived as much more influential and persuasive than those by paid celebrities.

For brands and advertisers, this update would mean that in addition to the traditional Twitter ad formats, by paying to promote a single tweet, the brand will be able to create a bespoke Twitter card to show their own message, whilst also showing hand-selected tweets by individual users. In order for this to work, Twitter will be required to present specific clients with their own content management system, allowing them to see the tweets related to their brands. If the brand or marketer would like to use a specific tweet about the brand from an individual user then they can directly message that specific user for permission to use the tweet.

One of the best things about this new feature is it will give the individual user the feeling that they are having an influence on the brand, which in turn will reflect favourably on the brand itself. You could also argue that users will also look favourably on the brand if they are seen to be genuinely paying an interest in what the users are saying. Furthermore, this system would also mean that brands will not always have to create their own copy, as they will be able to promote the posts of other users, which will have a much better reach than a standard retweet.

Summary/ POV

In summary, Direct Brand Messaging would be a natural progression by Twitter to expand its offering to advertisers and brands and provide a more varied service to its users, potentially increasing its 320 million monthly active users and increasing client investment.

For brands and advertisers, this service would primarily benefit multinational brands, who would be presented with a sea of content to leverage from users. The logistics of managing this however, would be complex, both for Twitter and brands, with the need to manually check tweets for meaning and sarcasm etc. Furthermore, its success is still dependent on users actually engaging with brands in a more conversational way, and there is still the distinct possibility that some users might not be happy with brands using their positive comments for their own gain.


CREATE THE INEVITABLE
MINDSHARE @ CES®
CRE
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The International CES (Consumer Electronics Show®) is the world’s gathering place for all who thrive on the business of consumer technologies. It's where business gets done: on the show floor, in and around our conference program, in impromptu connections and in planned meetings and special events.



By the Numbers

170,000+	Attendees
3,500	Exhibitors
375	Start Ups
2.2M	Sq. Ft. exhibit space
150	Countries Represented
83%	of Top Retailers

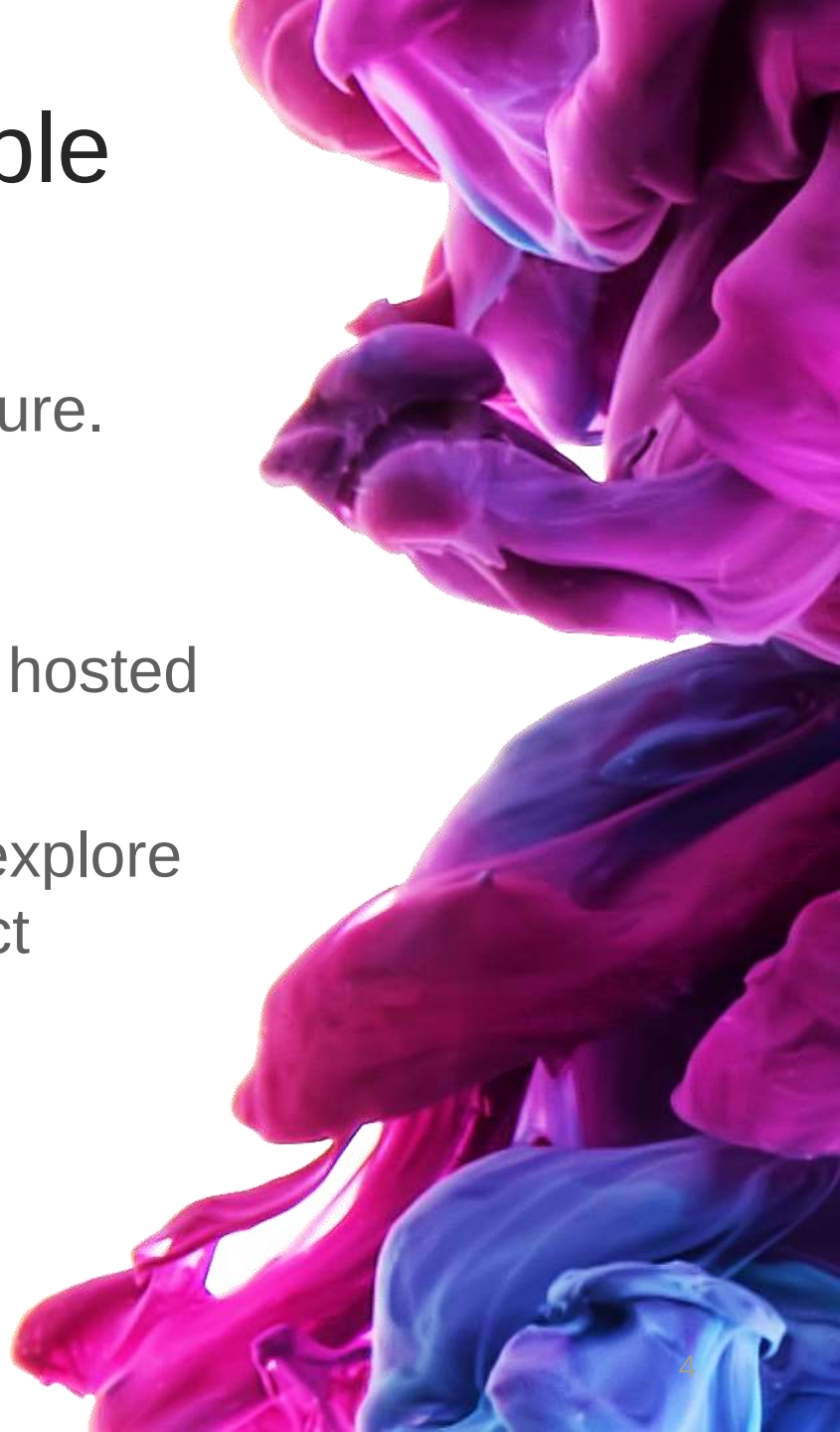


Mindshare@CES: Create the Inevitable

Create the Inevitable reminds us that we all invent the future. Never remaining in place. Constantly evolve our thinking.

Mindshare@CES is an inspiring three days of exclusive workshops, guided show floor tours and evening soiree's hosted by the industry's most dynamic innovators and partners

With mobile, data, and video as underlying currents, we explore how technologies add value to brands and how they affect consumer's everyday lives.



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In Short

The conference continues to expand beyond the convention center, and as usual there was plenty of action both in the showrooms as well as along the strip.

As expected, TV, smartphone, and tablet screens got flatter, clearer, and smarter. Cars continue to get pimped up with new technology. And homes are more connected and intelligent than ever before; including appliances with interview video cameras that lets you see what's in your fridge remotely from your mobile phone.

Overall, CES 2016 felt a bit more real and pragmatic than previous years. Most of the technology on display felt within reach, things you could buy and use now rather than futuristic kit for another day. Perhaps it's a sign of how fast the industry is innovating and accelerating that what once seemed unimaginable now feels like it will be available at your local retailer within months.



Key Takeaways

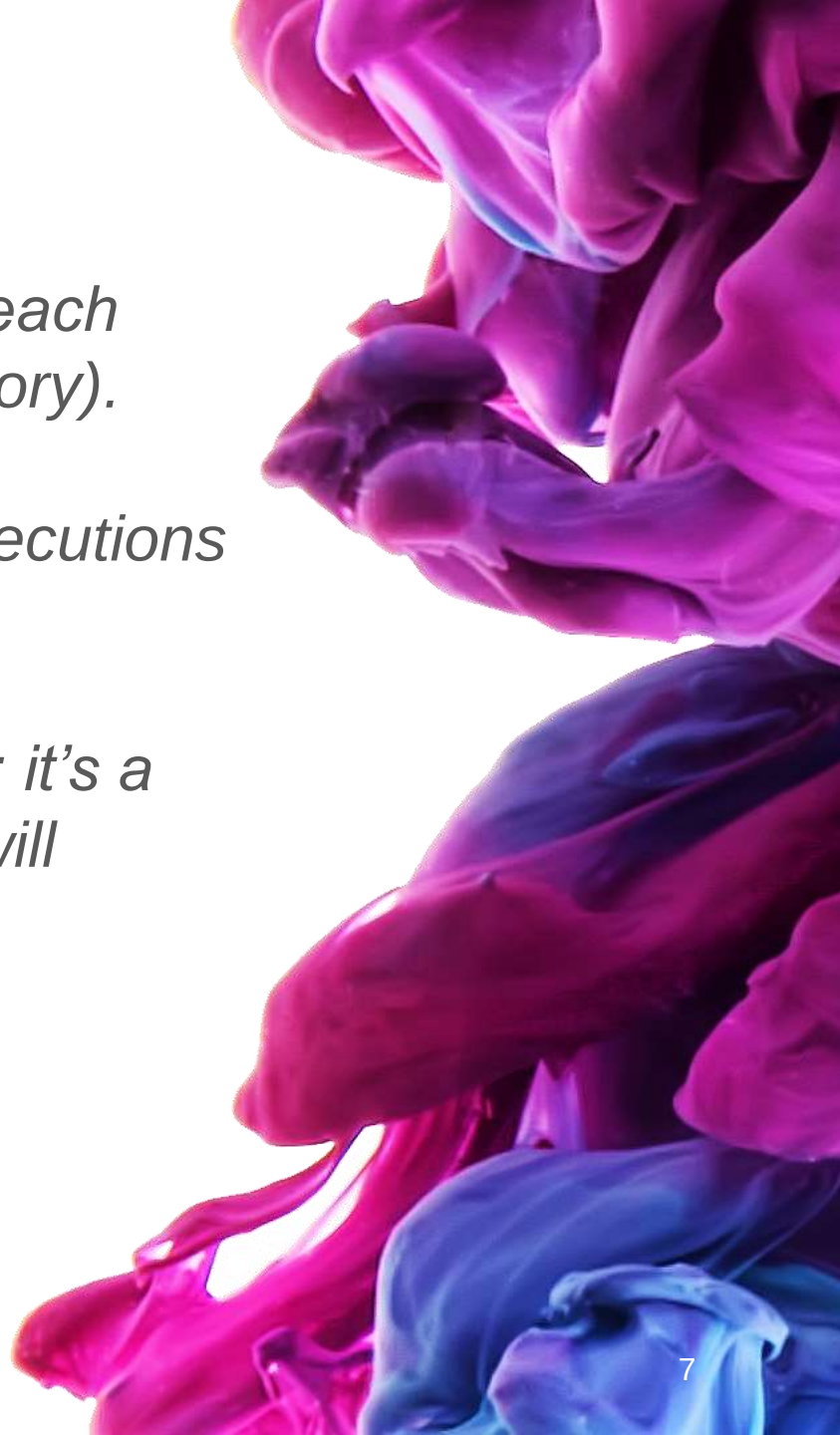
Shopper Experience

A lot of what we're seeing on the show floor likely won't reach mass scale in 2016 (though 2018 or 2019 is a different story).

Instead, brands can — and should — experiment with executions on a smaller scale, even if it's in just a few stores.

CES isn't just a time for considering what's next this year; it's a time for dreaming bigger and planting the seed for what will happen two or three years from now.

-- Joe Migliozzi, Head of Shop+



Shopper Experience

Retail has emerged as one of the most important verticals at the Consumer Electronics Show.

New devices on the show floor help consumers engage with brands and purchase.

Big trends from CES this year include the proliferation of smart devices, voice activation and virtual reality.

Even when these features do not enable immediate purchase via the device, they point the consumer in the right direction to make it happen.







Shopper Experience

Voice command integration

Voice command is creating a tremendous opportunity to make shopping faster and more convenient.

We’re seeing increased use of voice recognition as technologies such as Amazon Echo and Apple's Siri are embedded into other devices.

In fact, one of the big announcements from CES was the integration of Echo into a major automotive brand, so that you can use the Echo to check on your car from the house (or vice versa) or shop while on the road.



Shopper Experience

Virtual reality

VR provides retailers a lot of benefits: to showcase a product from different angles, for example, or show what that product might look like against different backgrounds.

When buying something expensive online, VR can help you make up your mind. Travel booking is a great example — wouldn’t you love to take a VR tour of a resort before making that reservation?

This year VR is getting a major push from Oculus Rift



Shopper Experience

Connected devices.

"Smart fridges" are not a new idea, but this year's crop at at CES offer enhanced capabilities that range from turning transparent (so you can see what's inside without opening the door) to purchasing groceries through a large touchscreen display.

Consumers like convenience, and depending on how the technology unfolds, the potential for commerce to replenish the fridge is there.



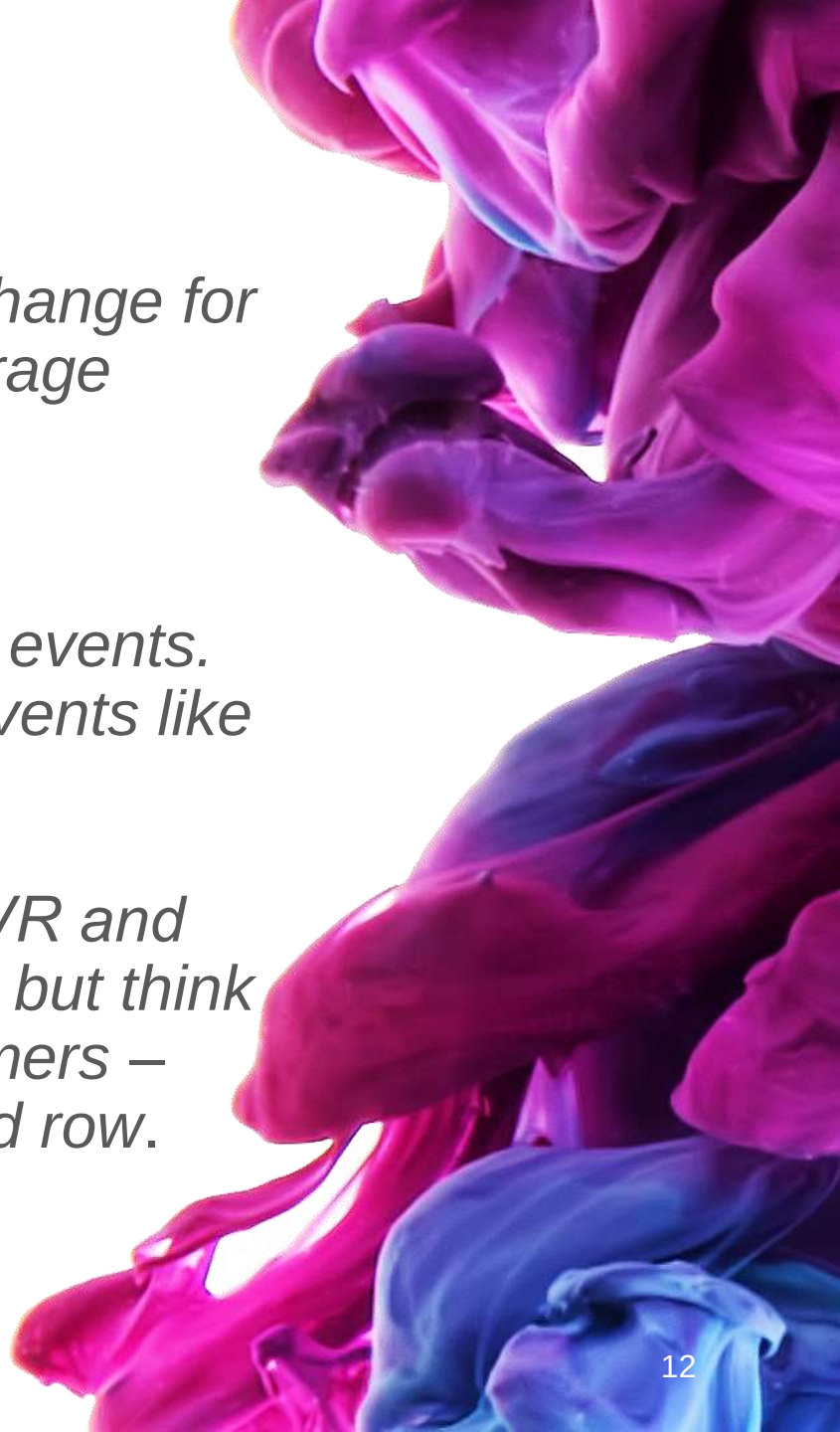
Consumer Trends

First and foremost, brands needs to facilitate a value exchange for their consumers. As part of that, marketers can best leverage what's on the show floor by connecting it to culture.

For wearables and sensors in particular, there's a lot of opportunities to quantify the movements at major cultural events. Just think of the opportunities there could be with other events like the Super Bowl or the Grammys.

There's a similar opportunity for live cultural events with VR and AR. It's further off than what's happening with wearables, but think about the amazing access that VR/AR could offer consumers – like the opportunity to watch the Super Bowl from the third row.

-- Cindy Gustafson, Head of Invention Studio



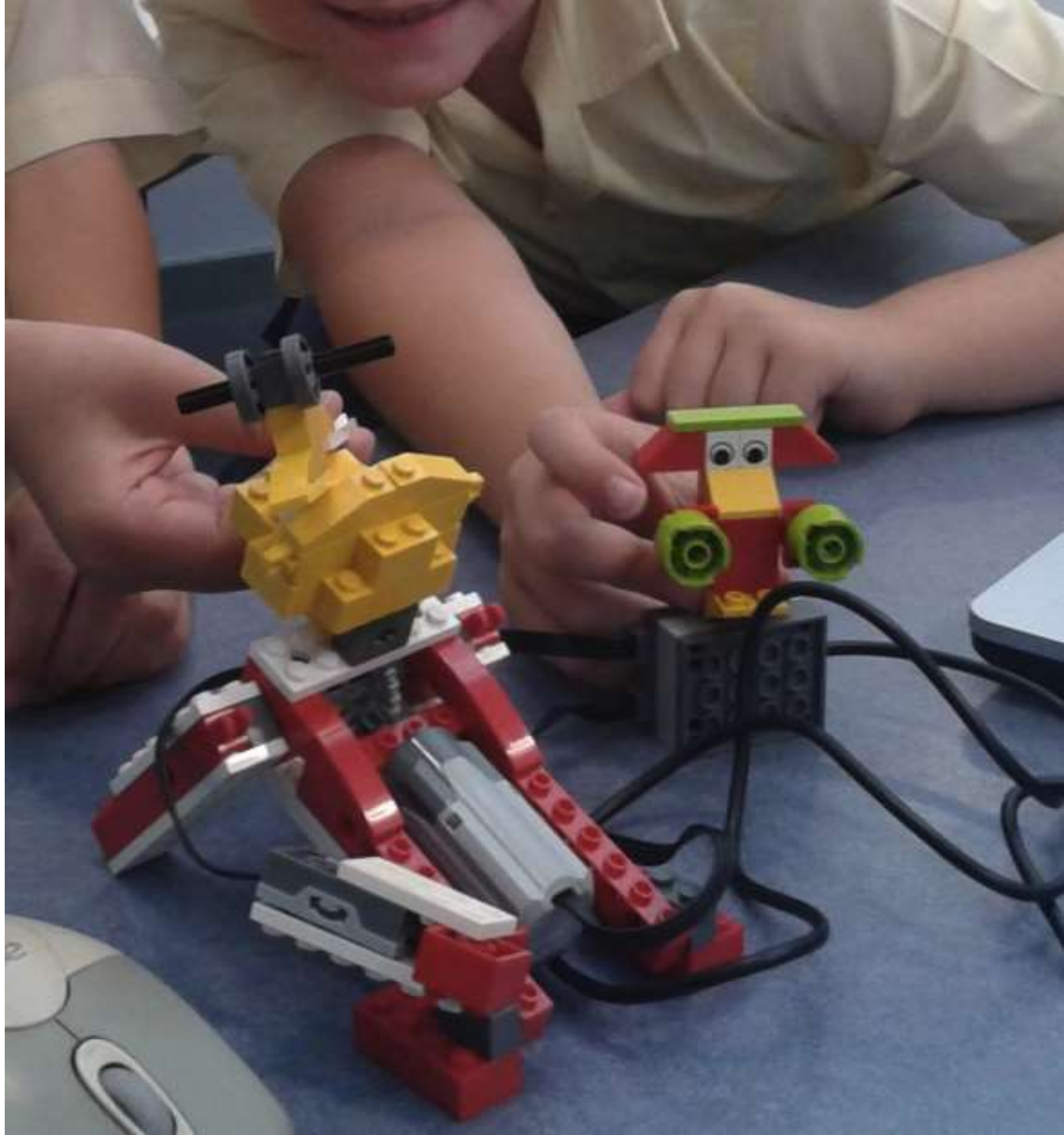
Consumer Trends

The kids are smarter than us.

Lego is releasing the second version of its WeDo robotics kit for elementary school-aged kids.

The kit comes with Lego bricks, and more importantly, includes a Bluetooth-based hub that connects to a motor, as well as motion and tilt sensors that are all part of the basic package.

WeDo also offers schools a curriculum of 40+ hours of lessons built on key science standards typically taught in grades 2-4.



Consumer Trends

If you've ever wondered what's really in your food,

Consumer Physics is launching their new Scio sensor at CES this week.

The sensor helps you figure out the chemical makeup of your food or drink, and comes with an app that visualizes the analysis.

Though expected to appeal to all, the real audience is people with chronic health conditions like heart disease or diabetes. The device is expected to retail at $249.



Consumer Trends

Nudging positive behaviors.

There have been a lot of devices and apps launched over the last few years that aim to "nudge" consumers into more positive behaviors.

A worthy example at this year's CES is the Smart Wheel, which snaps onto a steering wheel and warns the driver when their hands aren't placed on the wheel correctly.

Aimed primarily at distracted teenage drivers, the device originally featured on the TV show "Shark Tank" and will be available this year for $200.



Consumer Trends

Accelerated Empathy.

In Steven Pinker's words – our circles of empathy in society are getting wider.

See for example, the dot watch announced by specialist tech company Dot Inc.

The new smartwatch has been built for the visually impaired, and converts texts, emails, and even e-books into braille.

The idea came from Dot Inc CEO Eric Ju Yoon Kim who was surprised nothing existed for the visually impaired while he was at the university of Washington.



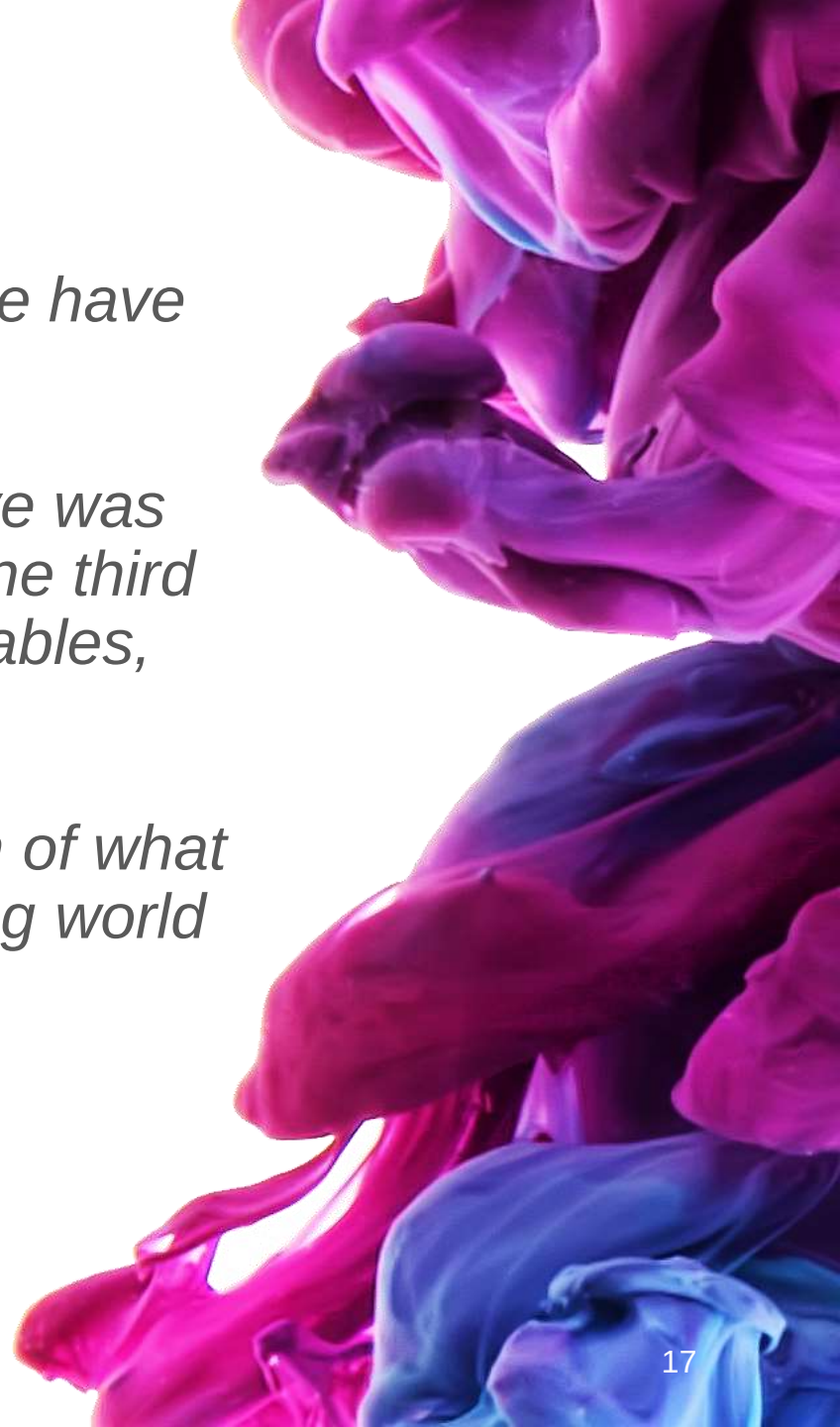
Connected Everything

We live in an uber-connected world and, as marketers, we have entered the third wave of digital advertising.

The first wave was the desktop Internet. The second wave was mobile, with applications and the mobile Web. And now the third wave is adaptive mobility, coming from the world of wearables, sensors and the Internet of Things.

The smartphone is the gateway into this world, and much of what we are seeing at CES this week highlights this blossoming world of connected everything.

-- Jeff Malmad, Head of Mobile & Life+



Connected Everything

The Reality Show

There was a notable increase in companies touting either virtual reality (VR) or augmented reality (AR) technologies. The Playstation VR headset is a potential rival to Facebook's Oculus Rift that was demoing in a super-cool looking simulator called Krush (on right).

Not to be done outdone, AR also had a heavy presence whether via headsets or advanced hologram technology. Even Magic Leap, the highly secretive Google-funded AR start-up, gave the Mindshare contingent a sneak peak of its mind-blowing version of AR



Connected Everything

Every Breath You Take

The emergence of breath related technology was notable this year.

Breathometer's Mint assess over 300 different biomarkers and alerts you of any imbalances or potential health problems.

Several other breath-related medical technologies were also on display, including LEVL's Now, which helps you asses how much fat you are burning.



Connected Everything

Life improves with data.

Wearables and sensors connected to consumers and objects can improve day do day passions and activities.

Shot Tracker has sensors in clothing, kicks, the basketball and hoop to help improve your shots.

Welt is a smart belt that adjusts to your sizes throughout the course of the day.

And, Sleepnumber IQ debuted smart beds that connect to activity trackers and food apps, to adjust naturally depending on your tossing and turning and amount of activity to give you a better night sleep.



Connected Everything

Product Relationship Management

Dozens of companies, like UK based Evrything, are offering their services to help turn your products into connected objects.

If fully realized brands will need to think of their physical products as entities that will need on-going digital management over their lifecycle. Once connected, products will have an implicit or explicit digital voice, and the data it produces can trigger all kinds of synchronous real-time opportunities with customers, from advertising to utility to commerce.













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#CES2016

MINDSHARE	CES 2016	Norm Johnston @ntjohnston	Jan 9, 2016

Once again IT geeks and marketing gurus descended on Las Vegas for the annual Consumer Electronics Show, which has arguably become the second biggest global advertising conference of the year after Cannes. The conference continues to expand beyond the convention center, and as usual there was plenty of action both in the showrooms as well as along the strip. As expected, TV, smartphone, and tablet screens got flatter, clearer, and smarter. Cars continue to get pimped up with new technology, including BMW's Air Touch motion sensor, which enables you to control your auto via gestures. And homes are more connected and intelligent than ever before; even the long-mooted Smart Fridge may finally become a larger reality with Samsung's Interview video camera that lets you see what's in your fridge remotely from your mobile phone. Here are few more trends that really stuck out this year.

The Reality Show There was a notable increase in companies touting either virtual reality (VR) or augmented reality (AR) technologies. Big boys like Sony let gamers sample its upcoming Playstation VR headset, a potential rival to Facebook's Oculus Rift, which was also on show throughout the conference, including via a super-cool looking simulator called Krush. Not to be done outdone, AR also had a heavy presence whether via headsets or advanced hologram technology. Even Magic Leap, the highly secretive Google-funded AR start-up, gave the Mindshare contingent a sneak peak of its mind-blowing version of AR, now due to go on sale in 2017. In the meantime, it appears that 2016 will mark the year that VR and AR finally get some scale, most notably via gaming. Whether there will be a VHS v Beta like death duel remains to be seen. Some would argue there is room for both, while companies like Magic Leap believe that VR is a dead end. More to come.

Every Breath You Take The usual suspects – Fitbit, Misfit, Samsung, etc. – launched new wearable technology products. What was new and notable was the emergence of breath related technology. Breathometer's Mint assesses over 300 different biomarkers and alerts you of any imbalances or potential health problems. Mint will be bundled into Philip's brush kit sometime this year, enabling consumers to not only keep their teeth clean but also check their health with one simple breath into a device. Several other breath-related medical technologies were also on display, including LEVL's Now, which helps you asses how much fat you are burning.

Product Relationship Management Dozens of companies are offering their services to help turn your products into connected objects. French company Tangible Display uses image recognition to pair objects with screens. UK start-up Evrythng takes things a step further by embedding technology into every product enabling it to seamlessly pass data to your broader connected ecosystem, doing everything, or evrythng, from providing critical utilization information to automatically replenishing itself to acting as an instant point-of-sale. If fully realized brands will need to think of their physical products as entities that will need on-going digital management over their lifecycle, similar to the CRM approach taken to customers. Once connected, products will have an implicit or explicit digital voice, and the data it produces can trigger all kinds of synchronous real-time opportunities with customers, from advertising to utility to commerce.

The Usual Suspects Google, AOL, Facebook, Twitter, and Spotify were just a few of the big advertising players holding court off the strip. Facebook held its quarterly Marketing Council meeting, where it provided an update on Messenger, which now has over 800 million monthly active users, not to mention a 100% YoY increase in the amount of messages to pages. When and whether Facebook decides to run advertising on the platform remains to be seen, but surely it must be tempted given the numbers. Most notable for Twitter was the very visible presence of founder and new CEO Jack Dorsey, who actively networked in an attempt to bring some renewed enthusiasm to the struggling platform. Spotify had a very nice showcase on how its streaming services are increasingly bundled into your home, your car, and multiple other connected devices. And AOL's Tim Armstrong had a renewed spring in his step as the company capitalizes on its Verizon acquisition, emerging in a stronger position than it has been in years. Google and Yahoo kept low profiles, and Apple was absent as usual. Snapchat was rumored to be in town, although any proof disappeared after 10 seconds.

Overall, CES 2016 felt a bit more real and pragmatic than previous years. Most of the technology on display felt within reach, things you could buy and use now rather than futuristic kit for another day. Perhaps it's a sign of how fast the industry is innovating and accelerating that what once seemed unimaginable now feels like it will be available at your local retailer within months.

MINDSHARE	2016: Back to the Future	Norm Johnston, Chief Strategy and Digital Officer @ntjohnston	14/12/2015

When it comes to digital marketing, predicting the future usually requires a reassessment and extrapolation of the past. Our industry seems to move in cycles, with the same topics resurrected and rebooted every few years. In fact, one could argue that there is really nothing new, just old ideas and issues recharged with new technology, new names, and new passion. So what could 2016 bring?

Third Life: Remember Second Life, the industry's initial foray into virtual reality that made the cover of Time Magazine back in 2007? Well, virtual is back with a vengeance. Facebook is readying its Oculus Rift for an official launch next year, and anyone who has experienced the virtual roller coaster ride will tell you it's a seismic step from yesterday's technology. With a rumored price tag of around $500, every kid on the block will want an Oculus. Of course virtual is not the only game in town. Augmented reality is finally crossing the chasm as well. According to the Digital Marketing Bureau, 30% of smartphone users in mature markets use AR at least once a week, and nearly a billion smartphones have an AR app embedded into them. Microsoft is heavily promoting its impressive HoloLens AR technology, and the world waits for Google to redeem itself with a new version of Goggles, which may or may not include some of its investment in Magic Leap, a Florida AR start-up labelled as a "game changer" by those who have seen it. And since October you can get a glimpse here: https://www.youtube.com/watch?v=kw0-JRa9n94

The Matching Luggage Lesson: Marketers are also exploring new immersive content formats like Facebook's new 360 video format. In fact, 2016 could mark a major shake-up within the creative industry as marketers realize that simply flogging TV spots online is no longer cutting it, particularly with Gen Z and millennials. Just consider Snapchat, which has somehow evolved from a dodgy sex photo swapping destination to over 100 million users, mostly millennials, viewing over 6 billion video views a day. More people in the US watch college football on Snapchat than TV, and the video ads that resonate the most are bespoke formats built for vertical mobile viewing; custom inverted Snapchat videos ads have a substantially better completion rate. Professional content creators like Tastemade Studios are now filming from an inverted mobile perspective rather than a traditional panoramic TV format. Whether interactive, immersive or inverted, creative agencies will need to re-imagine ideas through a very different lens for very different screens and spaces and audiences. Just as we learned in the early days of the Internet, matching luggage ads usually don't cut it.

Content is King, Again: Content will continue to be a significant challenge when it comes to programmatic media, which is hoovering up media inventory around the world. While most marketers have built or are in the process of establishing robust programmatic platforms full of viewable premium inventory and disparate data sets, most are still struggling to find content to feed the beast. In short, all the technology is there to hyper-target unique consumers across the purchase funnel, but there's simply nothing to put in front of them. 2016 is the year clients will get serious about evolving their trade desks into Adaptive Marketing engines, hopefully enriched with a myriad of creative messages stored in asset libraries and dynamically served to customers based on data and marketing rules. It's time for all that programmatic investments to start paying off, and content is the missing element for most.

Web 3.0: A few years back there was a lot of buzz around the Semantic Web, or Web 3.0. The Semantic Web describes a more intelligent Internet that can seamlessly pass data between objects and do things for you. Basically Artificial Intelligence. As the Internet of Things gathers real momentum, AI will finally arrive. The Internet, perhaps voiced by Siri, Alexa, or Cortana, will predict your needs and enrich your life by measuring and monitoring everything from your body to your house to your neighborhood. Your bio-metric data, with your opt-in permission, will be shared with insurance companies to automatically drive down insurance premiums. Amazon Echo will automatically add packaged goods to your shopping basket and suggest recipes based on your monitored fitness levels and diet. And soon an ambulance, maybe even quicker an Uber car, will automatically be ordered when your Apple Watch detects an imminent medical emergency and the need for you to visit the hospital. Brands will also explore a role in this new ecosystem, whether rewarding fitness fanatics for their discipline with discounted products to helping you to wake up after a monitored and measured sleepless night by automatically starting the coffee machine and doubling the normal volume of caffeine.

Fewer, Bigger Walled Gardens: The industry is ripe for even more consolidation. Look for Yahoo to finally throw in the towel and get snapped up either horizontally by a publisher looking to extending its programmatic and display business OR vertically by another telco like Verizon building a deterministic multi-device advertising model. Twitter may also send its last independent tweet, perhaps bought by a surprise player like Alibaba or Tencent seeking to expand beyond Asia. All of these Internet titans will continue to ruthlessly battle with each other to own your smartphone, and in particular eliminate the pain of opening up multiple individual apps to read notifications. Anyone remember Pointcast, the push-based, aggregated desktop dashboard from the 1990s? Pointcast may be gone, but look for a Game of Thrones bloodbath to become your default mobile dashboard and notification aggregator in 2016. All of this will be played out against the increasing tactical moves by various companies to use ad blocking as a means to direct advertising spend into their respective walled gardens, particularly mobile app ecosystems.

So it's back to the future in 2016. Jump on your Lexus hoverboard (yes, you really can now) and enjoy the ride.

MINDSHARE	Telcos jumping on the ad blocking bandwagon	Sam Green, Mobile Strategy Director, Mindshare UK	04/12/2015

Background

The ad blocking debate continues to gain momentum this week in the UK, with mobile carriers EE [Deutsche Telekom/Orange] & O2 [Telefonica] the latest to enter the ring with bold proposals around network level ad blocking. In a move already causing a stir in the industry, both companies are claimed to be in advanced stages of updating their servers which would allow them to block ads before they're even downloaded to a user's phone.

With a combined 52 million UK customers this is big news which could get bigger with the proposed acquisition of O2 from rival operator Three. Crucially - and unlike the iOS9 software update - the decision is likely to be taken away from the consumer which would give the networks complete control on which ads, if any, their customers see across the mobile web.

Details and Implications

Neither carrier has categorically outlined their plans but as you'd expect both are tactfully positioning this as a move to improve the mobile web experience for their customers. This all sounds very noble but there is no denying it could open up huge new revenue streams and monopolize their existing proprietary advertising offerings.

In September a Jamaican based carrier announced similar plans and became the first operator globally to adopt this approach. In an extreme move the carrier blocked all ads then charged advertising companies who wanted to be whitelisted. O2 has announced that its unlikely to adopt a similar approach stressing that transparency with its customers is paramount. EE is taking a similar stance recognizing that not all ads are bad, making this more about the level and intensity of ads its customers receive.

A move towards a better web experience can only be deemed as a positive move but it's hard to define what constitutes a suitable level of ad intensity. It also begs the question, should the company defining this have such a vested interest in the category? O2 for example owns WEVE, an established mobile marketing company and you'd expect its definitions or potential whitelists to benefit its own stakeholders. On the flipside it's interesting to speculate what a company like Google would do should its ad business be impacted. Could it retaliate by de-listing EE or O2 from its search listings? We can only hope that a sensible and responsible approach will be taken.

It's easy to forget that the internet is an ad-funded business and any drastic move will shake up the way online publishers monetize their content. In-app environments like Facebook and Snapchat are safe houses for the ad-blocking apocalypse and they'll be rubbing their hands together at the prospect of incremental content and advertising budgets within their ecosystems.

Summary/ POV

We're yet to see how far these companies will push this but from what we've heard it seems unlikely they'll adopt a 'block everything' approach that would jeopardize the free internet as we know it. Having said that, the current model is in danger of collapsing and as an industry we need to seek the help of experienced governing bodies to help establish some strict and consistent guidelines around advertising. The IAB is doing some fantastic work in this area and have recently launched its LEAN principles in the US and Europe which focus on championing lightweight, encrypted, ad-choice supported, non-invasive ads. Shine, the ad blocking company rumored to be powering the technology carriers may use, recently estimated that up to 50% of monthly data is currently being eaten by advertising. Its technology has the capability to only block the heaviest and most intrusive ads and if companies like EE and O2 were to enforce these regulated and consistent principles it would give the industry the wake up call it so desperately needs.

MINDSHARE	Google App Streaming	Neil Bruce	27/11/2015

Background

Last week Google announced the launch of App streaming, taking a big step towards the creation of a "Web of Apps". The logic behind Google's decision is that at present about 40% of Google searches return content found in Apps such as Facebook, Instagram, and Pinterest and this figure is only set to rise, particularly due to the growth in App-only businesses with no web presence, such as Uber and Hotel Tonight.

Details and Implications

To date, Google search has bundled together content found on the web and in Apps. However, the major players in mobile – Google, Apple, Facebook, and Microsoft – dream of a "Web of Apps" in which users could navigate between Apps much like we do already on the web. Initiatives such as 'app indexing' and deep linking have already paved the way for this. Facebook's use of Google App indexing means that clicking from Google search results to content within Facebook will launch the Facebook App and load the content.

However, directing someone to an App that they don't have will result in a terrible user experience. Google's announcement changes this significantly. With App streaming, Google will effectively broadcast what you're looking for within an app, without any need for you to install it. There will be no fragmentation in user journey and no need to waste time, bandwidth and storage installing an App for one-time use.

Initially Google will be rolling out this trial to a limited number of partners, all of whom are US based - Hotel Tonight, The Weather Channel, Chimani, Gormey, My Horoscope, Visual Anatomy Free, Useful Knots, Daily Horoscope and New York Subway. There will also be significant limitations to the scale of the streaming service. It will only be available to users of the latest Android 5 and Android 6 devices, via the Google App, and those who have their language set to US English. In addition, because the streaming of Apps requires a fast internet connection, it will only be available on Wi-Fi. As this is a Google initiative, iOS users will not benefit from this service. This could of course change in the future. Apple certainly has the concept of App streaming on its agenda, but while it is in its experimental phase it will be exclusive to Android.

One of the App-only properties selected for the trial of App streaming is the last-minute hotel booking App Hotel Tonight. Hotel Tonight has no web presence (bar a landing page) but the content within the App can be extremely useful if returned in a search. An example provided by Google is that if someone searches for a hotel in Chicago on Google, a link to Hotel Tonight will be returned among the results. Tapping that link will allow the user to stream the App and see the contents – even if they don't have the Hotel tonight App installed. For the user, it will feel like a seamless experience.

The implications of this aren't limited to mobile-only, transactional Apps. There are benefits for any brands that utilise Apps as party of their marketing or product strategy. For example: News Apps will be able to link news searches to a stream of their App and retailers will be able to link product searches to their Apps.

Summary/ POV

While this is a small-scale beta trial with limited audience reach, the potential implications to mobile marketing are vast. As there is significantly more functionality to an App than there is within a web browser, brands will be able to deliver much more immersive experiences to consumers, without the need to vie for the limited real estate on a consumer's smartphone.

It will be interesting to see how Apple responds to this first salvo from Google. It is in the interest of both parties to ensure that this technology works on both Android and iOS devices.

MINDSHARE	China's Single's Day Shopping Mania	Bolin Wang Gary He Jane Yang	11/17/2015

Mindshare POV of the Single's Day Shopping Mania

Background:

91.2 billion RMB (14.3 billion USD) gross merchandise value was generated on Nov. 11, China's Single's Day. This refreshed the world record for the highest daily gross merchandise value traded on a single e-commerce platform. Mindshare brings you a few insights into the shopping mania.

Details and Implications:

1. Sense Of Ceremony Transformed Nov. 11 From A Date To A Holiday

Consumers all joined into the ceremony of filling in their shopping carts in advance, and competed to make their orders at exactly 12:00am. "Have you bought anything?" became a greeting phrase. The Tmall Global Celebration Gala this year further reinforced the sense of ceremony of Double 11 shopping. Double 11 shopping is now a new tradition, much like dumplings on Chinese New Year, moon cakes on Mid-Autumn Festival. People felt they were missing out if they didn't participate in such a huge group celebration.

2. Everyone Is A Sales Assistant

Selfies are out – posting your shopping cart became the new thing on WeChat Moments! "What to buy on Single's Day" was everywhere. For the entire Tmall Gala, hosts, celebrities and even the corner labels were promoting something. Everyone jumped on the bandwagon when something was promoted. Whatever the Gala host talked about, the brand's online visits grew exponentially.

3. New Ways Of Payment Enabled New Double 11 Sales Record

One fifth of the orders were paid through Ant Check Later, Alibaba's new product for consumers to "buy now, pay later". As each payment took 0.035 second, it goes without saying that this "Buy now pay later" mode provided a quick way of pay as well as promoted the shopping enthusiasm heavily for consumers.

4. Tmall Gala Marked A New Era for Online Shopping Entertainment

Alibaba's Tmall Gala was a celebration of all the hot topics in entrainment for 2015. This gala marked a new era of online shopping, which is "Shopping = trend + entertainment + celebration" The average rating of the gala was 1.6, topping the charts for all the TV shows of the same time slot. The Gala changed the way people waited for the start of midnight shopping, and got them in the celebration (and buying) mood in advance.

5. From Buying in China to Buying Globally

Tmall Double 11 is expanding across the world, selling in 199 countries and 5,000 overseas brands. At New York Time Square, the Tmall and "11.11" logo were running on billboards. The event is also reported worldwide on top media. Consumers around world are buying from Chinese spices to Qipao, from Chinese skincare to Chinese white wine.

6. Key Facts Behind The 91.2 Billion Bonanza

Payment on mobile was 72% of the total, but the peak hour at midnight led to a long period of mobile system crashes and the bell ringing ceremony on NYSE after gala was followed by the 1.94% decrease of Alibaba stock. The increased rate of sales in Q3 for Alibaba was still 50% decrease YoY; Super sales will likely come with a super return rate. 64% of the menswear top sales brands at Double 11 2014 were returned.

Final Thoughts:

This year, Double 11 evolved to Double E as e-commerce and entertainment came together. Areas for improvement? Yes. But undeniably, Tmall is growing itself into a world mall for all.

MINDSHARE	Web Summit	Molly McKenna	09/11/2015

Background

Over the past three days, Dublin played host to Web Summit, which has been dubbed by some as “the best technology conference on the planet”. The conference brings together agencies, start-ups, Fortune 500 companies, and investors; with more than 22,000 attending from over 110 countries.

Details

Virtual Reality: This year, virtual reality (VR) has surpassed the novelty of a headset in a controlled environment. Start-ups are already offering mobile ready VR formats to bring a more immersive experience to wherever the consumer may be. Specializing in VR content creation, Jaunt have partnered with Qantas Airlines to bring immersive virtual reality experiences to first class customers while they fly.

The technological capabilities of VR have expanded to create real life experiences that can be emotional and moving, and some are putting the new tech to philanthropic uses. Scott Harrison, of Charity:Water is in the midst of creating a VR experience of a week in the life of a young girl without clean water. The organization hopes the new tech will evoke an emotional reaction that triggers unprecedented action and donations.

New Applications of Data: Entrepreneurs, and the occasional corporation, are using data which is widely available to do remarkable things that have application across disciplines. Bell Labs has managed to determine which London walking routes are the most beautiful, or, in fact, smell the best. By mining Instagram and Twitter data for words related to pleasant smells, and plotting common locations, creating a “smell walk” is simply a matter of connecting the dots. The message of big data made a refreshing shift in discussion from personalized targeting to open information being used to improve quality of life at all levels.

As simply as they may have been presented, the applications of data cannot be managed by a casual interested party. The most compelling uses of big data were created using machine learning to do more than humans alone can manage. It was clear that if businesses mean to make a focused and profitable use of their data, data scientists with acute understandings of machine learning, present a new hire opportunity that companies cannot afford to miss out on.

Mobile and Wearables: The Wednesday afternoon panel of founders from Thalmic Labes, Glide, and Orion Labs dared to ask “Is the smartphone dead? While this may seem an absurd question when enterprise level companies are currently struggling to adapt content for the smartphone, start-ups have been pondering this idea for years. There was consensus that smartphone interactions are unnatural and rarely make up the moments that matter in life. The next evolution of mobile connectivity is an interface that coexists more intuitively within natural human communication.

The need for natural interaction with technology extended into current brand strategies for wearables. As companies have the ability to connect with consumers on a much more personal level, great care needs to be taken in each engagement. At his talk on Tuesday, Norm Johnston, Mindshare’s Chief Digital Officer, cautioned that wearable engagement needs to be an opt-in decision. Fortunately, Norm said, 60% of people are willing to exchange their biometric data with companies in exchange for lower prices, so opportunities abound for brands.

Taking Analog to Digital: The final common theme throughout the Web Summit was the increasing digitalization of traditionally analog environments. The Internet of Things is rapidly connecting the home, with companies such as Nest and Greenwave Systems allowing devices to speak to one another and be controlled from outside the home. TV is also benefiting from digital; on Day 3, Jamie West, Deputy MD of Sky Media, discussed how targeted ad tech is saving the TV ad market. Two years in and £100m invested, Sky Adsmart allows Sky to target ads to consumers based on data (proprietary & third party). So far they have seen a 68% rise in new advertisers to Sky (many also new to TV advertising) by targeting with 532 attributes, leading to a more engaged audience.

Implications

Wearables and virtual reality really are the third wave of digital marketing, enabling brands to engage consumers with their content in new and innovative ways. These platforms need to be a part of content strategies now. However, the same principles that govern today apply: it must be valuable, not annoying noise; avoid jarring interruptions in the personal space; and set rules of engagement that still allow brand personality to shine through.

Data science and machine learning can drive exponential learnings for any business. To make the most of this area, however, a dedicated data scientists are required within the business.

MINDSHARE	What does the future of Facebook Messenger look like?	Jed Hallam	05/11/2015

Introduction

Facebook Messenger is the messaging platform of Facebook - historically this has been a part of the Facebook platform, but last year they decoupled it from the main platform and it became a stand alone application. It now has more than 700million users, and Facebook is planning to open this up to businesses, and provide a suite of additional tools for them to build services and functions on the platform.

In a nutshell, Facebook is turning Messenger into a direct sales and CRM platform that allows brands to contact, transact, and communication with customers through Facebook's messaging platform. It will be opening up access to businesses in Europe in Q1 2016.

Details and implications

Facebook's plan is to expand the services within the existing Messenger platform, and begin to introduce services that are much more akin to those found in WeChat. The services that they'll be introducing (and in some markets have already introduced) include:

- Ecommerce - this has been trialed with Everline (a clothing brand), KLM (the airline), and they're about to go public with a major US retailer which has been trailing it for a number of months in the US.
- M - this is the new Artificial Intelligence proposition from Facebook - basically you add 'M' as a friend, and you can send it questions - these questions are then answered by an AI, and if answers look incorrect or vague, a human will intervene - eventually it looks like they want to position this as a replacement for customer service teams (train M to understand all the possible questions and outcomes, and it'll remove a massive overhead for you etc).
- New paid media channel - as part of the relaunch of Messenger, they'll also be introducing new formats that will appear in Messenger itself - they're also connecting the whole ecosystem up too, so you'll be able to join up the Facebook offsite pixel with Messenger, for example.
- There were a few other more consumer-focused features too, such as video calling, allowing third party app developers to build on it, and peer-to-peer payments.

The best example of how this will work is Everline. Everline has used Messenger to allow people to order directly by message - they send in details of what they want, Everline will confirm that the product is available, the customer then purchases through Messenger, receives their receipt as a message, along with delivery details, and confirmation of delivery. All done in-stream, without a single email sent.

The implications for this are numerous, but the first few to spring to mind are:

- Customer service - M eventually replaces customer service teams (as mentioned, we believe that it will learn to become an automated customer service tool).
- Ecommerce - they're encouraging businesses to build ecommerce functionality on the Messenger platform, and all transactional costs will not be passed on - this, combined with the ease of building on existing Facebook frameworks, makes it look like a very cheap and accessible option for all sizes of business.
- ID - Facebook are encouraging clients to use their Facebook ID as the pervasive 'people tag' that talks between existing business systems and Facebook technology.
- API - Facebook want brands to build APIs that connect directly into Messenger (and by proxy, Facebook), so that Facebook Messenger becomes a one-stop shop for all shopping.
- It gives Facebook a very plausible play for direct response advertising money - and makes them a very credible threat to both Amazon (purchase data), and Google (intent data).
- The inbox becomes another newsfeed…

Summary

The big push from Facebook is that by keeping this all in a 'thread' of messages (and within Facebook), it is a tidier, more relevant, and more contextual experience to both parties (as opposed to email). The retailer can look back over the customer purchase history and tailor communications, and likewise the customer can look through their purchase history and easily reorder things that they've purchased before.



MINDSHARE POINT OF VIEW

OCTOBER 2015

YAHOO GOOGLE SEARCH DEAL

OVERVIEW

Yahoo has recently announced a non-exclusive three-year deal with Google that will allow Google to serve up links and ads for up to half of the searches taking place on Yahoo's websites.

The deal comes soon after Yahoo announced contractual updates with Bing, which gives Yahoo flexibility to work with other partners. This deal allows Yahoo to show Google's search results within both the organic and paid listings. Since Yahoo does not have a crawler that searches the web for content, they are therefore obligated to use their partners to serve organic results. This is coupled with Google providing the search ads which will pay Yahoo an undisclosed percentage of the revenue from them.

Google's offerings complement the search services provided by Microsoft, which remains a strong partner, as well as Yahoo's own search technologies and ad products.

WHAT WILL CHANGE?

As it turns out, not a lot, as Yahoo has been testing Google's search results and ads since as early as July 2015. After seeing the results, Yahoo has entered into a deal with Google to continue showing the search ads. Like other non-Google websites, this will be executed as part of Google's search partner network.

Previously, Yahoo had an exclusive arrangement with Microsoft Bing, which was renegotiated in March and left Yahoo an opening to work with other search ad providers. As part of the renegotiation, Yahoo agreed that Bing's ads would appear on 51 percent of the desktop searches that Yahoo delivers. This leaves the other 49 percent to be "powered" by either Yahoo's own ad system or any third party that Yahoo selects. However, Yahoo has no such limit on mobile devices, where Yahoo could elect to fully serve Google results at the expense of its own Gemini ads system.

The information released thus far suggests that both parties have extensive withdrawal options.

Either party may terminate, for any reason, with 60 days' notice. Additionally, Yahoo can discontinue if Google doesn't serve content quickly enough.

At present, Google will not serve search results to the U.S. for Yahoo until the Justice Department approves the arrangement. The deal excludes Europe, where Google has come under increased government scrutiny. Furthermore, if issues from regulatory bodies arise, both sides can elect to walk away from the plan.

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Even though Yahoo is no longer the powerhouse that it once was, this deal has large implications for both Yahoo and Google. Google will provide Yahoo with search advertisements through AdSense for Search (AFS) that can be displayed on Yahoo properties and affiliate sites. Yahoo will get a percentage from the gross revenues these ads bring in, but calculations will vary drastically depending on where the AFS ads are displayed (e.g., U.S. desktop site, a non-U.S. desktop site, or on a smartphone).

CONSIDERATIONS

1) Yahoo will leverage Google's technology while splitting the revenue. Google will have an opportunity to expand its reach and also increase revenue. From this view, this deal is mutually beneficial.

2) There are no metrics available as of yet to better understand the impact that this will present.

3) Yahoo is free to utilize as much or as little of Google's services and does not have to meet a minimum number of search queries. This allows Yahoo the opportunity, if it chooses, to not send any queries at all.

4) On the other hand, Google has just teamed up to show its ads on the world's 5th most visited website (according to Alexa). This can potentially lead to better results for Google, Yahoo, and advertisers, being that advertising on one network (Google) will not only showcase search ads on the single most visited website in the U.S., but the 5th (Yahoo) and 42nd (AOL) as well.

At present, we see this as an addition to the already extensive reach Google holds on the search market. Utilizing this service will showcase varied results for each business, if not each product. Therefore, if interested in broadening your campaign, it will be best to discuss this with your Search Team to better understand the implications for each campaign separately.



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MINDSHARE	YouTube Red	Jessica Worthington	04/11/2015

Background

YouTube Red is a new subscription based service which launched in the US on October 28th. Users can now pay $9.99 a month to watch videos ad-free, save videos to watch offline on their device, and play videos in the background (most applicable to music videos). With the promise of original series, movies, and integration to the upcoming YouTube Music app, there's plenty of speculation over the direction YouTube is headed. With a billion+ monthly active users gained over a decade of free access, the value of YouTube Red is being hotly debated.

Details and Implications

While only currently available in the US, YouTube Red is expected to expand internationally soon. YouTube is offering a free monthly trial of the service, and also bundles the cost with Google Play Music (a subscription to one includes the other).

Nearly all channels have agreed to YouTube's new terms, representing 99% of watch time. This agreement means that publishers, brands and creators will allow their content to be seen on both the free and subscription based models.

For channels owning their content and its distribution, this isn't an issue. However, ESPN has made headlines for being unable to participate due to distribution contacts which forbid them from putting content behind a subscription-based wall. At the present time, ESPN has shut down 11 of their 13 YouTube channels.

ESPN may be a rarity, as YouTube insists its business as usual for the majority of channels. For brands concerned about the new ad-free option, they don't anticipate significant changes to come. There should be no shortage of scalability across popular ad products, or major impact to Google Preferred inventory.

It's easy to understand why the value of YouTube Red fails to compare to other subscription based video services like Netflix, Hulu or Amazon Prime. Even with plans to expand into original series in 2016, the scale of exclusive programming (which they plan to *eventually* distribute for free with ads) pales in comparison to the amount of content generated throughout the platform's free economy.

Summary/ POV

YouTube is loved, particularly by millennials, for its authenticity and accessibility. Polished content and walled gardens will not bring a wave of paid subscribers – especially with an array of other services available, arguably offering an equivalent or superior service for less. It is likely that there will be many iterations and updates to YouTube Red over the next few months, as they search for the secret to making this new model a success.

DIGITAL NATION



MINDSHARE

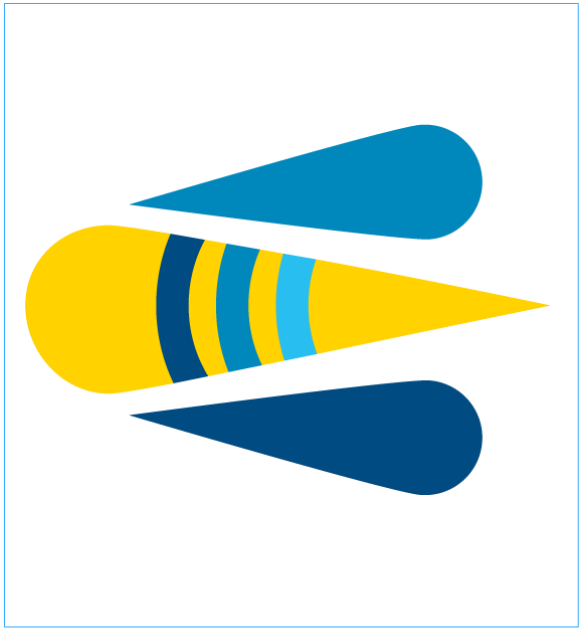
DESCRIPTION

Background

Consumers are shopping on different devices, finding product information via social channels, and using non-search platforms to enter the purchase funnel. Video content is critical, but incredibly difficult to find, produce, and use at scale – especially for performance marketers.

How it works

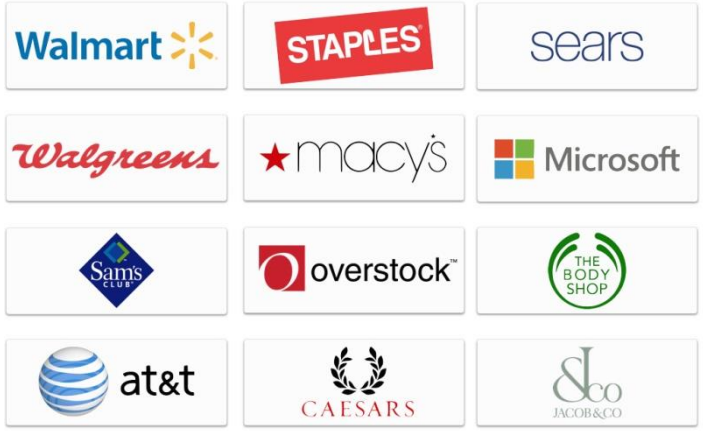
Buzztala creates short highly focused product video ads, matching product catalogs with ad units one-to-one. Buzztala translates written product reviews into a video experience for consumers, using multilingual presenters and technology to collate and summarize the reviews. Thus enabling consumers to connect with brands and increase relevant traffic to sites.



COMPANY AND BRANDS

In More Detail

Buzztala is a performance (CPC/CPA) ad network/marketplace that utilizes proprietary ad units, Product Video Ads (PVAs) to drive qualified customers to client's websites. Customers discover PVAs while in their favourite mobile apps, or conducting searches on Google, YouTube, Bing, or Yahoo . After a user watches a PVA they have the opportunity to click through to a client's website where they enter as a highly qualified prospect.



FURTHER CONSIDERATIONS

STRENGTHS

- Dynamic video production and ad serving platform
- Modular video format

WEAKNESSES

- First mover status
- Resistance from brand management

OPPORTUNITIES

- Changing landscape for SEM
- Video impact on mobile

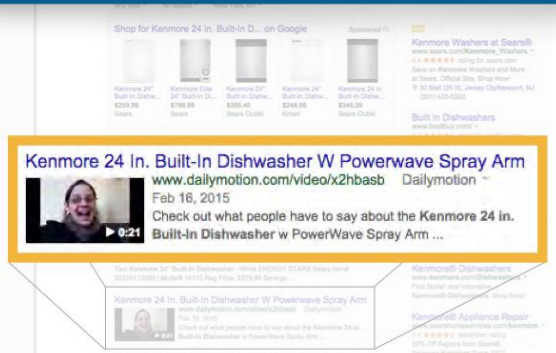
THREATS

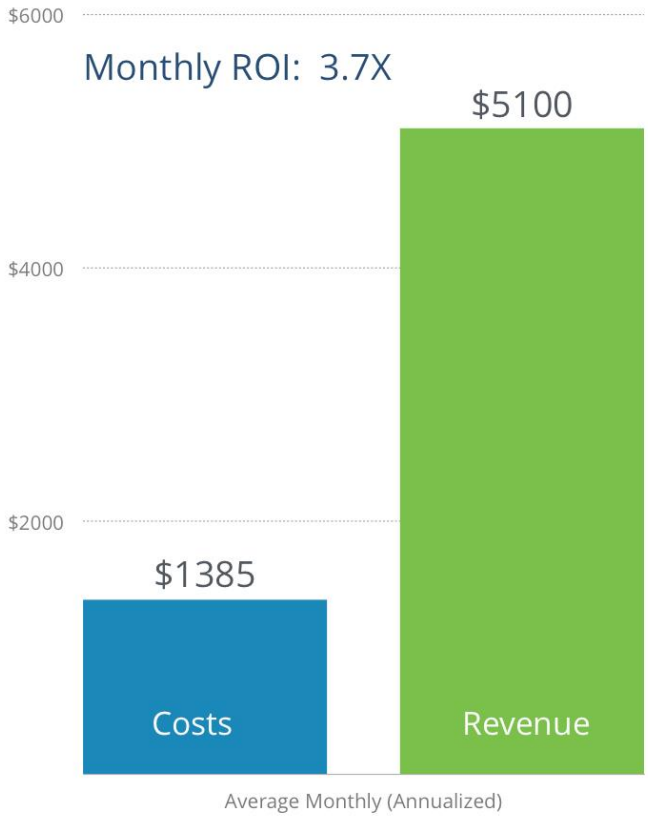
- Shifts in content marketing landscape
- Rich media/Video saturation in digital ad market

Case Study: Sears

sears

- 500 products
- 3.8% Conversion Rate
  (2x typical for these products)
- 11.4% CTR (click-thru rate)
- $6658 one month revenue
- 3.7x ROI monthly





SUMMARY

Buzztala’s technology scans thousands of text reviews to find the most common themes and then turns that data into personal videos based on the opinions of real customers. Buzztala currently operates in North America, South America, Europe, and Australia, employing thousands of multilingual presenters.



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THANK YOU

MINDSHARE	Quarterly Earnings Roundup	Norm Johnston	27 October 2015

Background
Once again it's that time of the year when the usual suspects report their quarterly earnings and face the judgement of Wall Street on whether they are keeping up with shareholder expectations. Let's take a quick look at the results.

Alphabet: Otherwise known as Google, the new parent company turned in positive results (+13% year-on-year revenue) surpassing analyst expectations with a healthy growth in revenue ($18.7bn). Mobile monetization remains a key variable for the business. The price for mobile ads is less than desktop, and until the volume in mobile searches significantly surpasses desktop, Google faces a challenge in making the numbers work. Despite a continued a drop in the average search ad bid price (-11%), there are signs that the long-awaited "tipping point" in mobile monetization is on the horizon. Beyond mobile there are continued concerns over how the newly formed Alphabet will function, whether its disparate and heavily-subsidized business units will have more transparency and accountability, and the long-standing concerns over possible government regulation/action, particularly from the European Union. In the meantime, beating analyst expectations and a $5.1bn share buyback was enough to send shares soaring.

Apple: Analysts had some major concerns regarding Apple's ability to sustain such phenomenal growth, particularly given signs that iPhone demand was weakening (a major supplier reported disappointing results) and questions about whether the Apple Watch would catch on. As usual Apple has put any doubts to rest with yet another stellar quarter. iPhone sales were over 48 million, up from 39.3 million a year ago, accounting for nearly 2/3 of the company's revenue. Apple also saw strong growth in Mac sales as well as "other categories", which includes the Apple Watch. The only product that continues to suffer is the iPad, but with a record $11.1bn in profit that hardly matters. Next quarter will surely bring another round of dire warnings on Apple's imminent demise, and it's hard to imagine the company can sustain such numbers forever. However, with strong numbers in Greater China (revenue nearly doubled there) and new products in the pipeline – a revamped Apple TV and even a rumored Apple Car – it's just possible we haven't seen anything yet.

Facebook: Does anyone remember the post-IPO days when Facebook's stock plummeted to roughly $17 a share and reporters around the world rounded on the social network? How times have changed. Since bottoming out, Facebook has rebounded by building and acquiring arguably the world's strongest mobile app footprint coupled with a robust mobile-centric advertising network. For the first time ever Facebook stock has traded at $100, and most analysts think there is room to go higher; not an unreasonable forecast given the continued user growth on Facebook, Instagram, Messenger, and WhatsApp. The official earnings will be announced on November 4th, and expectations are high.

Yahoo: Marissa Mayer continues to have her work cut out for her. Yahoo has made some solid acquisitions to build out its mobile and video product (Brightroll, Flurry), and there are some signs of life as both display (+14%) and search revenue (+13%) were up year-on-year. However, taking into account declines in other revenues, Yahoo managed only 6% revenue growth overall, below analyst expectations. Yahoo's stock price has declined by over 16% in the past year, and there remain significant concerns over the company's Alibaba spin-off and potential tax implications. After three years at the helm, CEO Mayer surely must be feeling the heat.

Twitter: All eyes are on Jack Dorsey and the newly revamped Twitter user experience. Twitter's main challenge, unlike rival Facebook, has been to grow it user base. According to today's results there are about 307 million monthly active users, an increase of only 3 million from last quarter. Twitter has performed better when it comes to advertising revenue ($518m, +60% year-on-year). Twitter's recent enhancements and acquisitions have only just formally launched, and the company will surely be hoping the new features (e.g., "Moments") will attract more regular users. However, Twitter's lower than expected revenue forecast for its fourth-quarter guidance indicates that the company is trying to manage expectations, even if it means a short-term drop in share price.

MINDSHARE	The competing trend of news syndicators delivering targeted ads	Neil Shah	23/10/2015

Background

This week Flipboard opened its interest graph to allow advertisers to target ads based on the wealth of data Flipboard has accumulated around its users. The opportunity for advertisers is to engage users through targeted and relevant ads that have a premium feel, similar to a magazine experience. As platforms like Flipboard, Facebook, Twitter and Apple enter news syndication there will be increased opportunities for advertisers to engage users outside the pages of the traditional news sites.

Details and Implications

Flipboard was pivotal to delivering tablet-based magazines five years ago. With its most recent ad product launch, Flipboard is hoping to combine the elegance of print ads with the data of digital ads. The platform's interest graph maps billions of user signals, based upon audience behaviours, which correlate against different interest groups. The benefit to the advertiser will hopefully be increased ad engagement derived from highly targeted and relevant ads.

The convergence between print and digital media gives us the opportunity to communicate to our audiences across multiple platforms. The challenge to publishers, in the face of increased outlets for news syndication, is to ensure that both content and ads served are highly relevant and can deliver cut through. Users are becoming less discerning about the source of the news and now consume content across a variety of social and syndication platforms. It is increasingly important for publishers to generate unique content and 1st party data to engage users within their own platform. The repetitive nature of mainstream news challenges publishers to define their content based upon understanding their audience interests, where they are and how they wish to consume the content; all whilst protecting or defining the journalistic integrity of their brand. Apple, Twitter and Facebook will encourage publishers to push content within their ecosystems and this provides a double-edged sword to publishers. The opportunity to reach users within their habitat is balanced against not being the first port of call for users and also sitting side –by-side with their competitors.

Summary/ POV

With Flipboard having utilised its own graph for content curation and discovery, it is of little surprise that the data will now help to power targeted ads. The trend of news syndication across other ecosystems, which include Facebook, Apple and Twitter, help these properties to ensure users are staying within their platforms. Access to each of these platforms allows advertisers to achieve scale within their targeting. Publishers, whilst working with syndicators to reach audiences, will need to generate unique first party data to help drive targeted ads and innovation across their own platforms. As the future patterns of how we consume content has changed, so has the role of publishers and the various distribution channels they use to deliver content and advertising. This has created new challenges for how we maximise a client's exposure and combine a connected planning model for our campaigns. As a result of this change we see the lines between traditional (offline) and digital publishing blurring and a focus on audience planning and touchpoints taking a more prominent role.

groupm	Facebook Emojis	Jeff Malmad	18/10/2015

Background

We've all been there: you see a sad social post from your friend and want to show support, but you don't want to "like" it. Your friend posts an article that talks about something you disagree with, and you wish Facebook had a "dislike" button. Your best friend just had a baby, but you don't just want to like it - you want to "LOVE" it! Of course you can simply comment, but we live in a visual world and with a tap of a screen or a mouse click, you can easily bond with your friend or family.

Now, after years of talk regarding a Facebook dislike button, the platform is testing "Facebook Reactions." Facebook Reactions will help personalize self-expression through emoji-like reactions. The "like" button is not going away, but it will be joined by six other self-expressions: *Love*, *Haha*, *Yay*, *Wow*, *Sad*, and *Angry*. *Angry* is probably the closest way Facebook will come to a dislike button.



Details and Implications

Facebook Reactions are currently being tested in Ireland and Spain. After that, they may soon make it to your news feed.

In our visual storytelling world, emojis have taken a prominent role in sharing self-expressions and reactions. In a recent Digiday article, Swyft Media reported that over six billion emojis are sent over messaging services on any given day - and that number is rising. Additionally, a recent Instagram study suggests that internet slang such as "lol" or "lmao" is being replaced with smiley face emojis based on posts by users. This is also evident with "good job" where people share the thumbs-up emoji. So it only makes sense that Facebook would want to leverage this growing form of self-expression for consumers.

Everybody wants more emojis. Currently, there are 722 emoji characters available in the standard Unicode 6.0 character set (this is the standardized list of text code that translates into emojis and the basic emoji keyboard that many people have).

It's not just Facebook who is looking to leverage emojis to connect more with consumers. Twitter has also begun to roll out emoji-based marketing. Through the use of certain hashtags, a brand emoji can appear. Consumers first started seeing this during large sporting events like the World Cup, when if you hashtagged your team, you could see their flag. Or during Comic Con - when you used #C3P0, you received the Star Wars character icon in your tweet.

In addition, many brands are incorporating their own sets of emojis within custom keyboards, hoping consumers will download their branded keyboard and use their emojis to become part of the visual conversation. Since Apple now allows for third party keyboards, custom keyboards reach a much wider audience, allowing brands to literally become part of the messaging engine.

Summary/ POV

If Facebook rolls out Facebook Reactions to all users, brands will be able to look beyond the "Like" metric and begin to understand the true response to that engagement. Emotions will then become a likely way to target outside of just people who 'like' your content.

With a choice of reactions, the ability to gauge sentiment will become more powerful in real time; sentiment analysis will become more prominent in social and do more to help shape campaigns and product iterations. Depending on how you look at it, with more choices in reactions, the platform can become simpler for a friend to share empathy but more complex for a brand to understand sentiment – requiring more time and resources, but for the better. In our view, as the consumer always comes first, we "like" Facebook Reactions.

MINDSHARE	Facebook Emojis	Jeff Malmad	18/10/2015

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MINDSHARE	The Race is on – Google's Accelerated Mobile Pages	April Wardy	09/10/2015

Background

Google is developing a new project known as 'Accelerated Mobile Pages' (AMP) designed to enable news articles to open significantly faster on smartphone and tablet browsers. The project is in its early stages, but has a rumored introduction date of early 2016.

Details and Implications

The slow loading time of mobile pages has become an industry wide problem with many blaming ads for the delay and resorting to ad-blockers in response. Google has stated on the site devoted to the mobile acceleration project: "A goal of the Accelerated Mobile Pages Project is to ensure effective ad monetization on the mobile web while embracing a user-centric approach".

So it could be seen as Google's response to Facebook's Instant Articles and Apple News as well as an attempt to counter ad-blocking. It launches with many prominent global publishers already involved including: *The New York Times*, *Conde Nast*, *The BBC*, and *The Daily Mail* to name but a few. It is clear that Google is keen to work with publishers and advertisers in order to achieve the best possible results from this project, but there will be no commercial relationships between Google and the publishers (at least initially).

The impact on advertisers is unclear at present. Google has stressed that publishers using AMP will not be restricted in how they sell advertising, meaning that they will be free to use ad technologies provided by third-party companies. Google's only stipulation is that the ads do not detract from the user experience, with Google planning to influence publishers to make this their priority.

Whether or not this update is Google's attempt to combat ad-blocking is debatable. It could be argued that increasing the speed of the download will inadvertently deter users from installing ad-blockers in a bid to speed up the process. However, it also seems coincidental when you consider that presently Google is the default search engine for Apple's browser Safari, that this project has come a month after Apple' announcement that it is giving users the option to block ads on iPhones and iPads as part of the new iOS9 operating system upgrade.

Summary/ POV

With Facebook and Apple both competing to keep users consuming news on their own sites rather than rather than via search engines, this is possibly not a surprising move by Google. For advertisers any development which improves the mobile experience should be a welcome addition, especially if it serves as a way to combat the imminent increase in ad-blocking. It should also be noted that there is no concrete strategy at present regarding how publishers would charge users to access their content.

MINDSHARE	Bot Based Ad Fraud	Andy Roberts	30/09/2015

Background

Recently the issue of ad fraud within the digital ecosystem has been highlighted as a major concern. Our viewpoint is simple, we will do everything humanly possible to ensure that our client's campaigns are visible to, and are viewed by real consumers. Although this is our prerogative, recent articles in the FT and Bloomberg highlight the challenges we face in achieving this ambition.

Details and Implications

The FT article references a study (cyber-attack), undertaken by a group of European academics on a series of UGC based online video services including Vimeo, Dailymotion, Myvideo.de, and specifically YouTube.

In a nutshell, avoiding the technical detail, the academics created a site and then fired non-human, bot based traffic at it in order to test whether the sites claimed these known fraudulent impressions as real views. The attack on YouTube made the headlines for several reasons. As third-party tracking is not currently permitted, they were able to test the strength of Google's proprietary monitoring technology. While this compared well to technology used on other sites, they also revealed that Google had charged for impressions that its own technology had revealed as fraudulent. In essence, Google marked its own homework incorrectly.

We have challenged Google to explain the error in its system. In response, Google accepts that there is a flaw, which it will strive to eradicate. However, to put the issue into context, there were a minute number of impressions involved in the test and the 'overcharge' only amounted to 0.007 cents. Furthermore, Google's system is designed to recognise fraud at much higher volumes, and the test revealed that its monitoring system is superior to most others. Google are not complacent and take this very seriously, working closely with GroupM to provide even more rigorous protection in the future.

While keeping this incident in context, it serves to highlight the challenges we all face, if even the mighty Google can be flummoxed by an attack. We have to follow a strict strategy to ensure we are doing everything humanly possible to protect our clients' campaigns.

We have distilled this into a 6 point action plan:

1. Ensure the best, most up to date, third-party fraud detection technology is in place.
2. Avoid GroupM blacklisted sites that are known to run either damaging content or harbor fraudulent impressions.
3. Build client specific whitelists of known, safe sites.
4. Use open Ad Exchanges with caution, ensure they have protection built in.
5. Use GroupM Trusted Market Places - programmatic direct deals with known, premium publishers.
6. Use direct deals with known premium publishers.

Summary/ POV

GroupM will actively sanction any site that is known to intentionally harbor fraudulent bot traffic, and will never knowingly pay fraudulent impressions.

However, everyone understands that there is no failsafe form of protection. We are up against highly sophisticated cyber-crime which will continue to morph into new forms. We have to work closely with the technical experts to ensure they are up to speed with the latest developments and keep updating our defenses.

Finally, it illustrates the importance of getting underneath the real ROI of a digital campaign, analysing the cost of the outcome, rather than remaining reliant on brand media metrics such as the cost of impressions or clicks.

MINDSHARE	Facebook "Dislike Button"	April Wardy & John Duku	29/09/2015

Background

The subject of the 'Dislike' button was raised during a question and answer session at Facebook's Menlo Park, California headquarters, where it was announced that the button was "very close" to the user testing stage. The development of a 'Dislike' button represents the second official attempt to quantify an emotion on the platform, after the introduction of the Facebook 'Like' button back in 2009.

Details and Implications

The concept of being able to 'dislike' a Facebook post raises several questions. Would the button be used as a way to express sympathy, when 'liking' a post is considered inappropriate? Or would the button have a more judgmental undertone and be used to express animosity for a particular piece of content or status?

It initially seems that the ability to express sympathy is the intended outcome. With Zuckerberg intimating that Facebook would like to stay away from the Reddit-esque culture of deciding the value of content by subjecting it to a tirade of up or down votes. According to Business Insider, Zuckerberg has been quoted as saying in response to the debate surrounding the implementation of a dislike button: "What they really want is the ability to express empathy. Not every moment is a good moment".

For brands and advertisers the introduction of a 'dislike' button, raises a different set of questions. It may be Facebook's intention that the dislike button be used in an empathetic fashion, but that only really relates to how users communicate with each other. As evidently it seems highly unlikely that a user would wish to express sympathy for a brand. It therefore begs the question, that if the button is introduced could it in fact have two different meanings dependent upon the nature of the content the 'dislike' was intended for?

Furthermore, what will the intended outcome of 'disliking' a piece of content be? At present, as far as user targeting goes, if particular piece of content is 'liked' a user has similar content directed to their newsfeed. However, if something is 'disliked' will content of that nature be revoked from their newsfeed? Will the context of the 'dislike' be taken into consideration?

Summary / POV

In summary, it seems the introduction of a 'dislike' button on Facebook could cause as much controversy as the media storm surrounding its development.

The use of the 'dislike button' when applied to brand content may not be quite as straigthforward as its intended use for more personal expressions of empathy or sympathy. Brands would possibly face the added fear of a sea of dislikes being directed at their content. However, on a more positive note, the increased user data may of course benefit brands. After all, having a deeper understanding of which content truly resonates with users, should serve to aid content development and more nuanced user-targeting.

Background

The big names in the industry were there and the pilsner and bratwurst were delicious. DMEXCO is a curious blend of German and Global digital leaders mixed to create what just might be the most focused digital event around. Opened by WPP's Sir Martin Sorrell and closed by GroupM's Rob Norman, DMEXCO is growing fast – attendance was up 36% from last year to over 43,384 over 2 days (about 127,000 less than CES if you wondered). This year, four exhibit halls and a conference, included everyone who is anyone in the world of digital tech and data and programmatic was the central theme.

The Hot Topics

If you are in the programmatic space, you are part of this conference. However, DMEXCO IS more than that. The big themes all focused on connecting brands and consumers:

- **Programmatic & data**: Nearly everywhere you turned there was a booth, a conversation, or some other company announcing their plans to 'go programmatic'. The shear scale was a bit mind numbing, with the majority focusing on premium video, supply side platforms (SSP), and TV programmatic.
- **The rise of the App ecosystem (and the end of fragmentation)**: Led by Rob Norman, this was not telling you to build an app, it's just the opposite. It is about the end of fragmentation, and the prediction that apps may bring everything together.
- **Content for connected consumers**: More 'things' are being connected, but at the heart of those things is a consumer, and that consumer needs better content. It's a major shift and highlights the intersection of media, creativity and data.
- **Verification**: The definition, while developed by the IAB, is maturing, but still not aligned globally. Counting the number of times this topic came up I conference sessions is near impossible. From all of those discussions, the one thing that was evident is that the industry is still aligning behind what 'viewability' really means.
- **Diversity.** Many speakers (and a dedicated 'Girl's Lounge' booth) were making the point that the industry still needs to address diversity.

Summary

The vibe was that this was DMEXCO's coming of age year. The announcements during the conference didn't have the same impact as CES or Cannes (though AOL did launch its ONE platform and UNRULY was acquired by New Corp), but this isn't supposed to replace those events. DMEXCO is a pure ad tech industry event, not somewhere where ad tech has muscled its way in. As a result it was more 'industry' and there were not many brands in attendance; with only the most progressive eager to wade through the myriad possibilities (expect that to change for 2016), but if you are agency, supply or demand [side], then 'wilkommen in der zukunft' ('welcome to the future' – and brush up on your German.)

DIGITAL NATION

START ME UP PROFILE

NARITIV

THE FIRST SNAPCHAT NETWORK



MINDSHARE

DESCRIPTION

Background

Naritiv is a network centred around Snapchat. Helping brands reach large audiences and grow their presence on Snapchat by offering a combination of talent and technology.

How it works

Naritiv pairs brands with far-reaching creators, to establish a Snapchat strategy which is tailored to actionable items, such as visiting a website, watching a trailer, or trying out a product.

Each campaign Naritiv curates, is supported by Snapchat strategies that excel on this specific platform. In addition, content created by Naritiv is archived, so that it can be repurposed on supplemental social platforms.



COMPANY AND BRANDS

Naritiv has worked with Red Bull, P&G, Marriott, ABC Family, 20th Century Fox, GE and more









Video from campaign with Nike/Hurley - https://vid.me/AeSs

Video from campaign with Marriott - https://vid.me/QZUC

Techcrunch piece on work with ABC Family - http://techcrunch.com/2015/03/30/naritiv-helped-pretty-little-liars-get-800k-snapchat-followers-in-three-months/

Digiday article on Naritiv - http://digiday.com/platforms/naritiv-building-first-snapchat-network/





FURTHER CONSIDERATIONS

STRENGTHS

- First-to-market knowledge and experience on Snapchat
- Robust analytics and management platform to track all critical elements of a campaign with an user-friendly dashboard
- Ability to build 1M+ channels and campaigns using Snapchat

WEAKNESSES

- Due to limitations on Snapchat, linking out is an issue
- Targeting limitations

OPPORTNUITIES

- Incorporation of other major platforms by leveraging content archiving capabilities
- Naritiv O&O channels across key verticals giving brands easy entry point to platform for custom content
- Ability to optimize brand spends on Snapchat directly by enhancing sponsored Geo-Filters, Live Stories and Discover integrations

THREATS

- Creator base growing, but still limited outside of US and Europe

SUMMARY

Naritiv is a network focused on Snapchat, combining strategy, talent, and technology. Naritiv helps build ongoing programming and large audiences on Snapchat for brands such as ABC Family, Nike, and Marriott, and are developing owned and operated channels across various verticals. Partners have access to technology and reporting capabilities on Snapchat, as well as the other platforms Naritiv's content spreads to, such as Twitter and Instagram.

naritiv

Launch	2014

6 words to describe: Snapchat, Integrated, Organic, Strategy, Dashboard, Vertical


THANK YOU
Contact: Dan@naritiv.com

MINDSHARE	Apple Pops and Peeks	Jeff Malmad	10/09/2015

Two months ago to the day, Apple hosted their Worldwide Developers Conference (WWDC), focusing on software for the developer community. Yesterday, Apple hosted their September "Apple Event", focusing on new Apple products for consumers. Like all Apple events, news media and consumers all tune in simultaneously, creating a heighted level of excitement and intrigue pre-event. Below is a look at the three themes that we captured around Product, Partners, and Play - and how all of these will help benefit consumers.

PRODUCTS: In the past, the star of Apple Events has always been the iPhone. The iPhone is the remote control to life for many people, and yesterday it was revealed that the iPhone 6 is the most popular Apple iPhone ever. The larger screen size for Apple is obviously paying off as the iPhone grew 3.5X faster than the smartphone industry. In particular, it's driving significant growth in China, where Apple saw 75% smartphone growth versus the industry.

Beginning on September 12, consumers can pre-order the new iPhone 6S and iPhone6S Plus with 3D touch technology that adds a new level of sensorial experience to the device. Consumers can now press down on their screens and based on force, create new experiences and bring up more information from the specific piece of content that they're pressing on. It's a new way for people to interact with content on their phone. For example, you can hold down a text message within your iMessage and information about that text string will pop up over the text. In the past, this element would have taken you directly to the full text, but now it just appears over the screen. From a marketing perspective, this new feature can allow for deeper brand engagement with creative and keep consumers within the ad experience, highlighting product attributes and commerce functionality.

Apple also is releasing the Apple Pencil, which will be available with the iPad and iPad Pro (which has a larger display, with faster, and better image quality). With Apple Pencil you now have a stylus – a feature that has previously been popular with other companies who deploy larger touch screen formats.

From a product POV, Apple Watch will also have new bands to select from and an updated WatchOS2. WatchOs2 will allow app developers to tap into the watch's sensors and data directly by running natively on the watch. There are currently more than 10,000 watch apps, and with these new native watch capabilities, developers won't be tied into launching an iPhone app first.

Although the iPhone is typically the event's star, yesterday it was upstaged by Apple TV. Apple will open up to third party developers through their new tvOS, creating new viewing experiences, siri integration capabilities, and user interfaces. In fact, Apple TV will change the way consumers game. When Apple first launch the App Store in 2008, the most popular downloaded apps were games – and that continues to this day. Games helped revolutionize the mobile experience and drive sales. Now with Apple TV and new gaming capabilities, this is a pathway to increased sales and new consumer experiences.

PARTNERS: Throughout the presentation, Apple brought in partners to showcase how they're creating products that benefit consumers. For example, *Microsoft* (take a moment to appreciate that irony for a second) was onstage with Apple to show how the Apple Pencil will work with the Microsoft Office for iPad. Major League Baseball was also onstage to show how consumers can engage with their MLB TV app, bringing new game experiences and access directly from your TV. Clothing website Guilt highlighted how you can shop directly from your Apple TV within the Guilt app - something that was previously reserved for tablets and smartphones. Although there are currently existing apps from other manufactures for Internet-connected TVs, the launch of a new tvOS operating system and the ability for developers to create new apps for the centerpiece of your living room, has the potential to be particularly transformational .

PLAY: Apple TV comes with new hardware, a remote control that acts like Nintendo Wii, and Siri voice commands. It will also come with Beat Sports - a collection of music-themed sports mini-games that consumers can play with the Apple TV remote control. The game is developed by Harmonix (the creators of Rock Band). Through tvOS, game developers will have the ability to create TV-specific games that can be as exciting as their popular applications. For example, Hipster Whale, the independent game studio that has had a lot of success with Crossy Road (if you haven't played it, think of Frogger), showcased their game for Apple TV and the multiplayer functionality it has. Now with additional third-party applications being deployed, and a new gaming canvas to paint with, consumers will have more reasons to purchase an Apple TV.

LOOKING AHEAD: As Apple drives more consumers into app environments across screens (in general, 86% of all consumer time is spent in app) and now TV, new brand experiences can be developed to engage and drive brand KPIs. We predict that the popularity of gaming consoles, now being deployed in a casual way, will be a powerful form of entertainment for consumers and an easier way for brands to engage in this space (as they already do within mobile games).

One note: Apple did not mention Ad Blocking in yesterday's event. We will be sharing a separate POV on that shortly.

MINDSHARE	The Challenges of Finding Success in China, As Shown by Uber	Benjamin Condit	01/09/2015

Background

Even with a slowing economy and a turbulent (as was always to be expected) stock market, China remains far and away the largest source of growth for international brands. However this scale and growth can invariably turn out to be far more difficult to take advantage than many realize – whether retail or digital. These difficulties can be quickly brought into perspective by looking at the story thus far of the Silicon Valley darling, Uber, as it attempts to expand in China.

Details and Implications

Uber's global expansion is one of the hottest topics globally. However, in China, Uber is a challenger brand facing immense competition from local ride hailing apps Didi Dache and Kuadi Dache.

Uber launched in China summer of 2013, with a mere dozen Mercedes S-Class sedans in Shanghai, and has since expanded to over a million trips per day across five levels of service – from Uber BLACK to People's Uber. However, current estimates suggest it is losing an average of US$4 per ride due to driver bonuses (e.g. 100% tip from Uber itself to the driver on top of the calculated fare paid by passengers). Combined with a planned expansion from 11 cities to more than 50 in the coming months, Uber is facing its toughest challenge yet in the world's largest market.

Uber has faced stiff competition from numerous local competitors, which have since been consolidated down to two core apps – Didi Dache and Kuadi Dache. Didi in particular dwarfs Uber's current penetration, and continues to grow faster in nearly all cities. While Uber has received significant investment from China's leading search engine, Baidu, Didi and Kuadi are funded by fellow Internet titans Tencent and Alibaba respectively. Both are fervently dedicated to ensuring international challengers like Uber do not form a successful beachhead in China.

The scale of China creates victory conditions unparalleled anywhere else globally, and as Uber has quickly realized, any international player entering the market has to be prepared for the long haul. Local startups across all industries speak in terms of 10-year investment strategies, accepting that they will operate at a loss until achieving market dominance.

The challenges extend beyond the financial to include political necessities. Not only is Uber facing the usual protests and attacks on drivers from existing taxi driver unions, but there is significant government scrutiny as well. Already Uber has been required to place servers in China to gain necessary business licenses, and the spinoff of its China operations into a separate entity: Uber China.

Summary/ POV

Thus far Uber is still growing across China, but its next phase of growth will require unprecedented investments to not just survive, but also prosper in the world's largest market. When you're losing more than US$4 million per day, even a billion dollar investment doesn't create significant runway. The key lesson for all brands entering China is clear - be prepared to face challenges at immense scale with rules that are very different from other markets.

MINDSHARE	Facebook Boosts Its Third-Party App Ads	Saul Hernandez	20/08/2015

Background

Last week, Facebook announced that it will be extending its autoplay video ads, carousel ads, full-screen-click-to-play ads, and dynamic product ads to third-party apps which sell advertising space through its mobile ad network, Audience Network.

Details and Implications

The additional ad formats will be available to all advertisers and developers who have subscribed to Facebook's Audience Network (launched in 2014) and will impact upon the thousands of third-party apps which are affiliated with the network. The video ads will be compatible with both iOS and Android. It is also important to note, that advertisers are not permitted to buy ads per se on the mobile network. Instead Facebook leverages ads which already run on its own mobile site, and assigns them to apps within the network based upon the targeting parameters previously dictated by advertisers.

For brands and advertisers, the ability to extend their reach across an array of apps with a number of ad formats should be viewed as an exciting development. Autoplay and full-screen-click-to-play ads have been a success thus far for advertisers on Facebook's mobile site, and are now a familiar concept to users. Furthermore, the addition of carrousel or slide show ads to third-party apps will also permit advertisers and brands to display several aspects of the product via sequential storytelling to a wider audience.

By far the most poignant development is the extension of dynamic product ads to third-party apps. Dynamic product ads are used by retailers to serve ads to individuals who have previously browsed on their e-commerce sites. In addition to this extension, Facebook is now permitting advertisers to target those individuals who have actually purchased items from their site. Thus individuals most likely to make a purchase are prioritized, and can even be retargeted with products which are complementary to their previous purchases.

This move certainly sees Facebook expanding its digital advertising offering, and is hardly surprising given the revenue Facebook has generated from its autoplay ads. Facebook is also acting in the interest of its own users, by selling more ads to marketers without bombarding its own users with surplus ads on their newsfeeds. Third-party apps should also see a greater return with a more dynamic range of ad formats on offer.

Summary/ POV

At the end of the last quarter, Facebook's mobile advertising accounted for 76% of its overall advertising revenue – up from 62% in 2014. However, Facebook's total market share of mobile advertising in 2014 was 17% to Google's 38%. It therefore seems a natural progression for Facebook to leverage its most successful ad formats and extend them to third-party apps. In addition, Facebook is also diversifying its ad offering on Instagram, recently launching spherical and embedded videos. For brands and advertisers, not only will this development result in extended reach and improved retargeting ability, but also an increase in contextually relevant moments available to connect with their audience.

MINDSHARE	Google AdX Inventory Removal POV	Rob Norman & Liam Brennan	11/08/2015

Background

Google has announced that it will be changing the way advertisers buy ads on YouTube. Last Thursday, Google disclosed that it will be withdrawing all YouTube pre-roll video and display inventory from its Doubleclick Ad Exchange (AdX) programmatic network by the end of 2015.

In addition, all reserve YouTube and mobile video inventory will only be available through Google's Adwords and Doubleclick Bid Manager (DBM) platforms. Finally, TrueView (which accounts for 85% of Google's inventory) will only be available programmatically through DBM.

Details and Implications

This move clearly demonstrates that Google would like greater control over its ad business.

AdX currently works with third-party technology firms to aid campaign management and provides additional data to them – data which Google itself does not disclose to advertisers. By removing buying through AdX, Google has taken the first steps in reclaiming control over its data.

It is also important to remember that in the future no other Demand Side Platform (DSP) will be able to buy TrueView inventory programmatically. Although this update will impact third-party programmatic resellers such as TubeMogul, networks that sell YouTube pre-roll inventory, predominately in emerging markets, will feel the biggest impact. These networks usually opt to buy inventory via AdX because it is affordable and avoided by the majority of bigger networks and agencies. Now it will not be available to them through AdX.

The impact this will have on third-party trade desks (e.g. MediaMath, One/AOL) is debatable. It will have a somewhat detrimental effect upon their inventory, but as they also buy from DBM they will still be able to access YouTube inventory. Furthermore, advertisers who have chosen not to align with Google's tech stack will face a decision whether to risk incurring significant operating inefficiencies when deploying new technology or face losing a substantial source of supply.

For Google this update seems a logical move. By forcing others to work within its closed ecosystem, Google has not only gained greater control over its data, but has increased control of the relationships with advertisers and its ability to maximize profits. Google probably will not be the last of the big players to adopt this stance. This follows a trend of inventory providers from Amazon to Yahoo of limiting programmatic access to inventory to users of their own proprietary tools.

Summary/ POV

It is important to remember that these changes will not come into force for another five months and will only impact upon a small proportion of YouTube inventory. GroupM is prepared for the changes, as GroupM Connect, which supports all GroupM agencies is specifically set up to operate with multiple DSPs, including DBM, meaning that access to inventory is unaffected. Despite this, and our respect for Google's position, we do not believe that an accelerated trend to closed markets or walled gardens is to the benefit of advertisers. Especially as it is still questionable whether this is "Google's data" or the advertiser's data, as the later are paying for the ads.

MINDSHARE	Quarterly Earnings Roundup	Chris Wallace	August 7, 2015

BACKGROUND: Apple, Yahoo, Google, Facebook, LinkedIn, Twitter, Microsoft and Amazon have all recently reported their latest earnings. Most showed positive momentum in terms of revenue and beat earnings forecasts; Amazon even turned a profit and had it not been for currency fluctuations the results would have been even stronger. However, each company has an area of growing concern and that has the market questioning the future earning potential for these companies.

IMPLICATIONS:

Apple: The company launched the Apple Watch and Apple Music, has iOS 9 coming out soon, is finally updating Apple TV, rumored to be working on an iPhone 7, and had a 112% growth in China. Yet the market is concerned over its reliance on China for growth and the future of that economy and whether Apple Watch will stick. But the future of Apple isn't really in question. What's more in question is what's next for Apple. Or better yet, what exactly will it do with that stockpile of $203bn in cash it is sitting on?

Facebook: This quarter was seen as a quiet quarter for Facebook even though the company reported: a user base of 1.49bn (with 844M daily active users on mobile); advertising revenue up 43% (with 75% of that revenue coming from mobile) and a growing revenue stream through video and Instagram. However, expenditure was also up by 82%.

Amazon: Turned 20 this year, beat revenue forecasts by 20% and surprised the market by turning a profit this quarter. The company is spending a lot of time testing and experimenting with Dash (button attached to surfaces which facilitates reordering), Echo (wireless speaker and voice-powered personal assistant), and Prime (service allowing unlimited streaming of movies and TV shows). Amazon also launched Prime Day in July, a flash sale which returned over a $1bn in sales and showed the market place just how powerful Amazon is when it comes to retail.

IPO Rumors: Beyond the publicly listed companies the "unicorn" companies (dubbed as such, due to the perceived rarity of a private tech start-up being worth $1bn). Just a few of those are Snapchat, Pinterest and Spotify. We expect to see both Snapchat and Spotify move to IPO in the next 12 months – Evan Spiegel, Founder & CEO of Snapchat is quoted as saying, "We need to IPO. We have a plan to do that. "– While Pinterest has confirmed that it has no "short-term" plans to go public.

SUMMARY:

Many are speculating that there is another "tech bubble" getting ready to burst. There are concerns over competition in mobile and EU regulators for Google, Twitter's worry is user growth, Yahoo needs to regain its place in the frontline in consumer minds whilst Microsoft has moved away from selling its advertising product. All while most of these companies outperformed earnings results. But this "tech bubble" is showing a number of bright spots as innovation is showing no signs of slowing – e.g. Amazon Dash, Spotify Running, and Snapchat 3V ads – and companies are diversifying – e.g. Facebook's Atlas and Apple's rumored mobile network. What is more likely to prove true is a slight correction in the industry and a stronger competition for mobile minutes. We will see more IPOs, partnerships, acquisitions, and ultimately an industry that becomes more accountable to the experiences it delivers. But any sort of slip up in this new world will have the market speculating who is the next MySpace?

MINDSHARE	GoPro Licensing	Phil Snelgrove	30 July 2015

GoPro Licensing: Pro Am content for all

Last week, GoPro announced the launch of its new content licensing portal offering its creative community the chance to sell content to "global advertising brands and agencies." With this move, GoPro is entering into a well-established market, with players ranging from ShutterStock and Getty, to the slightly more niche/creative communities of 500px and Vimeo. All of which already have GoPro footage available to buy, and with GoPro's pricing starting at $1,000 for a 6 month license, it's not going to be cheap!

Besides the fact that the platform is sure to benefit from the 'Red Bull effect', and will have some creatives selling-in the idea of licensing content from the platform because it's 'cool'. The one thing that GoPro may have is an untapped pool of content producers who are ready and willing to upload content. With an engaged social/digital reach (which most other brands would sell their CEO for) they could look to turn their audience into content producers. By becoming the content monetising platform for the masses, or the new Americas Funniest Home Videos - albeit for a more discerning, creative, and digital-savvy millennial audience with 1080p wearable cameras.

So what does the GoPro Licensing platform offer?

Discovery – Search, filter, and preview content based on metadata, what's trending, and editors' picks i.e. all the regular surfacing functions we have come to expect from a well-rounded digital platform.

Download – This area does more than the name may suggest, with a space to preview content and share it with other members of your creative or client team prior to download. Content can also be downloaded for offline viewing, with the addition of watermarking to ensure that pre-licensed content is secure. Other platforms call these areas 'lightboxes'.

License Request Workflow – GoPro has built a complete rights management element into the platform to handle licensing from start to finish, with all relevant tracking and reporting of the process being automated and made 'simple'.

The first question we have to ask is – **is any of this unique/new?** Simply put, the answer is 'No'. From an agency point of view, however, the question should not be "are we going to use GoPro Licensing?" but "should we use stock footage at all?" Stock footage is notoriously vanilla in nature, and although it seems certain that most of the 600+ videos GoPro Licensing is launching with will live up to the brand's high octane and stunning aesthetic, you have to wonder – will it be enough for brands to really standout?

There is a lot of conversation around the death of the old creative agency model and the use of stock libraries when it comes to the digital and social content space. One thing is certain, in a world where digital audiences are consuming more and more content on a daily basis, the need sheer demand for content is increasing, as is the desire for that content to be 'original'.

We should ask the question – "if it only costs me a $1,000 to license this content, is it going to cost that much more for a 'creator' to make something unique for me?" Based on the rates for the creators we've worked with, you could be pleasantly surprised by the answer.

DIGITAL NATION

START ME UP PROFILE

unmetric

SOCIAL MEDIA INTELLIGENCE PLATFORM FOCUSED ON BRANDS

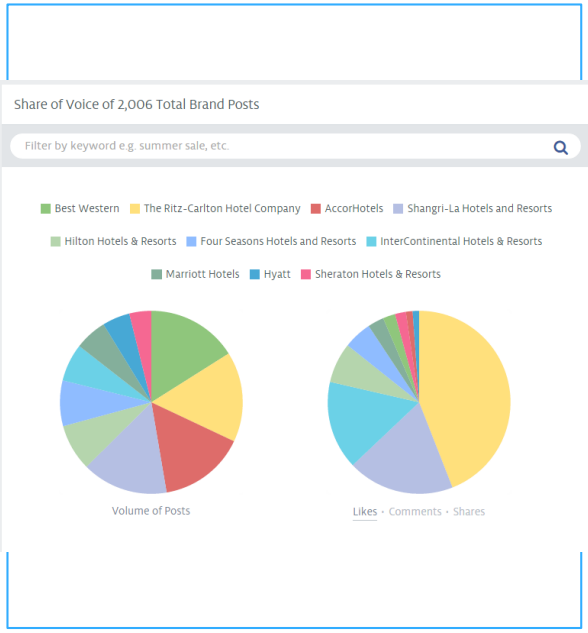
MINDSHARE

DESCRIPTION

Background

Unmetric began in 2011 as a social media benchmarking platform for brands and agencies. Since then, it has continued to evolve with the changing social media landscape.

Today, Unmetric offers a social media intelligence platform which allows users to analyze, compare, and produce reports on the performance of brands across social networks.



How it works

- Unmetric has a 3-pronged approach towards work with agencies:

  1. Continuous reporting on behalf of existing accounts - with weekly, monthly, quarterly, or campaign-based reporting requirements

  2. New business pitch preparation - whereby the agency leverages Unmetric to give a smarter, more contextual pitch that includes competitive intelligence with a reduced need for manual reporting

  3. Ad-hoc project-based work - which may not be consistent reporting requirement for a client

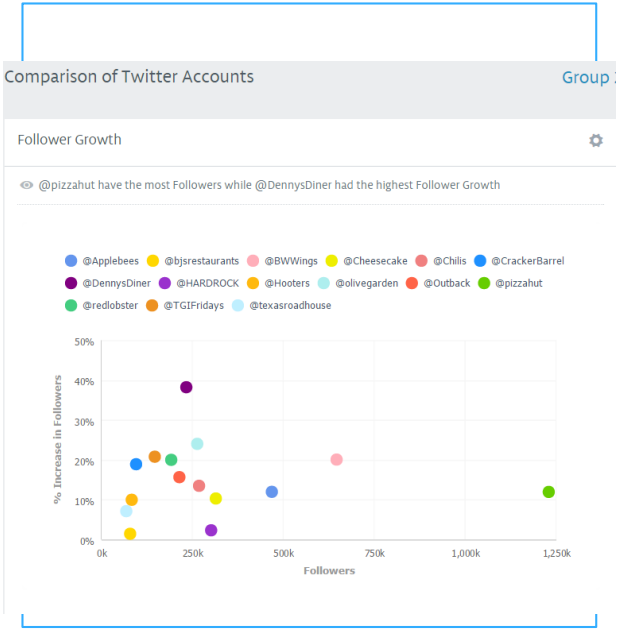
COMPANY AND BRANDS

Implications

- Improves the efficinecy of the often manual processes of collecting and reporting on competitors' owned social channels. Analysts and strategists are able to save time, improve depth and breadth of reporting, and prepare smarter pitches for new business.

A brand approach

- 24/7 access to both quantitative and qualitative insights on the activities of 35,000 brands on 6 social networks (Facebook, Twitter, YouTube, Pinterest, LinkedIn, and Instagram). Instant exportable and configurable automated reporting and dynamic threshold-based alerting. A content discovery engine designed to inspire content and campaign creation.



FURTHER CONSIDERATIONS

STRENGTHS

- Exclusive focus on Brands
- Flexible pricing model for agencies
- Inspire, the only content discovery engine on brand-owned content
- Paid Post and Tweet Detection
- Qualitative analytics (Content + Campaign intelligence)
- API

WEAKNESSES

- No social media listening or publishing capabilities (strategic partnerships established in each of these categories)

OPPORTUNITIES

- Predictive Analytics
- Sense - mobile application
- Partnerships

THREATS

- Market consolidation into all-in-one social suites

SUMMARY

Unmetric is an analytics platform designed to measure a brand's social media presence. It makes finding competitive intelligence easier, and saves time on reporting the activities of a particular brand or group of brands with one-click downloadable reports. Unmetric works with hundreds of global brands and agencies, including dozens of WPP agencies across the world - global partnership with GroupM and Social@Ogilvy, regional partnerships with Mindshare in UK, US, LATAM, as well as work with Wunderman, Y&R, VML, Blue Hive, GREY, Hill & Knowlton.



Launch	2011

6 words to describe: analytics, benchmarking, social, reporting, content inspiration, campaign intelligence

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THANK YOU

MINDSHARE	Facebook's One-Stop-Shop	Whitney Smith	24/7/2015

Background

Facebook has created a one-stop-shop for consumers to purchase retailer products without needing to leave Facebook's site

This update allows retailers to host virtual stores on their Facebook pages, through which consumers can buy the products directly. At present Facebook Shopping can be seen as a supplemental environment for consumers to purchase, not (at least for now) the unique and rich experience a brand's own site brings to its consumers.

Last week Google announced a similar feature that allows businesses to sell products via Google Shopping. It will be interesting to watch how these two companies grow their retail efforts against Amazon.

What are some key considerations?

Facebook Shopping should help grow your retail efforts, not replace them

As of Q1 2015, Facebook has 1.44 billion active users*. While this is an incredible number, it does not mean we should dismiss key retailers when planning retail strategies. Facebook is a social network, whereas Amazon is fundamentally a retail network. The two (in conjunction with other retail sites) should work together to reach as many shoppers as possible.

It's a pay-to-play world with Facebook

Today Facebook Shopping is a free service, however, we can assume this product will become paid for service in the future. Teams should monitor any performance and updates from Facebook closely to ensure maximum opportunity and efficiency. Brands and agencies should start thinking not only how Facebook Shopping can fit into retail plans, but also how it can (potentially) be supported with media investment.

The opportunity for data usage will be immense

Facebook is already one of the largest data hubs, housing a wealth of details about its users. Adding purchase behaviors from the site into the mix will only grow its bank of consumer knowledge. Eventually this data may be available for businesses to leverage, which creates a vast opportunity to reach consumers more effectively. Further, we should start to be better equipped in answering some of those tough questions around whether Facebook drives ROI. We'll know more about how consumers are purchasing directly within the platform versus only having the view once they've left the platform.

Summary

If a business is looking to expand to social commerce or simply sell more product, Facebook Shopping may be a match and it's worth testing the waters with various tactics.

You should no longer assume ecommerce equals Amazon alone. While it is a leading e-retailer, online giants like Facebook and Google will be key to monitor and test as they evolve their Shopping opportunities.

** http://www.statista.com/statistics/264810/number-of-monthly-active-facebook-users-worldwide/*

MINDSHARE	Google Pulls Flash Support In Chrome	Abby Free	14.07.2015

Background

Flash has long been used as the go to technology for rich media advertising, but Google has announced an update to the Chrome browser due to go live for September 2015 that will impact the ability to serve creative built using flash. In addition, Firefox (which accounts for 10% of browsers) will now also block all Flash activity as a default; Safari (with a 6% share) has a power-saving mode that has been enabled for approximately a year where it will auto-pause Flash; which leaves Internet Explorer (which accounts for 19% of browsers) alone with no immediate plans to follow suit.

Implications

What will happen to flash ads? Flash ads will be static in the first frame of animation and will show a greyed out overlay with a play button icon, similar to video. The creative will not be able to be played. It is expected to affect approximately 100 million flash ads per day. Note that this change does not affect video ads regardless of Flash or HTML5 player. In addition, this will not affect sites built primarily in Flash.

The Chrome update only impacts desktop versions of Chrome. The goal is to decrease CPU (Central Processing Unit) usage; Chrome will assess how many flash animations are running on that page and it will 'intelligently pause' the non-central animations, for example banner ads. This change doesn't impact mobile, as Flash is not typically supported anyway.

Flash was created in the 1990s to run internet applications and runs very slowly on platforms such as Linux and Mac OSX since it doesn't have access to GPU (Graphics Processing Unit) processing causing the application to slow down immensely. It worked well enough for a PC based world, but faces increasing challenges in a multi-platform digital environment.

The widespread adoption of mobile devices created a need for new technology to avoid issues such as overheating, battery drain and touch screen compatibility. HTML5 was developed by the W3C over a five-year period starting in 2009, with the final spec only released in October of 2014.

What does this mean?

The time seems right to join the movement towards an HTML5 standard. Given the approximate 50% penetration of Chrome in desktop and the continued growth of mobile, a move to the HTML5 standard will have a positive effect on creative performance and ensure that all creative renders as intended, whilst also avoiding the use of simple and less compelling backup GIFs. However, much work remains to be done to create consistency around the use of HTML5.

Ryan Petrich, Software engineer at Medialets explains:

> ***"Google has had success automatically converting creative on its network from Flash to HTML5, but this is somewhat hollow for agencies and advertisers—creative looks and behaves worse post-conversion, often like a photocopy of a photocopy. Creative built manually to HTML5 standards can look amazing, but is expensive to build and can have limited browser support."***

GroupM will organize its mobile community to develop an action plan to work with the MMA and other industry organizations, along with creative agency partners, to drive HTML5 standardization so that Flash can be retired as the basis for digital ad creative.

Yahoo

https://www.yahoo.com

Search

Firefox has prevented the outdated plugin "Adobe Flash" from running on www.yahoo.com.

Continue Blocking | Allow...

Home | Mail | Answers | Groups | Flickr | Tumblr | Games | Live | Screen | Mobile | More

YAHOO!

Search Web

My Yahoo | Sign In | Mail

- Mail
- News
- Sports
- Finance
- Weather
- Autos
- Screen
- Dating
- Shopping
- Makers
- Parenting
- Health
- Style
- Beauty
- Politics
- Movies
- Travel

Expand Ad

Close Ad

Ad Feedback - AdChoices



Odd wedding photos, but couple has a good reason

Jenny Tay and Darren Cheng's pictures may seem gimmicky, but they have a thoughtful explanation. 'Very passionate about our jobs' »

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Trending Now

1 Jennifer Garner
2 Farrah Abraham
3 Emma Watson
4 Kaitlyn Bristowe
5 Tamra Barney
6 Melissa Benoist
7 Tori Spelling
8 Nicki Minaj
9 Sportswear
10 Rosie O'Donnell

Live concert The Damnwells »

interaction

a groupm publication

May 2015

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THIS YEAR, NEXT YEAR INTERACTION 2015

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INTRODUCTION

Welcome to This Year Next Year Interaction 2015, our annual collection of observations and speculations on the short- and medium-term changes in the topography of digital marketing. As ever this is not an attempt at an audit of the year in digital but an attempt to illuminate areas of current and near-future importance to the world's largest advertisers. Indeed, this edition has a narrower focus than usual, so some of it will be highly relevant to some readers and less so to others. We focus on four themes:

1. In the world of internet advertising the 'words of the year' have been 'programmatic' 'native' and 'messenger'; the first represents a truly significant change in the nature of advertising and marketing with data and technology as the catalyst of that change. The second is a continuation of the effort of many years to bring advertising and content closer to overcome increased ad avoidance or ad blindness in a world where attention is every bit as fragmented as channel choice. The third, which has become more pervasive more quickly than any technology service in history, will affect marketing (narrowly) and communications (broadly) in the coming years.
2. E-commerce, omni-channel marketing and in-store technology have moved from the periphery to become central to retailers and brand owners across categories from detergent to automotive.
3. We examine the current state of the internet in terms of the geographic distribution of connectivity, the speed at which that connectivity delivers services and content and just how far it has to go. The word 'ecosystem' is overused. People in the most advanced markets sometimes think their ecosystem is typical. It is not.
4. We also look ahead generationally at the behavior of Millennials and post-millennials and also at some of the audience distribution characteristics of the media they favor most.

2014 has also been the year of 'the internet of things'; of wearables; and the less-discussed industrial internet (which GE describes at ge.com better than we ever could). These have been widely surveyed elsewhere but we note that within five years people will reflect on 2014's idea of big data and say 'they really had no idea'.

THE ONLY CERTAINTY IS CHANGE

The first of these reports was published in 2007 at a time when the online advertising market was easily delineated as search (the first programmatic medium) and display. There was no market to speak of in social media, online video or mobile. Times have changed. Social media has become the dominant internet behavior in terms of time spent online. In the USA in the first quarter of 2014 Freewheel (Comcast NBCU), estimates that fully 20% of all video is consumed on mobile devices; that is a big change from zero.

2007 was also the high-water mark of the PC age and the hopes for PC broadband penetration. In 2007, ‘smartphone’ and ‘BlackBerry’ were synonymous; there was no ‘app’ for anything; a tablet was something commandments came on; the term web 2.0 had yet to be coined; and Facebook was yet to send an invoice. The market was nearly recovered from the dotcom implosion, and the financial calamity of 2008 was on no-one’s horizon. Even if it had been, few would have predicted it would catalyze today’s smartphone- and app- dominated internet economy. We covered many of these macro events in Interaction 2014, the year that marked the 25th anniversary of the conception of the World Wide Web.

Much of the commentary we offered then remains true today. Google’s thirst for innovation and revenue has continued, Facebook is the undisputed number-two revenue generator and number-one acquirer, Twitter teeters on the edge of matching penetration and revenue with its utility and celebrity. From an advertiser perspective Microsoft and Yahoo continue to meander, certainly as evidenced by their revenue growth, unlike the relentless Amazon. In the device sector, Apple has reclaimed its place as the world’s most valuable enterprise, and for the first time since the passing of Steve Jobs there seems to be genuine optimism about its product pipeline with the exceptional sales of the 6-series iPhones more than offsetting the slowing growth of tablet penetration. The impact of Apple Pay is yet to be evaluated. Samsung has wobbled but not fallen, and Xiaomi has made the ‘US$50 android’ a reality. Microsoft’s acquisition of Nokia and its integration of both Windows Mobile and Android with its devices are making some inroads into the market share of IOS and Android. Xbox One has cemented Microsoft’s leadership in console gaming but has yet to translate into broad control of the living room. The recent acquisition of Mojang (Minecraft) is of unknown consequence.

The disruption of markets started with books, music, classified advertising and travel and continues, notably, in seemingly prosaic sectors like taxis, ride-sharing and short-term accommodation. In all cases the disruptor is ‘capital light’ relative to the disrupted. Legacy rules of markets and often legacy laws that support them are under siege. It’s notable that the new head of policy and communications for Uber, David Plouffe, is widely recognized as the architect of the acclaimed Obama social media campaign of 2008.

2014 was a big year in the corporate world. Facebook’s purchases of WhatsApp and Oculus VR (virtual reality) and Amazon’s acquisition of Twitch (streaming video) are discussed later. Facebook also acquired LiveRail to target users with video advertising across the internet and not just on its own site by combining user data mined on Facebook with LiveRail’s own data. Facebook also launched Audience Network, a mobile ad

network which allows marketers to advertise in mobile apps which will be complemented by LiveRail's video capabilities. All Facebook's activities are likely to be even more synchronized as they complete the resurrection of the Atlas ad management platform it bought from Microsoft in 2013. Yahoo's acquisition of BrightRoll means that it, alongside AOL vis AdadTV and Facebook are creating meaningful competition for YouTube.

In the early part of the year Google acquired Nest, giving the company an installed base of intelligent in-home devices; Boston Dynamics, giving it a stake in robotics beyond autonomous vehicles; DeepMind to increase its capabilities in machine learning and artificial intelligence; SkyBox Imaging to speed up and increase the intelligence of its mapping suite; and Range Span to give it a greater foothold in retailer intelligence and planning.

Twitter's acquisitions focused on regaining control of its data 'fire hose' by buying its long-standing data partner Gnip; the development of scalable native advertising via Namo; expanding its e-commerce offer through CardSpring; and MoPub to power off-platform targeting using Twitter data.

The newly-listed Alibaba made multiple purchases to enhance its mapping and logistics including ChinaVision and AutoNavi. It also purchased UCWeb, the dominant Android web browser in China, to learn more about how people use apps and the mobile web, and the data these produce. Alibaba is increasingly hard to characterize as 'the Amazon of China'.

Other notable transactions have included Apple's purchase of Beats to increase its control of the hardware ecosystem and to enter media streaming. Time Inc. was spun off from Time Warner, and News Corp split itself into video and non-video assets. Disney bought YouTube multi-channel network Maker Studios. In July 2014 BSkyB took control of Sky in Germany and Italy.

Vodafone divested its stake in Verizon and extended its cable interests in Germany and Spain with the purchase of Kabel and Ono. In the pipeline are the Comcast NBCU acquisition of Time Warner Cable and AT&T's bid for DirecTV.

The marketing clouds continue to gather with SalesForce, Oracle, Adobe and others building suites of assets that collect and apply data in the pursuit of marketing automation.

At the heart of almost all these transactions is a desire to capture as many digital touch points, and passive and active customer interactions, to increase the volume and value of data and monetize it through advertising, subscription and product sales.

Finally, 2014, has also been the first year of a serious attempt to monetize the 'image graph'. Instagram and Pinterest, two totally different services united by the virality of sharing images, continue to grow their reach at a remarkable pace. Pinterest has become an enormous source of traffic for both publishers and e-commerce platforms and now it's time to test its US$5bn valuation against its potential to translate influence into revenue. The portents are good. Pinterest has a devoted and growing user base and the ability to link any pinned image to its point of origin, often somewhere it can be purchased, Pinterest makes a valuable direct connection from scrap book to check book.

It is safe to assume there is much more to come.

Copies of This Year Next Year Interaction 2013 and 2014 are available on request.

PROGRAMMATIC AND ADAPTIVE MARKETING

2014 has been the year of programmatic at least in those markets where data are available and capable of being appended to inventory.

Programmatic is the automation of the buying and selling of advertising inventory: an efficient mechanism to clear markets.

Programmatic trading works in reserve, auction and real-time markets. Buy-side and sell-side automation connects inventory supply and demand and trades are executed subject to demand and yield optimization rules set by the two parties.

The concept is far from new. Google Adwords has been a programmatic staple for 15 years, but as an increasing number of publishers make an increasing proportion of inventory available to public and private exchanges, the investment in and dividends from automation are becoming substantial.

The processes and business models relating to programmatic trading have been widely discussed and will continue to be so. GroupM has been at the heart of the debate about the commercial dynamics and the effort to counter four threats to the online advertising ecosystem:

1. Ensuring that advertising impressions purchased are viewable, that is to say in the sight of the viewer long enough for a practical rather than technical 'opportunity to see'. Google has done well with TrueView.

2. That the viewer, or worse, clicker or form-filler is a human and not a 'bot'.

3. That content adjacent to the ad appears meets whatever level of ‘brand safety’ the buyer requires.

4. That content is not pirated.

There are two principle types of impression fraud.

1. Site Fraud, in which a publisher deliberately disguises low-quality impressions as saleable advertising content. One example is ‘stackable’ ads, where only the top ad can be seen but the ad server counts all as delivered. Another is ads so small - single pixels, even - they are invisible, but still get counted. Site fraud affects hardly any direct buys from publishers (0-1%) but some estimate fraud ranges 3%-16% in exchange-traded inventory.

2. Non-human Traffic or ‘bots’ are often smart enough to mimic human behavior, and can be difficult to detect. Some can click through to sites, or populate online forms, but none generates real conversions and they certainly don’t engage with brands. Bots follow the money, targeting segments when they are advertising heavily.

These issues concern all good actors in the buying and selling of advertising. Their resolution is central to preserving the integrity of the market.

Programmatic trading is certain to grow, and should bring these benefits to advertiser, buyer and agency:

1. The least of these is automation for the sake of automation. Savings may arise from deleting manual processes, but will inevitably be re-spent on trade execution technology, on the data required to create value and advantage and on the costs of people to set the rules under which transactions are agreed, executed and optimized.

2. The most-discussed dividend relates to using data to improve targeting and thereby efficiency and effectiveness. There is already a hierarchy of businesses to whom this is more or less valuable; and it is clear the availability and application of data across the world is far from consistent.

    - At the top of the hierarchy are e-commerce businesses with either capacity or yield optimization challenges in categories like travel, or businesses with unlimited inventory such as Netflix and VOD sellers.

    - The second level comprises businesses to whom data can

indicate the imminence of purchase intent. This includes automotive, insurance, retailers and many categories fulfilled in the e-commerce channel.

- At the third level sit the CPG / FMCG marketers where data is generally less valuable because their inventory (goods available at the point of sale) is harder to manage, and purchase behavior is seen more quickly by the seller than the manufacturer, and intent signals are less clear.
- The source of the data is equally important. Re-targeting web site visitors is relatively simple as the data (a cookie) never changes form. Shopping data, for loyalty cards for example, is every bit as powerful but more complex to apply.

3. For the very largest advertisers the greatest utility may reside in improving what can be referred to as the 'adaptive' layer of marketing. Advertising has always been a mix of foundation and adaptive layers.

The foundation layer is here I am, this is what I do, and this is why I suit your purpose: a message delivered at a cadence that makes it persistently memorable. It is hard to launch brands or create persistent brand awareness without a continued commitment to the foundation layer.

Adaptive and responsive marketing are often spoken of together but they are not the same.

Adaptive marketing is "advertising strategies that respond to data that anticipate or indicate positive or negative movements in consumer and business sentiment or opportunity."

It can be argued that adaptive is no more than tactical marketing which allows a brand to alter weight, content or location of message delivery to respond to opportunity or threat. Digital media are characterized by few supply-side constraints and less inertia compared, say, to newspapers or radio. Executed programmatically, the adaptive layer increases effectiveness and affords the advertiser greater discretion between up-front pricing advantages and just -in- time flexible delivery.

Advertisers like flexibility, hitherto limited by the speed of data delivery, the lead times for getting messaging to the audience, and the need to pay premium prices for lack of upfront commitment. The internet solves speed and lead, and may now solve need. The 2014 US TV upfront market was weak, but not for the usual reason of a soft economy, because the economy is doing OK. It may have been weak because advertisers are more comfortable 'shorting' the market and picking up 'scatter' inventory

later at reasonable prices, or that they think finding substitutes for TV is getting easier. Time will tell, but this may mark the beginning of structural change.

Many publishers remain ambivalent towards programmatic, uncertain if it is a threat or opportunity, and fearing 'the race to the bottom'. But why employ a sales force when a machine can both optimize yield and execute transactions? Why not trust the exchange, or multiple exchanges or marketplaces to fulfill demand? The answer is simple enough; machines define quality and value differently from humans. The emotion is extracted from the calculus, as is historical pedigree and value of bundling with other inventory. Machines rightly have no regard for the manufacturing cost of an impression but also little appreciation of its value when aggregated, only its value in isolation when matched with a particular user at a particular time.

The obvious response from publishers is to segment their own inventory into a foundation layer and an adaptive layer, and for cross-media publishers to set aside digital inventory as an adaptive reward for loyal advertisers which continue to invest in the foundation layer. An advertiser investing in multiple pages of Vogue or spots in prime time soccer would thus be granted an advantage in the price or availability or quality of programmatic inventory. Such an approach reconciles the interests of the greatest investors in content and the greatest investors in brand advertising. The notion of a 'level playing field' has never benefited either of those groups: both are comfortable with conditional buying and selling of media. Such a strategy does not preclude either automation or the application of data to improve efficiency and effectiveness. It simply requires sell-side rules which discriminate in making decisions that broaden the context beyond the immediate moment of any given transaction.

Responsive advertising characterised the rise of social networks: 'advertising created to respond to real-world or media events in a way coincident to the timing of that event and reflecting the context of that event.' This category encompasses the news rooming strategies of brands such as Oreo, Jaguar and Tide (to great acclaim) and to Yahoo's Twitter response to a Gmail outage (to rather less acclaim). There is nothing new about advertisers responding when their chosen athletes win and to many other events including changes in the weather. What is new is being able to seize the opportunity with such speed and in so many ways. Live instant news platforms like Twitter and Facebook and search trend data combine with rapid and even automated asset creation and delivery.

We have discussed other facets of data-driven marketing in past Interactions, and the persistent conclusion is the best results come from re-targeting those you know and targeting 'hand raisers' who have searched

on a brand, product or category revealing their intent and their place in the purchase funnel. Both have spawned marvelous business models especially when the favored metric of the buyer is last click attribution.

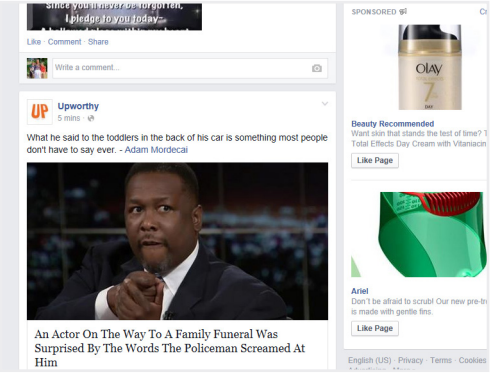
Transaction data and intent derived from on-site browsing of advertiser sites and from search have consistently proven most effective. They are high-quality signals of future outcomes. Thus far these have been more valuable than social data and general browsing data.

It's our perspective that Facebook may have created a new layer of data and with it a new and effective application of that data to advertising.

More than 40 years ago, Bell Labs (the Google X of its day) offered an early articulation of 'Network Neighborhood Theory'. It proved 'birds of a feather flock together' was true when applied to the sale of long-distance calling plans.

The same notion was applied by and with Facebook. If you could make friends (people you knew) then friends of those friends (people they knew) would likely exhibit similar behaviors. The demise of organic reach and the lack of traction of many other social-data-driven ad networks put a hole in the theory but now a more relevant set of social signals have emerged which combined with Facebook's scale have value. No one has named this but clumsily we will use 'situational marketing' defined equally clumsily as 'messaging delivered to specific cohorts as a consequence of a publicly-declared event that will lead to a shared experience with either family or friends.' Marriage, childbirth, World Cup viewing parties and house moving: so many such events take place on Facebook daily they can be aggregated into mass marketing opportunities. Twitter has established its primacy in communication that leverages 'moments', like the Ellen 'selfie'. Facebook may capture 'planned spontaneity.'

THE RISE OF NATIVE ADVERTISING, THE END OF STANDARDS AND A VALUATION PROBLEM



Native advertising, content marketing and branded content are used both often and interchangeably. We should try and tell them apart.

Native advertising is 'Communication by or about a brand, service or corporation that is defined by sharing two or more of the form, context or functionality of its host media platform.'

This draws the distinction between *native advertising* and *native ad placements*. Facebook News Feed, Twitter, LinkedIn Sponsored Updates and Buzzfeed and other 'in stream' ads are 'native advertising' as they follow the form, function and sometimes the context of the host provided they have social relevance. These ads are distributable to the limits of the available reach and frequency of the platform and the advertiser's budget.

Nothing is new under the sun. The fashion and beauty advertisements in Vogue or Glamor or the beauty shots of cars in automotive magazines are every bit as 'native', if distributable on a smaller scale than the mass reach of digital platforms.

Content marketing (beyond distribution on properties owned by the brand): 'Communication by or about a brand, service or corporation that is *not* advertising and which shares *all* of the look (or manner), context and functionality of its host media or platform.' A Paid Post in the New York Times uses an icon to identify the sponsor linking to an article which will be in the style and format of the host and (one imagines) relevant to the sponsor, of interest to the reader, and which does credit to the host. The same is true of Forbes *BrandVoice* and, in the historical context, every advertorial ever published.

One should also distinguish content marketing from branded content. The latter is distributable beyond its host (unlike content marketing which may be shared but not published elsewhere) and has no requirement to ape the style of its host; it simply does not fit into a regular advertising container like a time-proscribed TV spot or space-constrained IAB ad unit. Many media companies including the New York Times, The Guardian, The Washington Post and Condé Nast are becoming noted producers of brand content yet, they are reluctant to allow that content to appear on platforms other than their own. This appears self-destructive. Such productions are only as valuable as the breadth of their distribution and it would seem logical for those creators to allow, at a price licensed distribution further afield. This might be described as a coalition of the willing (or threatened).

How then are we to classify the ubiquitous 'you might be interested in' links and thumbnails? These are large-scale mechanisms for the distribution and discovery of branded content and similar, generated by such as Taboola, Outbrain, and Plista (a WPP company). These links and thumbnails are more or less native ad placements but are not themselves either native advertising or content marketing.

It is unlikely the definitions above will be universally accepted, but they may help frame the thinking of brand owners, their content creators and distributors. What is certain is that successfully to execute at speed and scale all require competent creativity and good coordination of agencies, advertisers, publishers and content technology companies.

It is equally certain that content marketing will be controversial. The lines between advertising (call it what it is) and editorial are often blurred, and the audience has the right to know and appraise for itself who's saying what. The Center for the Digital Future at the Annenberg School at the University of Southern California in its 11th annual report states that 58% of all the world's internet users believe half or less of the information they see online to be reliable. It also says 43% of internet users are concerned with government intruding on their online privacy and 57% feel the same about corporations. To be less trusted than politicians is a quite an achievement. Blurred lines won't help.

More widely, the rise of this category of communication is laying waste to the concept of industry standards. Those with long memories of 30s, 15's, pages and spreads and even standard IAB units will be either delighted or discomfited by the dizzying array of formats now available. This is great news for brands in terms of innovation and the battle for attention, but also a new source of cost throughout the marketing supply chain. The combination of formats, devices and available bandwidth places an increasing burden on the manufacture of communication assets, the responsive design required to make them work, and the ability to scale message delivery.

This can be summarized as a distribution problem (excess fragmentation) and a manufacturing problem (excess segmentation) together raising the risk of subscale communication.

Distribution problems are magnified by measurement challenges.

- What is the desired reaction to an interaction with content?
- What is the value of that reaction?
- How many such reactions do you require over the period to justify the expense?

This is especially important in environments demanding many small inputs. Any advertiser wishing to discriminate between the effects of paid media or those of owned or earned assets must ascribe a value to an interaction, time spent, a Like, a Tweet, retweet, a comment, review or share.

THE MEDIUM IS THE MESSENGER

Messaging, in the form of SMS, has been a feature of marketing for 20 years. For half that time it was the entirety of mobile marketing, making a great deal of money for telecom companies. Messaging was a vital component of the early consumer web, from ICQ to Microsoft Messenger; for many, messaging was the alternative to voice- and e-mail. As ever, it was consumers - a billion of them - who embraced the future with WhatsApp, and Tencent's WeChat long before marketers and agencies cottoned on. As some rise, others fade, and Microsoft finally shut down Messenger in 2014 to focus on Skype and its 360 million active monthly users.

Marketers paid more attention when Microsoft purchased Skype in 2011 and paid even more when Facebook acquired WhatsApp in February 2014 for more than US$19bn (around 12 times what Google paid for YouTube and 20 times what Facebook itself paid for Instagram). WhatsApp has possibly the highest conversion of monthly users to daily users of any app. The chance of Facebook becoming a Myspace-like supernova reduces every day.

Our speculation is that the WhatsApp and Instagram acquisitions were similarly motivated. Facebook had observed that photos were sharers' preferred medium. Instagram was the preferred platform for photos. Facebook will also have observed that messaging was not an activity it dominated but was central to the connected future. The acquisition put Facebook back in control.

Monetizing WhatsApp beyond its $1 annual membership is also much discussed. Facebook has undertaken to keep the platform 'advertising free' for now so it may be instructive to observe WeChat for signals of commercial strategy. The platform integrates payment services, check (bill) sharing, games, taxi-ordering and virtual goods commerce, all of which generate revenue. Rakuten also acquired Viber in 2014 giving Japan's largest e-commerce player a stake in the messenger market and a user foothold outside Japan.

Another feature of the intersection of the social and messenger space has been the development and adoption of anonymous (albeit not quite as anonymous as its users might hope) services like Snapchat and Whispr. As people start to stratify their private and public utterances as well as their real and assumed identities, services will proliferate. It remains to be

seen if revenue from users or advertisers will follow. Given the value of 'persistent identity' any assumptions in that regard are highly speculative. At the opposite pole the last few months have seen the arrival of ELLO, a social network that promises its users the utility of Facebook backed with the promise to offer that utility while never exploiting its users data. Reports suggest that ELLO is receiving 40,000 membership enquires per day. You say goodbye, and I say ELLO?

THE 'IN-HOUSE' CONUNDRUM

One consequence of all of the programmatic, adaptive, responsive and native opportunities has been an increase in the number of advertisers assessing the costs and benefits of increasing their 'in-house' capabilities.

Some businesses are more suited to this than others. The ones most at home running their own programmatic buying are data-rich and execute on data all the time, and are great places to work for the data-enthused employee who imagines a path from media trader to the board room.

In-house is an obvious threat to media agencies. To compete, these must demonstrate scale, agnosticism, expertise, a deep bench of talent, and experience of multiple technology stack components, categories and geographies.

Going 'in-house' is not simple. Amazon, Facebook and Yahoo have something in common; their programmatic inventory is available only if you use their proprietary tools. This raises the question of 'just how many trading stacks do you want to operate?' A trade desk is one thing. A suite of digital office furniture is another.

Nor is running your own platform the same thing as eliminating risk. Platforms give access to markets via more or less useful interfaces and supporting market data. But the difference between winning and losing has relatively little to do with the platform and everything to do with intelligence and the human operators who set the rules. A platform is someone else's profit center: a business like the flow monsters of Las Vegas which transfer principal risk to others. Their success rarely depends on the success or failure of the advertisers' trading strategy, in the short term at least. The broader visibility that agencies have of demand and supply across all inventory vendors may not be a perfect analog for the ability to count cards, but it helps.

Nor is buy-side technology anything like steady-state. Many advertisers have already switched platforms and many will switch again. In contrast, the largest agencies know more about the range of tools in the market

and have far greater experience in managing the transition from one to another. This flexibility in resource is routine for agencies but few advertisers would want to create it for themselves.

On the creative side of the equation many advertisers believe that the adaptive and responsive opportunity is best exploited inside the business where trends can be spotted, decisions can be made and assets created, approved and distributed with minimum inertia. The watch word is agility. Retailers have long left it to agencies to conceive the foundation layer, but manage the adaptive layer themselves. This may be a trend, though again the versatile agency experience may prove more valuable as creative talent is often drawn to variety of opportunities. Teams working very closely over time on a very specific area tend to be better at iteration than invention.

It is also worth noting that while many brands many make use of a 'newsroom' there are few that need one full-time. It may make more sense to rent agency capacity rather than create a people-heavy overhead.

In the area of consumer insight the availability of listening platforms has encouraged some advertisers to think that there is now a 'self-service substitute' for everything from creative development to copy testing, sentiment analysis and new product development. Automation is always interesting, but often overvalued, and sometimes dangerous.

Insight derived solely from the public utterances of users is almost invariably biased by the unrepresentative nature of the digitally pre-occupied, by the proliferation of false positives, and by enthusiasms which obscure the indifference of the many and by the 'Henry Ford problem' - 'If you asked people what they wanted they would ask for faster horses'.

New product development has never been more important. The development of functionally and emotionally differentiated products and supporting communications depends rather more on the quality and ingenuity of insight than the speed at which it can be acquired.

THE RISE OF E-COMMERCE AND RETAIL TECHNOLOGY



In the early years of the millennium e-commerce comprised areas such as books, music and software in which the likes of Amazon and Apple disrupted markets, and travel, where the internet simply vaporized the ancient byzantine workings. But beyond these were assumed to lie three barriers to the development of e-commerce: fear, touch and logistics:

1. People feared giving their payment details to virtual merchants. Fear failed to become reality and payment security became accepted everywhere on mechanisms as varied as credit cards, PayPal and direct charges to cell phones.
2. Touch, sight and 'buying experience' were considered major barriers in categories from clothing to food but were not. Apparel is a huge part of e-commerce driven by innovators like Zappos. Yoox and Net-a-Porter, joined by retailers evolving to omni-channel. Later entrants may thank the pioneers for innovations such as zero risk zero cost returns that proved the convenience of the channel and a delightful shopper experience that did not commoditize brands.
3. Lastly, logistics. The shipping of single items and fresh items and the 'weight to value' ratio were assumed to be great challenges. The revolution in order-pick-deliver logistics and the relentless enthusiasm of Amazon to put customers before short-term profit has driven the entire market to do the same. In China the sale of 666 Daimler-Benz Smart Cars on Sina Weibo may have been the final frontier.

E-commerce continues to increase its share of total retail and its absolute growth. 7% of all UK retail sales are online, 6% in the USA and 3.5% in China. We split out travel in the eMarketer (2013) data below as it is still a large subset of business-to-consumer e-commerce.

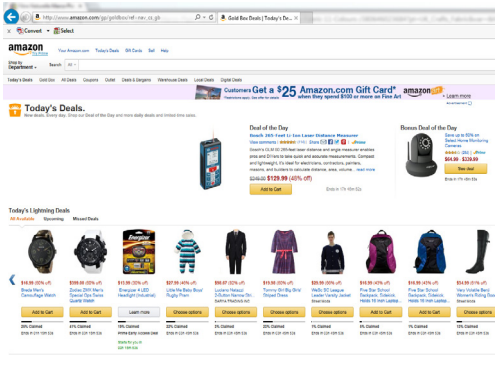
Country	Online retail total (excluding travel) $US Bn	Travel total US$ Bn
USA	263	145
China	133	47
Japan	70	38
UK	70	33
Germany	52	15
France	34	9
Brazil	13	8
Mexico	3	8
Australia	8	7
India	4	11
Global	873	350

In the UK GroupM estimates that just under 8% of e-commerce is now transacted on smartphones and that 5.5% of consumers use online channels for their main grocery shopping. GroupM estimates that total China e-commerce may be at least double the eMarketer total and that the 'marketplace' activity of Alibaba may not be fully captured in the above data.

Kantar Retail offers interesting insight into the relative scale of Amazon in USA online retail and into the proportion of sales transacted online by other major retailers:

Retailer	Category	2014 (F) online Sales US$Bn	% of sales online
Amazon	All	53.0	100.0
Apple	Technology	12.4	42.4
Walmart	Mass retail	8.6	2.5
Office Depot	Office supplies	4.9	43.5
Macy's	Department store	4.1	14.5
Best Buy	Consumer electronics	3.9	10.7
Home Depot	Home / construction	3.5	4.8
Gap	Apparel	2.7	20.0

(Source: Kantar Retail)



Amazon's dominance of USA e-commerce is remarkable. Its online sales exceed those of the next 15 largest USA online merchants. Amazon is the world's 10th largest retailer with total sales approximately 16% of Walmart and 72% of world number-two Carrefour. By 2019 Kantar predicts Amazon will be number two spot with sales 27% of Walmart's and 20% ahead of than number three's. Relative to its competitors Amazon has unique advantages as a seller of goods, media and the devices on which they are consumed. Amazon has received less acclaim for its original content than Netflix, perhaps because it relies too much on algorithms to predict human taste. We might speculate that while algorithms are good at predicting recurrence, they are less good at serendipity, and it is serendipity which often provokes consumer curiosity and new sectors of demand and profit.

The USA data above show the rapid migration of electronics and apparel to online channels compared to food. This contrasts with the rapid rise of online grocery sales in the UK. How the recent roll-out of Amazon Fresh and Amazon Subscribe and Save will change market dynamics will interest every brand owner and retailer in the USA.

Amazon is often compared to both Alibaba and eBay yet the businesses are fundamentally different. Predominantly Amazon is a seller of goods purchased from third parties and goods manufactured on its behalf, so it is a conventional retailer. The other two are toll-taking marketplaces. In 2013 Alibaba reported revenues of US$5.5bn from transaction volume of almost US$250bn, which volume would make it the world's second largest retailer now. For comparison, eBay reported 2013 revenues of US$6.8bn on US$83bn volume. eBay reports similar revenues from its PayPal business which it plans to list separately in the near future.

eBay is also a strategic investor in NASDAQ-listed Mercado Libre, founded 1999 in Argentina and now the number one e-commerce player in Latin America. Mercado Libre has many similarities to eBay and Alibaba as it is dominated by marketplaces and supported by proprietary payment systems.

Alibaba operates two distinct marketplaces; Taobao, for small merchants, and TMall, an aggregated digital shop window for big merchants which dominates the e-commerce of most major brands in China. This attracts such a large audience that Alibaba earns a lot of CPC and CPM ad revenue from display advertising triggered by search queries. The platforms differ in this regard; Taobao takes advertising from anyone; only TMall merchants may advertise on TMall. Advertising is essentially the only revenue stream for Taobao while TMall charges for advertising and earns sales commissions. We may thus liken Alibaba to a hybrid of Google and eBay rather than Amazon. Like Google, a rapid transition to mobile and the limitations that places on available advertising inventory may act a brake on Alibaba's growth.

It is interesting to speculate why eBay's extraction rate is so much higher than Alibaba's. We think it is because eBay caters for far fewer of the major corporate sellers who pay massive marketing services fees to the platform.

Most discussions of e-commerce focus on the West and China yet 'e businesses' are emerging worldwide. Amazon lookalike Jumia, founded 2012, is already Africa's largest e-commerce player, focusing on consumer electronics and clothing. Based in Nigeria, Africa's most populous country, Jumia has already expanded into Uganda, Cameroon, Egypt, Morocco, Cote D'Ivoire and....the UK. Jumia operates in partnership with MTN, the South African-based mobile operator which has pursued an aggressive spectrum and roll-out plan and has 215 million subscribers across the continent.

Like India, Nigeria is hardly bright red on the heat map of credit card penetration and in both countries about 80% of e-commerce is COD. The

two countries also have much in common in the slow development of 'organized retail' i.e. conventional formal shops instead of street vendors and markets.

For now, the numbers are tiny in comparison with the West, but it is likely that e-commerce will reach its highest share of GDP in countries with the lowest organized retail and the fastest-growing middle class. Look at the potential: India's 2013 retail was US$421bn, of which US$30bn was organized, of which US$4bn was online retailers and marketplaces. India's total e-commerce was only US$15bn, expected to double in 2014 and rise to US$90bn in 2021. Alibaba, Rakuten Ichiba (Japan's leading e-commerce company) and Walmart are all poised to enter India by the end of 2015.

Flipkart, the Jumia of India and its leading online e-commerce company is already valued 10 times higher than the largest brick-and-mortar retailer Future Retail.

It seems likely that retail in Africa, India and other less developed markets may make a generational leap from traditional retail to e-commerce skipping the modern retail phase in part at least. This would be analogous to the 'straight to mobile' growth of internet usage and will be an essential ingredient of the growth of Asian manufacturers in particular who dominate in domestic markets but lack traditional distribution partners beyond their borders.

WHAT ARE THE IMPLICATIONS FOR ADVERTISERS AND OTHER RETAILERS?

'Omni-channel' marketing has become a key theme of retailer and brand owner strategy. The penetration of e-commerce, the proliferation of payment options, speedier delivery and the reduction of payment security paranoia has created an expectation among consumers in developed markets that their channel choice is infinite. Retailers know that an omni-channel customer is always more valuable and more loyal.

Amazon is an existential competitive threat to other retailers. It possesses a seemingly limitless willingness to invest in infrastructure and logistics. Prime now provides unlimited free delivery. And of course Amazon handles a huge library of media (now 30% of sales). Amazon spends US$6.6bn delivering goods and recoups a little over half from shipping charges. Amazon's pursuit of profit is long-term, not the quarterly imperative it is for its competitors.

Some retailers are likely to survive the Amazon squeeze. Those carrying goods unique to them (like IKEA). Those with good owned-and-operated multi-channel solutions (like Macy's). Those embracing mobile commerce

apps for use in and out of the store (like Target) which give shoppers useful information, simultaneously saving costs and increasing basket size. Amazon's own app is the most widely-used in retail but Target and others are focused on increasing utility and in- store adoption.

Beacon technology such as Bluetooth low energy (BLE) and near field communication (NFC) send smartphones messages from nearby transmitters, enabling finer 'micro-location' targeting than previously possible. GPS gives you a shopper in a store: micro-location gives you a consumer in an aisle, or even when he or she is adjacent to your product.

There is some speculation that Amazon Fresh, a same-day delivery service, may not just be about increasing CPG and food sales. It is as likely that Amazon is testing the general appetite for near-instant gratification, not previously a notable strength of e-commerce. If the appetite exists, Amazon's share in many sectors will rise as latency falls and with it the threat to retailers at large.

For brand owners, this diversity is imperative but costly, requiring margin sacrifice to achieve prominence in channel, and heavier trade support which siphons funds away from branding and brands. If brands become less familiar, less relevant and less representative of quality, trust and value, their value to corporations falls. This is a long-term threat to generations of investment and may help explain why some big advertisers have divested some brand portfolios.

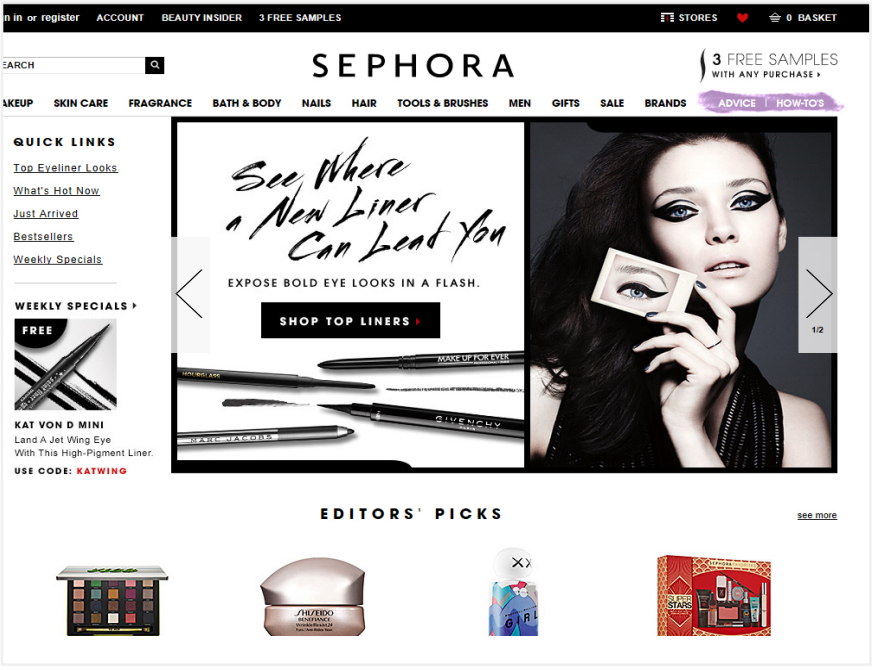
Following Facebook, Google, Twitter and LinkedIn's 'off platform' use of consumer data, the data arising from e-commerce gives some retailers still more power over brand owners. Walmart and Amazon have ad networks as well as sponsored links, the latter in common with other e-tailers. Retailers have always sold in-store advertising, but this is different. Now they purchase inventory in the open market, append their sales data to it along with other targeting filters, and sell it to brand owners. Actual sales data are good evidence of intent, so these networks may challenge Google, the dominant force in intent-based advertising. Google Wallet is a logical countermeasure. Amazon and Walmart are not alone. Tesco bought Sociomantic in 2014, another ad network powered by retail data. Of all players in e-commerce, Alibaba generates the most advertising revenues from its partners.

We would qualify the advantages of such media. Walmart data is just that: it tells us what price-conscious and generally poorer Americans buy. These are bound to be lower-margin sales for brand owners. The value of capturing more such sales should be evaluated against channels that may better build brands and margins.

In terms of media allocation decisions there is limited dialog between brand marketers (consumer) and trade marketers (customer). The ascent of retailer media demands a change on two dimensions:

- Where does retailer inventory fit in the media mix?
- How do you optimize media spend to drive the highest possible proportion of sales in the channels with the optimum intersection of volume and profitability?

A small number of brand owners in consumer packaged goods run their own e-commerce operations. The beauty sector may be the most advanced, perhaps in response to the success of Sephora.com, but is not alone. For many the motive cannot be short-term profit, as fulfillment costs offset much of the gain. The real gain is data about purchase behavior and a bank of first-party data for retargeting and to create lookalike pools to use further afield.



The proliferation of e-tail and consumers' rising expectations of satisfaction from their favorite sellers may pose some medium-term threat to Google. Searching for brands by name might conceivably migrate from Google to Amazon and others. Along with the reduced role of brand web sites, as evidenced by anemic traffic, this suggests budgets currently allocated to search may also migrate.

We have already noted that travel is a large part of e-commerce. Travel is one of Google's biggest and most profitable segment. We do not envisage collapse, but it is possible specialist platforms will come to dominate query share for flights, rental cars and hotel rooms.

THE UNEQUAL AND UNEVEN DISTRIBUTION OF EVERYTHING

WHERE DID THE MONEY GO?

GroupM forecasts online channels will represent 24% of all media expenditure in 2015, from 9% in 2007: an increase from US$41bn to US$132bn. This includes all digital spend placed with multi-channel, multi-screen media owners. As we have noted before, the future is here and is becoming more evenly distributed, but still has a long way to go. According to the GlobalWebIndex (GWI samples 40,000 internet users annually) more than 50% of all media time in 26 of the 32 countries surveyed was online.

The regional variation in online's share of ad investment is odd and often surprising:

Region	2007 % share	2015 (f) % share	Highest market % share	2015 (f) % share	Biggest market (pop) % share	2015 (f) % share
North America	8.9	19.3	Canada	24.8	USA	18.9
Latin America	1.9	6.4	Venezuela	18.4	Brazil	5.5
W. Europe	11.5	31.9	UK	50.6	UK	50.6
CEE	5.2	24.5	Poland	33.4	Russia	26.6
Asia Pacific	9.0	28.2	Australia	42.0	India	2.1
North Asia	6.9	30.4	China	37.5	China	37.5
ASEAN	0.7	5.0	Philippines	10.0	Indonesia	5.0
MEA	0.3	6.8	Israel	19.5	Nigeria	9.6

(Source: GroupM Worldwide Media and Marketing Forecasts)

The BRIC markets are sharply divided between China and Russia on the one hand (high shares) and India and Brazil on the other (low). In digital advertising, in relative terms, the decade of Latin America has yet to arrive.

Advanced economies like Germany, Japan, France, Italy, Spain and South Korea lie below the 30% share line while the UK, Australia, Norway, Sweden and Denmark are the only countries in the world above 40%. The UK is also the world leader in e-commerce (not just retail) as a percentage of GDP with levels double those of Germany, treble the USA and seven times China. (Source: Boston Consulting Group. Economist Intelligence Unit)

In this story there are many subplots. In 2014 half of all digital advertising dollars passed through Google and Facebook in a ratio of 5:1. This is



notable on any number of levels not least that neither creates content in the traditional sense, rather they depend on user generation (Facebook, and Twitter) or on indexation, aggregation and the provision of publishing platforms (Google) with revenues arising from consumer interactions with that content. In addition both Google and Facebook have been exceptionally capable of attracting the 'long tail' of advertisers to the same platforms as the biggest companies in the world.

Google Search (still the dominant revenue engine), Facebook, Weibo, WeChat, WhatsApp and Twitter are *high utility* but *low bandwidth*, so work on any device at almost any connection speed.

Given that some 30% of total online time is now on mobile devices and growing it's reasonable to expect still greater concentration of revenues. We commented last year on the value of persistently logged-in users as a vital ingredient in extracting yield from impressions. Everything we have seen since reinforces that view. Google and Facebook have been exceptionally successful in capturing advertisers, from the Fortune 1000 to the local plumber, from network television to the Yellow pages. Albeit much duplicated, they have around four million advertisers between them.

One thing is for sure: social media dominate online media time, whether it be Facebook and Twitter (almost everywhere but China and North Korea), QQ in China, Taringa in Latin America or RockeTalk in India. The Global Web Index estimates that fully half of all online time is spent on some form of social networking in comparison with 12% on video, 10% on online audio and just 12% on what it calls 'online press'. That last number suggests no good news ahead for monetizing non-video content. Common to the biggest winners is a persistent view of their users from platform to platform and over time thanks to persistent log-ins and the data that spring from this.

16-24s are predictably the most avid users of the mobile internet, social media and online video. One third of their total viewing has come out of television. The TV they do watch is nearly always accompanied by some form of media multi-tasking. 75% of two-hour-plus daily mobile internet users are committed multi-screeners and there is scant evidence that the second-screen activity is directly related to the program concerned.

CONNECTIVITY AND SPEED ARE THE KEYS

In broad terms online advertising's share of all marketing follows the distribution of broadband penetration, and the global imbalance of the internet. Supporting this is Point Topic's assessment of broadband household penetration by region in Q4 2013. Point Logic collects data from regulators and internet service providers around the world:

Region	Online retail total (excluding travel) $US Bn
North America	30
Latin America	10
W. Europe	31
CEE	17
East Asia	15.7
Asia other	2.2
ASEAN	2.2
Africa	1.9

(Source: Point Topic)

These data naturally understate the number of individuals with internet access via multiple-occupation households, access outside the home or on mobile devices but still show access is something other than universal and easy. Indeed, annual growth in broadband penetration slowed from 28% in 2007 to 8% in 2013.

Akamai serves up to 30% of all internet traffic, and counts active IP addresses. Here is its reckoning in Q1 2014: it believes these numbers understate total web users by around 20%.

Country	Unique IP Addresses M	YOY Change %
USA	163	8.6
China	124	11.0
Brazil	41	50.0
Japan	40	-3.3
Germany	37	-2.4
UK	29	-1.2
France	28	5.7
South Korea	21	-1.6
Italy	20	-2.4
Russia	19	3.3
Global	873	350

(Source: Akamai)

In 1986 The Economist developed the Big Mac Index which compares international purchasing power by calculating the number of hours worked to earn a Big Mac in local currency. Courtesy of the International Telecommunications Union's 'Measuring the Internet society 2013' we can derive a 'Big Gig' index of data cost, speed, and affordability. This calculus applies more to mobile than fixed-line, as fixed-line pricing is governed more by capacity than usage

Country	Fixed Access* as % of avg. income per capita	500mb pre-paid Mobile data as % of avg. income per capita	Average speed MBPS fixed	Average speed MBPS mobile
USA	0.4	2.1	10.5	5.5
UK	0.7	0.3	9.9	5.6
Japan	0.7	2.1	14.6	5.7
France	0.8	0.5	6.6	5.9
Canada	1.1	1.3	9.7	6.3
Germany	1.1	4.0	8.1	2.9
Russia	1.2	2.0	8.6	6.1
Spain	1.3	1.6	7.2	4.8
Australia	1.6	0.5	6.0	4.6
Mexico	2.3	2.5	4.0	1.5
South Africa	4.8	3.8	2.6	1.7
India	5.1	2.9	1.7	1.3
China	5.6	3.8	3.2	4.8
Philippines	12.4	6.3	2.1	N/A
Nigeria	3.9	13.0	N/A	N/A

(Source: ITU) *= cheapest available monthly plan

Note the staggering spread in the real cost of both fixed-access and mobile data, and the relative affordability of mobile data compared to fixed access in parts of the faster-growth world. Unlocked shows us the price spread of an iPhone 5S expressed as a percentage of GDP per capita in December 2013. 5S owners are to an extent a self-selecting upmarket segment, but this table gives context for future uptake rates of high-end devices in China, India and Africa.

Country (selected)	iPhone 5S cost as % of GDP per capita	Travel total US$ Bn
USA	1.4	145
Australia	1.9	47
UK	2.5	38
Germany	2.5	33
South Korea	2.6	15
Russia	5.2	9
Mexico	5.3	8
China	9.6	8
India	22.7	7

(Source: Unlocked)

It's not just the number of connections and the cost of devices, it's the speed of connection. 'Broadband' is an imprecise term. One technical definition is a connection of at least 256 kilobytes per second. In the real world, you need 4 megabytes per second for streaming video, and 10Mbps for reliable HD.

For most of the world's users, connection speeds are barely adequate for even low-bandwidth applications, but advertisers and consumers demand ever-richer experiences. This affects the value exchange between advertiser and consumer. A user might be willing to wait for a low-res rendering of a winning goal to buffer its way to the screen, but far less patient with an equally-poorly-rendered video ad which precedes it. Bandwidth constraints are serious even in mature markets, as shown by the increasingly bitter debate over the principle of 'net neutrality' between the owners of bandwidth and its biggest consumers. Those in favor of neutrality believe all content should be treated equally. Those against believe the biggest and most bandwidth hungry applications should pay a 'fast lane' toll.

Akamai estimates 56% of the global fixed broadband audience enjoys at least 4 megabytes download per second. Even these average connection speeds are just that, an average, and materially overstate the bandwidth available to private households at peak usage and include corporate and government connections which operate at far higher speeds. The delivery of 10 megabytes or more remains the exception; only South Korea, Japan and the Netherlands have more than one third of connections at 10 Mbps plus.

The global shortage of bandwidth may help explain Facebook's increased domination of total internet time. It has succeeded in maximizing utility while minimizing bandwidth, thereby satisfying users.

With the decline of fixed broadband growth and the meteoric rise of smartphone shipments the expectation is that the next two billion internet users will access the web and app ecosystem on devices other than the PC. More than 60% of Facebook's revenue and 80% of Twitter's comes from mobile. Something approaching half of Google queries come from mobile, desktop query growth is close to flat, and 40% of YouTube views are mobile.

THE YEAR OF MOBILE?

According to Morgan Stanley one billion smartphones were shipped in 2013 compared to 175 million in 2009. These smartphones now represent 30% of all mobile phones globally. Incidentally, smartphones shipped at three times the rate of tablets in 2013 and at almost three times the rate of PCs.

Mobile internet usage is highest in regions with the low broadband penetration. StatCounter as reported by KPCB compares mobile internet usage as a share of all internet use for May 2013 and May 2014:

Region	2013 %	2014 %
North America	11	19
Latin America	6	17
Europe	8	16
Asia	23	37
Africa	18	28

(Source: StatCounter)



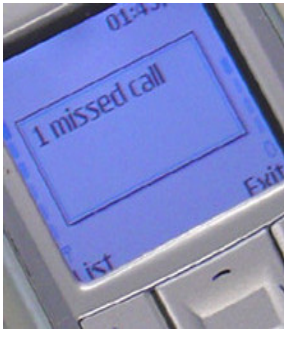
It seems the 'next two billion' will indeed be mobile, but again speed is key to the consumer experience. Ericsson's June 2014 Mobility Report states there are 6.8 billion mobile subscriptions globally, of which 2.2 billion are also mobile broadband subscriptions, of which 300 million are mobile data PC and tablet subs. Of the 2.2 billon, the ones of interest are the 3G+ and particularly LTE services providing a 'PC-like' broadband experience, although even these are severely constrained by data caps and charges. LTE is another imprecise term, too. Average LTE download speeds vary from 27Mbps in South Korea to 21.5 in China, 12.3 in the USA, 10.2 in the UK, 5.8 in Brazil and 2.5 in India. (Source: Ookla Net Explorer Index.)

Region	% of subs 3G / 4G	% of subs LTE	% of subs LTE 2109 (F)
North America	35	15	85
Latin America	15	0	25
W. Europe	70	5	50
CEE	39	1	5
MEA	13	1	5
Asia Pacific	14	2	18

(Source: Ericsson)

These data say ‘mobile is the future’ but also tell us of great near-term scarcity in rich-content experiences. Even the 2019 forecasts hardly shout ‘abundant data for all!’. Ericsson estimates 40% of all mobile data traffic in 2013 was video, rising to 50% in 2019. A rich experience for the richest 15% of the world’s population; a restricted one for others which together with the costs of data will mean that only the highest-utility and lowest-data-use applications will be massively distributed. It also explains the motivation of Google’s Project Loon and the Facebook-led Internet.org as means to spread bandwidth in the rural and developing worlds.

Perhaps the most graphic illustration of bandwidth starvation and data costs as a barrier is the phenomenon of ‘missed call and ring back tone’ marketing in India. The essence of missed-call marketing, used by brands and politicians, is that advertisers promote a phone number which the user dials but then hangs up pre-connection. The user then receives a free voice-, music- or video message. There are many variations, and at least five companies competing in this area. Necessity truly is the mother of marketing invention.



WHO ATE THE DATA?

The most recent Sandvine Global Internet Phenomena Report for the first half of 2014 paints a picture of downstream bandwidth consumption on both fixed and mobile networks across the world:

Fixed broadband

Service	North America %	Europe %	Asia %	Latin America %	Africa %
Netflix	34	3	N/A	5	N/A
YouTube	13	19	27	29	14
Web	12	17	10	11	23
SSL (mail, commerce)	3	6	1	11	7
Facebook	2	4	3	6	7
Bit Torrent (peer to peer file sharing)	3	11	19	7	11

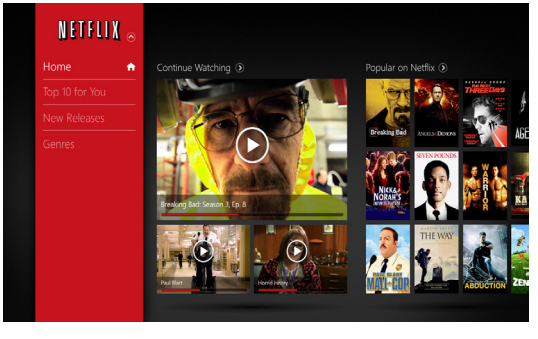
Mobile broadband

Service	North America %	Europe %	Asia %	Latin America %	Africa %
Netflix	5	4	N/A	N/A	N/A
YouTube	18	17	15	15	3
Web	13	18	20	14	30
Blackberry	N/A	N/A	N/A	N/A	14
SSL	7	6	11	8	4
Facebook	14	13	8	17	3
Instagram	3	2	3	4	N/A
Facebook 2013	9	10	7	10	N/A

(Source: Sandvine)

These data are remarkable. First, as over-the-top entertainment (Netflix etc.) increases its reach the use of peer-to-peer file sharing (BitTorrent) falls. Second, the increasingly rich (video and photo) components of Facebook including Instagram are making massive inroads into mobile broadband use and consume almost the same bandwidth as the mobile web excluding YouTube in total.

THE IMPLICATIONS FOR ADVERTISERS



The consumer experience of the internet is far from homogenous. Devices and speed vary dramatically. Even among the rich minority the experience is far from consistent. All this should give pause to advertisers, agencies and content creators setting global guidelines, particularly if these might exceed the capabilities of any networks or their users or there is a risk budget allocations might be misaligned with the connected and capable population. 'Global' guidelines must in fact allow for a high degree of geographic and infrastructural localization. We live in a world that is simultaneously demanding of both global and local strategy and execution.

It is equally clear that in high bandwidth homes such as the 44 million Netflix streaming homes (30 million in the USA) advertisers can expect a big fall in commercial impressions. This competition between Netflix, particularly when manifested as 'binge viewing' one show at a time, against an established repertoire of linear channels with packed schedules, is extraordinarily asymmetric. Moreover, Netflix can capture different segments with one show at a time for each.

THE MILLENNIALS – A GLIMPSE INTO THE MEDIA FUTURE

With the permission of the Center for the Digital Future (CDF) at the Annenberg School of the University of Southern California we reproduce data in this section from their 2013 Digital Future Report. In the 11th year of the Center's repeating observations of digital media use a specific segment was devoted to the behaviors of Americans aged between 18 and 34. Note the contrast with 35+ 'non-Millennials', particularly viewing behavior. Three quarters of this group never watch TV shows or movies on any device other than a television.

Question	Millennials	Non-Millennials
	% answering yes, often or sometimes	
Shopping		
Compared a price in store on a mobile device	68	43
Looked for a better price nearby on a mobile device	46	24
Purchased an item with a mobile device	23	10
Viewing		
Watch pay TV online	23	10
Watch free TV online	55	24
Watch pay movies on line	42	22
Watch P2P / pirated movies online	16	8
PC Viewing		
UGC	32	22
TV Shows	44	20
How to videos	54	36
Music videos	64	28
Movies	33	11
Smartphone viewing		
TV Shows	17	7
Music videos	46	21

The Center also reports that 70% of Millennials consider social networking sites as 'very or extremely important' compared to 51% (perhaps the more surprising figure) of non-Millennials. On those social networks Millennials report following nine brands on each of Facebook and Twitter. Non-Millennials follow four on Facebook and just one on Twitter. Except for the providers of exceptional experiences or service the hammer is juxtaposed with the nail in the coffin of organic reach.

IS THERE A WIDER SHIFT IN CONTENT CONSUMPTION AHEAD?

The CDF data shows a new order of devices and also of content. 'User-generated' has pejorative connotations it no longer deserves as it embraces social networking and messaging. Outside of sports and the very best (and very worst) of television and movies, the axis of entertainment maybe tilting inexorably. Bad news perhaps for US$1m per episode sitcom stars and better news for audiences which can tell celebrity and worth apart, or which values a more intimate relationship with the people who entertain it. In August 2014 Variety reported that the most influential celebrities among 13-18 year old Americans were Smosh, the Fine Brothers and PewDiePie. The most influential non-YouTube star is the late Paul Walker of Universal's Fast and Furious franchise.

The roster of YouTube stars is as well-known as it is incomprehensible to many established buyers, sellers and creators of advertising. Yet it's not just about entertainment in the usual form. Among the more remarkable manifestations of UGC is Twitch. With an estimated 50 million monthly unique users, Twitch streams video game-playing to anything from a few to tens of thousands of real-time spectators. This may be a fad, but it may signify the wider trend suggested above. In August of 2014 Amazon (!) paid US$1bn for Twitch.

Millennial behavior around massively multiplayer fantasy games such as World of Warcraft was once caricatured by solitary misanthropes in darkened rooms. This view is simply obsolete, and while the intensity of the new behavior may be transient there is no denying its reality

Twitch is one manifestation of a broader phenomenon. Live game play as both participant and spectator is now widely distributed in countries such as South Korea where bandwidth is truly abundant. Mainstream brands cannot ignore this. As the behavior grows we no longer accept 'they will grow out of it' as a reason to ignore the channel.

In last year's Interaction we wrote of Electronic Arts and its massive online player base as a potential competitor to YouTube for the attention of young male audiences. This specific prediction did not materialize, but we think we have called the direction of travel right. It may be time to revisit the assumption 'high common denominator' mass media, however uncomfortable that may be for the communications industry and its clients.

The broad conclusion that we can reach from the data can be summarized as 'if they can they will.' Like their predecessors, younger cohorts will adopt technology on the best available device if is sufficiently useful and reasonably priced. What we have seen so far portends even faster rates of change.

Television as the dominant advertising medium is not confronting an imminent apocalypse. In fact, 'traditional' TV distributed on non-traditional devices dominates digital video revenue. That said advertisers require non-traditional video if they wish to maximize reach against today's younger audiences, and the effect will compound over time as fewer cultivate the traditional TV habit. This scenario is already playing out in homes without multichannel TV, which is the majority of the world's population.

SOME SPECULATION ABOUT THE LIFE OF POST-MILLENNIALS IN THE USA

Almost anyone who turns 13 in 2015, will have been born after 9/11, will have lived their whole life under the Patriot Act, had access to broadband since their first day at school, had a smart phone as their first phone, used a tablet before they turned 10 and may never have read a 'paper' newspaper, or bought a CD or a DVD much less an encyclopedia.



They certainly could not tell the difference between broadcast and cable, most likely had no idea that video had not always been on-demand, always had a games console, never knew a world without Google or YouTube and used Facebook or Instagram by their 10th birthday (one way or another)

By 2017 the majority of media they consume will have IP characteristics – it will behave like the internet, be on demand with personal day parts, be stream-based or be connected to a social stream and signals from that stream and much of it advertising free in the sense we understand it today – certainly in the context of the era of television's dominance of both media consumption and advertising.

THE PARETO PRINCIPLE OF ONLINE MEDIA

Analog media is relatively easy to understand in respect of the distribution profile of audiences. The demographics of any program are measurable and visible, the same is true for print. It is reasonably safe to assume that buyers of a magazine or newspaper represent a reasonably steady state of consumption and the profiles of heavy, medium and light users are relatively easy to establish. This is less easy to interpret for online media.

In Interaction 14 (and again now) we suggested four new data points that would better illuminate a far more textured view of the web's leading

properties than exists today, and infuse audience data with real meaning.

1. Daily unique visitors – an indicator of the frequency of visits and by extension the value placed on that property by the user; three quarters of Facebook users visit daily, one half of LinkedIn users visit monthly - do the math.
2. Average time spent per daily unique within five user quintiles from most to least time spent – an indicator of the depth of the relationship between property and user.
3. A frequency distribution with accompanying geo-demographic and device data by user quintile from the heaviest users to the lightest users – such as the relationship between the relatively small cohort of active Tweeters and the larger contingent of passive followers, or the relationship between YouTube devotees and those who view occasionally.
4. Volume of content shared to Facebook, Twitter, LinkedIn and YouTube per unique visitor - showing the likelihood of that property being a source of influence. The majority of the 10 most-shared sources on Facebook and Twitter are news organizations with their roots in television or newspapers. Three are the BBC, The Guardian and The Mail Online; two of the other three are Buzzfeed and the Huffington Post. What might this imply? At another level, two recipe sites with a vastly different sharing profile may indicate a difference in value to advertisers.

All these data matter, but daily usership and usage distribution are the most important. Facebook has been the most forthcoming, revealing 829 million daily active users, 654 million daily active mobile users and an average of 40 minutes daily usage in the USA; it does not publish any more on the composition of that average. Twitter, LinkedIn and others report only monthly active users with little sense of engagement as might be indicated by time spent or particularly time spent per user. YouTube reports monthly uniques and an aggregate of total viewing hours.

This invites speculation and uncertainty about just how important the internet's dominant services are in the lives of users.

In the case of YouTube we know there are one billion active monthly unique users and that six billion hours of video are consumed a month; an impressive average of six hours per unique visitor. If 20% of those users consumed YouTube at the Facebook average of 40 minutes per day or 20 hours per month it would mean two-thirds of YouTube's total viewing was accounted for by 200m individuals and that the remaining 80% of the users

were averaging five minutes per day, or between one and two video views, not all of which are available for advertising.

We believe the Pareto principle does apply to YouTube, equally to Facebook and to Twitter and indeed 80:20 may be conservative. The sellers might not think this is important, and indeed it might be unexceptional among online media generally. In this case however it does matter, because of the large share of total advertising the two dominant players attract. For buyers who want to tell brand stories, particularly using video, this is critical, and the implications for ad load to lighter users considerable.

Millward Brown Digital's Compete Panel data for July 2014 shows the age, income and gender profiles for the 20% heaviest desktop and mobile app users of Facebook, YouTube and, for contrast, cnn.com:

	Facebook		**You Tube**		**CNN**	
Age	Desktop	Mobile	Desktop	Mobile	Desktop	Mobile
18-24	12	12	26	21	9	4
25-34	20	25	22	32	18	20
35-44	21	29	19	24	17	32
45-54	21	20	17	12	26	23
	Facebook		**You Tube**		**CNN**	
Income	Desktop	Mobile	Desktop	Mobile	Desktop	Mobile
<$30,000	39	8	37	15	13	0
30 to $60,000	27	47	26	50	25	53
>$60,000	34	33	37	35	44	47
	Facebook		**You Tube**		**CNN**	
Gender	Desktop	Mobile	Desktop	Mobile	Desktop	Mobile
Female	57	75	44	62	35	66
Male	43	25	56	38	65	34

The data go some way towards illustrating the significantly younger skew of YouTube, the older skew of mobile users the overall gender skew towards women of Facebook and the (more surprising?) massive skew towards women in respect of the mobile usage of both platforms.

YouTube's success is pivotal to Google's advertising future, along with its continued brilliance at monetizing search, AdSense and mobile inventory. On Google's earnings call in the early part of 2014 its then Chief Business

Officer Nikesh Arora said: ‘Part of our ability to get consumer packaged goods companies to come and advertise with us is our ability to convince them that brands can be built on the internet and YouTube clearly is the key player in our brand story vis-a-vis advertisers, because they still think visually - they still think video when they think brand advertising, not just text ads.’

As an aside, YouTube’s advertising revenue from its billion monthly uniques is estimated at US$5bn. Facebook’s one billion plus users generate US$10bn. For color, Netflix generates US$4.4bn from ‘just’ 44 million streaming and 11m DVD subscribers. To the frustration of some advertisers and agencies (but not to users) it seems unlikely Netflix will carry ads any time soon. If it did, with a market capitalization of less than a twelfth of Google’s and an increasingly global footprint, it could be a tempting acquisition.

CONCLUSION

1. The distribution of bandwidth and the cost of data are now the only consumer-gating factors to the spread of the internet and the services it allows. Bandwidth distribution is more constrained than some suggest
    - For now we believe this remains a significant constraint to the deployment of marketing communications

2. The only barriers to the growth of e-commerce appear to be economic and logistic. Few consumer behavioral barriers remain.

3. Google, Facebook, Twitter, Linked In, Amazon and soon Pinterest (and their regional analogs) have become the foundation layer of digital marketing and most or all will appear on almost every future communications plan. They have combined utility, simplicity and virality that suggest they have developed durable franchises.

4. For marketers and their agencies, threat and opportunity remain in equilibrium. Both are massive. Agencies must integrate legacy systems and practices from media buying into communications planning, attribution and creative development and promote automation in so doing.

5. Commercial gating factors in respect of programmatic advertising remain significant; while we tend to believe that all media havin the characteristics of the internet can be sold programmatically, it does not

necessarily mean that they will, or that if they are, that their inventory will necessarily find its way into open exchanges and be sold to the highest bidder impression-by-impression.

- Scarce inventory (usually of high reach of particular value to a premium audience) will not be sold on exchanges
- Some inventory will be reserved for certain buyers
- Some inventory will be offered only in bulk, not cherry-pickable, if revenue-optimal for the seller

6. For marketers, brands are everything. The principal challenge for those brands is gaining and retaining consumer attention across channels and devices which themselves enable avoidance of 'unwanted content' like never before.

7. All marketers face margin challenges as retail power grows. All marketers are under pressure to allocate a greater percentage of funds to their distribution partners.

8. All see their growth coming from the next two billion connected consumers ('connected' signifying 'prosperous') and over time, everyone. These people cannot be reached in the same universal way as allowed by the broadcast age which cultivated those very same brands. We are fully immersed today in a new world order enabled by and constrained by the availability and cost of bandwidth and devices, data costs to consumers and to marketers.

Looking further into the future the worlds of beacons and of augmented and virtual reality will play their part in marketing and the creation of brand experiences which use engagement of the few as a hedge against fragmented reach and attention. Already companies like Blippar are providing virtual experiences that enrich the experience of inanimate goods. The Facebook acquisition of Oculus VR in early 2014 has generated much excitement on the assumption that Facebook's scale and ingenuity can create affordable hardware that will in turn enable new media and brand experiences at scale. Mark Zuckerberg has suggested that Oculus could herald the next information interface in the progression which began with moveable type and progressed through the radio and television dial, the remote control, the keyboard, the mouse, touch and gesture. If he is right a new wave of experiences will in time be normal, for some.

2016 will be another year of innovation and acquisition. It has been 15 years since the AOL Time Warner merger. Nothing as seismic in M&A has happened since. Maybe such an event is around the corner. It's possible, for example, that Amazon may pursue global expansion through the

marketplace model rather than its current e-retail approach; it might acquire to do so. It's also possible that Google could reach a fork in the road at which it makes a decision about its dependence on advertising revenue. It could double down and think about acquiring a company with globally relevant intellectual property and both 'live' and 'physical' entertainment assets – like Disney. Second, eBay may be the target that most rapidly accelerates Google into e-ommerce and creates an opportunity to replicate an AliBaba (services plus commission model) in competition with Amazon. Alternatively it may conclude that devices and the data that come from them are more valuable long-term and look at one of the healthcare giants as a target to build an entirely new business model, which, like Google itself, touches billions of people. We can only assume that Softbank, the owner of Sprint and part owner of Yahoo Japan will use its enormous assets to make a disruptive acquisition.

Finally, in a world driven by data and an algorithm for everything it's worth remembering that humans love new things and they love serendipity and browsing, because they know they don't know what they don't know. This is also why they are disloyal and forgetful, and this is why marketing must be broad, persistent, and distinctive. As a consequence marketing as we know will persist but it will need to clear ever-higher hurdles of relevance and engagement. For this last paragraph my thanks to Adam Smith, Futures Director of GroupM and the creator of This Year Next Year.

Galileo was right; the world is not flat. The supposed wish of Confucius came true; we do live in interesting times. Terms and conditions apply.

Rob Norman. Chief Digital Officer GroupM Worldwide

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GLOSSARY OF SOURCES

1. GroupM Worldwide Media Forecasts: GroupM publishes both global and country specific forecasts that show trends in marketing spend in relation to GDP and analyse the changes in distribution of that spend by channel.
2. Freewheel: Freewheel is a video streaming technology platform and a subsidiary of Comcast
3. Global Web Index: Global Web Index profiles consumers in 32 countries and represents 89% of the worldwide internet audience
4. Point Topic: A leading resource for worldwide broadband, IPTV and VoIP market intelligence
5. Unlocked
6. Akamai: Akamai's network is one of the world's largest distributed-computing platforms, responsible for serving between 15 and 30 percent of all web traffic
7. StatCounter
8. Ericsson
9. Sandvine: Sandvine Incorporated is a networking equipment company based in Waterloo, Ontario, Canada. Sandvine network policy control products are designed to implement broad network policies, ranging from service creation, billing, congestion management, and security
10. eMarketer: eMarketer is an independent market research company that provides insights and trends related to digital marketing, media and commerce.
11. Kantar Retail: Kantar Retail is subsidiary of Kantar, WPP's data investment management arm. Kantar retail uses survey data to track changes in shopper behavior and supplies interpretation of that data to retailers and brand owners around the world.
12. International Telecommunications Union
13. The Center for the Digital Future at the Annenberg School at USC: The Center is led by Dr. Jeffrey Cole. Its mission is to track changes in the adoption and usage of the internet over time by asking a set of consistent questions about consumer attitudes and usage. The Center has expanded the geographic reach of its work over recent years and now offers global insights into the way the internet has changed, and continues to change the world.

Historic financial data are sourced from United States Securities Exchange Commission filings.

PRIVACY REGULATION

WHERE IN THE WORLD IS PRIVACY SELF-REGULATION?

The privacy world is a complex place and with the escalation of data use and regulations that are region-specific it makes the job of marketers even more difficult. Online marketing requires an understanding of data collection and use and what regulations may apply to that data. Each country has a different set of regulations to follow for what is and is not permitted related to the collection and use of digital data. In some countries privacy is governed by consensus and self-regulations, in others by government legislation. Global consistency in the approach to privacy is elusive.

Despite this global nature of marketing, distinctions in privacy regulations present different touch points for individual countries. The accompanying map aims to simplify this confusion by highlighting countries where there are higher levels of self-regulation, low levels of self-regulation and even no presence of self-regulation. Each level of self-regulation carries with it distinctive characteristics.

Areas imposing high levels of self-regulation (indicated with green) characteristically have a framework of data privacy guidance that has been developed by a consensus of market participants and industry trade associations. Often these areas will allow trade associations to refer enforcement of these self-regulatory principles to a governmental body if there is a violation of those principles. These self-regulatory principles tend to focus on areas of transparency and notice, and consumer choice to share their data with marketers.

Regions that retain low levels of self-regulation (indicated with blue) maintain a presence of industry trade associations, however they have not yet presented or adopted a self-regulatory set of guidance or framework. Often the first step to create a self-regulatory framework begins with the presence and establishment of industry trade groups. These trade associations are the same global associations present in areas of high levels of self-regulation.

Lastly are the regions where there is no presence of self-regulation (indicated with orange). These areas do not maintain a presence of trade associations, nor is there a scheme of self-regulatory principles for marketers to abide by with relation to online data collection and use.

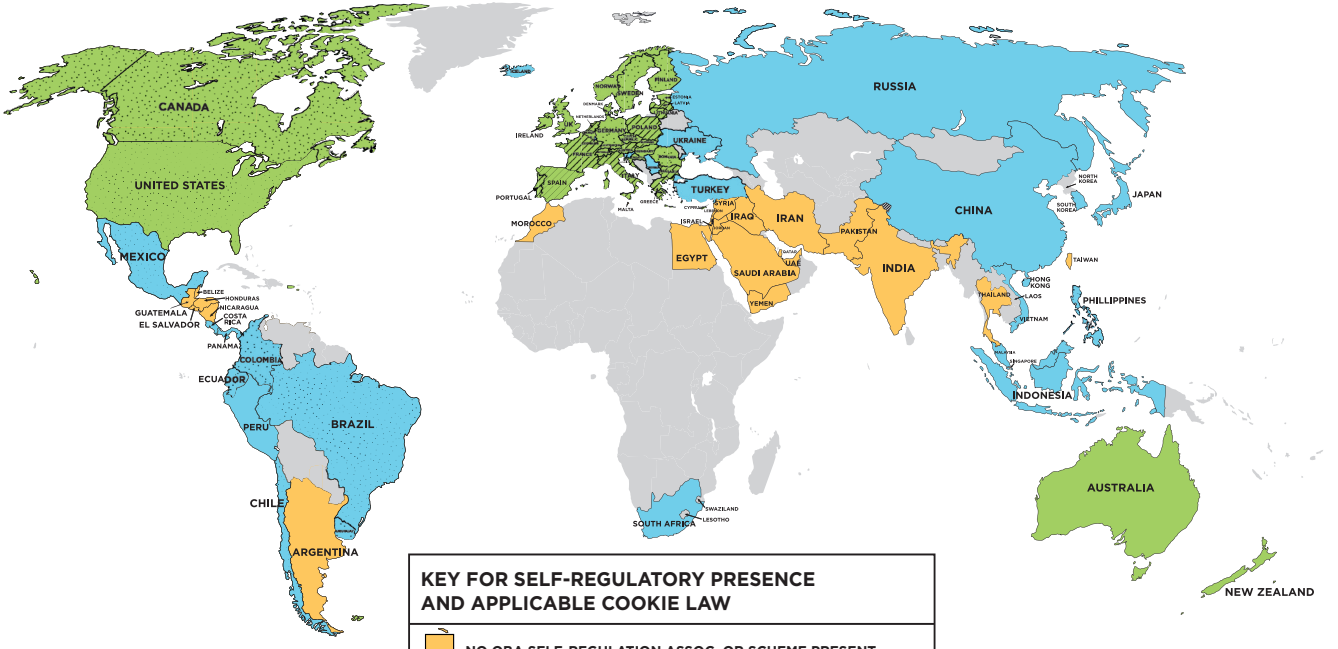
It is important to note, that despite the type of self-regulatory framework a specific country may have, there may also be a government regulation or law present in that country layered atop of self-regulation. These laws typically focus on restrictions and limitations for data collection, use and transfer, and apply to personal and sensitive data, consent requirements, and storage of that data. For example, some countries have enacted laws requiring certain levels of consent before cookies are deployed on a

user's device. These areas are indicated on the map (indicated with cross hatching and dots) and provide an illustration of governmental regulation layered with self-regulation.

The advised approach is for marketers to be guided by what will build trust with consumers, and what is best for consumers. The more marketers are transparent with their data practices, the more at ease users are likely to feel. And the more comfortable users feel about the way marketers use and secure their data, the more likely they are to continue sharing their information.

After all, it is their data.

SELF-REGULATORY PRESENCE AND APPLICABLE COOKIE LAW



SOURCE: *The amended cookie directive: Unharmonised implementation*, September 2014 (www.pinsentmasons.com), *DLA Piper EU Law on Cookies Guide,* September 2014, http://www.dlapiperdataprotection.com/#handbook/world-map-section, http://www.iab.net/global, http://www.edaa.eu/, http://www.aboutads.info/

SELF-REGULATORY PRESENCE AND APPLICABLE COOKIE LAW

NO OBA SELF-REGULATION ASSOC. OR SCHEME PRESENT	
Countries highlighted in this shade indicate that there is no self-regulatory scheme for OBA or electronic marketing. Additionally there is no presence of well known industry trade groups such as the DAA or IAB. tIis possible however, that there are laws in these places specific to data protection of PII and data security.	Argentina, Belize, Egypt, El Salvador, Guatemala, Honduras, India, Iran, Iraq, Israel, Jordan, Lebenon, Malta, Morocco, Nicaragua, Qatar, Saudi Arabia, Syria, Taiwan, Thailand, UAE, Yemen
SOME PRESENCE OF SELF-REGULATORY TRADE ASSOCIATIONS	
Countries highlighted in this shade indicate that there is some presence of industry associations and trade groups, however no broader self-regulatory program implemented in that specific country.	Brazil, Chile, China, Colombia, Costa Rica, Ecuador, Hong Kong, Iceland, Indonesia, Japan, Luxemburg, Mexico, Panama, Peru, Phillippines, Russia, Serbia, Singapore, Slovenia, South Africa, South Korea, Turkey, Ukraine, Uruguay, Vietnam
STRONG SELF-REGULATORY SCHEME PRESENT	
The strong indicator highlights countries with OBA self-regulatory programs in their region. It is important to note that in Europe, although there is a self-regulatory program, not every country has implemented those standards. These locations are marked as Strong as the program is present there.	Australia, Austria, Belgium, Bulgaria, Canada, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lichtenstein, Lithuania, Netherlands, New Zealand, Norway, Poland, Portugal, Romania, Slovakia, Spain, Sweden, Switzerland, UK, United States
UNKNOWN	
Information on any OBA self-regulatory programs or trade associations is not available for these areas.	
NO COOKIE LAW	
No highlighted border indicates that there is no cookie restrictions.	Argentina, Australia, Belize, Bolivia, Bosnia, China, 6sta Rica, Egypt, El Salvador, Guatemala, Honduras, Iceland, India, Indonesia, Iran, Iraq, Israel, Japan, Jordan, Laos, Lebenon, Lichtenstein, Morocco, New Zealand, Nicaragua, North Korea, Norway, Pakistan, Panama, Paraguay, Peru, Qatar, Russia, Saudi Arabia, Serbia, Singapore, South Africa, South Korea, Syria, Taiwan, Thailand, Turkey, UAE, Ukraine, Venezuela, Vietnam, Yemen
COOKIE IMPLIED CONSENT	
This indicator alerts the user to the fact that this country only requires implied consent for use of cookies.	Belgium, Brazil, Canada, Chile, Colombia, Czech Republic, Denmark, Ecuador, Estonia, Finland, Germany, Hong Kong, Hungary, Ireland, Luxemburg, Malta, Mexico, Phillippines, Romania, Sweden, UK, United States, Uruguay
COOKIE EXPLICIT CONSENT	
This indicator alerts the suer to the fact that this country requires explicit opt In consent prior to the cookie placement.	Austria, Bulgaria, Croatia, Cyprus, France, Greece, Italy, Latvia, Lithuania, Netherlands, Poland, Portugal, Slovakia, Spain

SOURCE: *The amended cookie directive: Unharmonised implementation*, September 2014 (www.pinsentmasons.com), *DLA Piper EU Law on Cookies Guide,* September 2014, http://www.dlapiperdataprotection.com/#handbook/world-map-section, http://www.iab.net/global, http://www.edaa.eu/, http://www.aboutads.info/

SELF-REGULATORY PRESENCE AND APPLICABLE COOKIE LAWS IN EUROPE



SOURCE: *The amended cookie directive: Unharmonised implementation*, September 2014 (www.pinsentmasons.com), *DLA Piper EU Law on Cookies Guide,* September 2014, http://www.dlapiperdataprotection.com/#handbook/world-map-section, http://www.iab.net/global, http://www.edaa.eu/, http://www.aboutads.info/

A SHORT WALK THROUGH THE NUMBERS

A SHORT WALK THROUGH THE NUMBERS

We wondered if there would be any pattern of **tablet** proliferation. There is not. Higher penetration (50% plus) is unsurprisingly more common in richer countries, but there are plenty of rich countries where tablets are scarcer: Japan, Italy, France and Austria, just to give a few examples. It is not safe to assume such countries must have a marked preference for smartphones, with which tablets display only a middling correlation of ownership. Tablet purchase might therefore be determined more by local characteristics: perhaps being out of the home more, or having less compulsion to shop online, or having less of a print media heritage.

Acceleration rates are not consistent either. Some countries find resistance at 60%, while others forge beyond. Denmark is striding to 70% in 2015, Norway creeping.

There is one constant: where tablets are common, we find elevated **smartphone** penetration. A few countries here are testing levels of around 90% smartphone penetration in 2015.

Past Interactions have often used phrases like 'the earth is not flat' and 'the future is unevenly distributed', and **4G** is the latest reason to do so. The top scorers in this survey are Poland, Belgium, the Baltics and Ireland, all matching or exceeding superfast South Korea's 70%. Rich countries falling behind (below 40% in 2015) include the Netherlands, the UK, France and Italy.

Turning to **streaming audio** we would judge 80% of the reporting countries here to have small to medium usership (up to 30% of the population) and the remaining 20% higher usership. Several countries have a strong core of local services including China, Russia, Ukraine, Taiwan and South Korea. To judge from this sweep, Spotify is easily the leading international brand, with Deezer and Soundcloud collecting several citations.

Subscriber video-on-demand (SVOD) is now sufficiently large to be measured in thousands of households in the majority of countries reported here. Measuring the SVOD audience is another matter, and is not yet compatible with linear TV in the few places it is measured at all. Netflix reports only US and International subscriber totals, but we offer many local Netflix household estimates here - with a notable absence of international competition so far. Netflix is widely if thinly dispersed in Latin America, with redoubts in the Anglosphere of Canada, the UK and the Nordics. Elsewhere, local services often lead the market more so than we see with streaming audio. China, the country where TV advertising is the most threatened by online video substitution, has many audio streams but no SVOD at all.

Better SVOD audience measurement is needed. There are a few ways this could happen. Publishers may consent to a standard, pooled measure.

Some may offer their own independent and possibly non-standard measure. A sample of the population may consent to being tracked by a third party. Or the buy-side may tag or observe the audience itself. The best method for advertisers is whichever dovetails best with other data, and their own in particular. 'Performance' is tangible, but weaker for accounting the intangibles which much brand and video advertising seeks.

THE MEDIA DAY

Dwelltime sources and methods vary, which sometimes creates large year-to-year variances. Multitasking exaggerates the number of hours, particularly in the USA. Global data in aggregate are however stable. Country-by-country figures showing our calculations are all in the electronic version.

Linear TV's share of the media day continues to decline at the rate we noted last year: between one and two percentage points annually. Some but not all of this is retrieved online, where competition is much tougher. Legacy print and radio continue to donate share to online too, though it will be interesting to see if these now find a floor.

THE WORLD'S MEDIA DAY - WEIGHTED BY POPULATION

Agg av hours	2012	2013	2014	2015
Online	2.55	2.85	3.14	3.30
TV	3.19	3.24	3.15	3.07
Print	0.58	0.58	0.57	0.54
Radio	1.36	1.34	1.31	1.28
Total	7.68	8.01	8.17	8.20
Shares	2012	2013	2014	2015
Online	33	36	38	40
TV	42	40	39	37
Print	8	7	7	7
Radio	18	17	16	16
Total	100	100	100	100
Av minutes	2012	2013	2014	2015
Online	153	171	188	198
TV	191	194	189	184
Print	35	35	34	32
Radio	82	80	79	77
Total	461	481	490	492

THE WORLD'S MEDIA DAY - WEIGHTED BY LOCAL MEDIA INVESTMENT

Agg av hours	2012	2013	2014	2015
Online	3.00	3.40	3.74	3.91
TV	3.71	3.65	3.57	3.47
Print	0.60	0.56	0.54	0.50
Radio	1.54	1.48	1.43	1.40
Total	8.85	9.09	9.27	9.28
Shares	2012	2013	2014	2015
Online	34	37	40	42
TV	42	40	38	37
Print	7	6	6	5
Radio	17	16	15	15
Total	100	100	100	100
Av minutes	2012	2013	2014	2015
Online	180	204	224	234
TV	223	219	214	208
Print	36	33	32	30
Radio	92	89	86	84
Total	531	545	556	557

E-COMMERCE

33 countries supplied e-commerce totals in our survey, up from 25 last time. The dollarised total adds up to USD 1,331 billion for 2014 with a run-rate of growth of 25% to take us to a predicted USD 1,656 billion in 2015. Last year's run rate was 22%. The main reason for the pickup is China, where online shopping (B2C) comprises 38% of our world's total, with 41% growth expected in 2015.

We had expected to reach an average USD 1,000 annual online shop per user by now. This is revised to USD 753 for 2015. The three reasons are our larger pool of countries; internet usership expanding 10% annually; and a 10% stronger dollar.

E-COMMERCE SPEND

	2008	2009	2010	2011	2012	2013	2014	2015	CAGR 2012-2015
World total USD bn	153	185	386	461	842	1,080	1,331	1,656	25%
Per user USD	165	180	336	361	509	588	662	753	14%

The UK again has easily the highest per-user e-commerce at USD 3,839 [Stg 2,553] expected in 2015. The nearest is again Denmark at USD 2,961. The UK also has the highest online share of measured advertising investment (51% expected in 2015).

The World Bank tells us household final consumption was USD 42tn in 2013, or 60% of global GDP. If we assume half this is retail, this gives us total retail of USD 24tn in 2015. E-commerce of USD 1.656tn would represent 7% of this.

'PROGRAMMATIC' AND ONLINE VIDEO

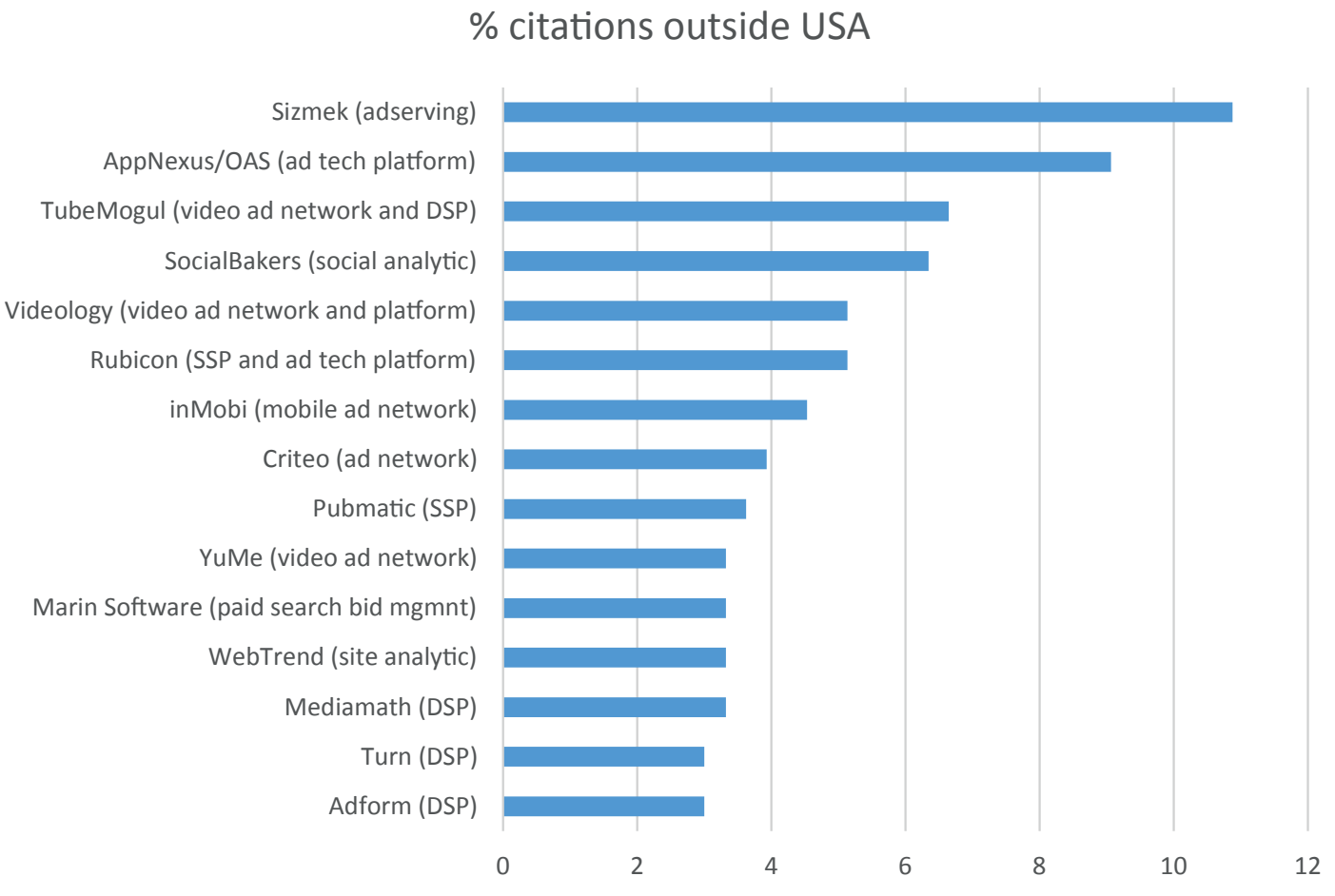
'Programmatic' is ambiguous and can mean automated transaction or algorithmic 'decisioning'. We asked our correspondents to estimate what percentage of local digital display ad investment was automated. The result is a global average in 2014 of 29%, or 19% excluding the USA, where automation accounted for about 44%. We also asked what percentage online video comprised of local digital display. The global answer: 23%, or 17% ex USA. Individual values appear in each country entry.

THE TECH STACK

THE TECH STACK

US analyst Pivotal tracks 135 independent ad tech names. At the time of writing, the biggest employer among them was Criteo and the smallest Axonix (a mobile ad exchange). Most are USA-based and USA-focused.

We asked our network outside the USA to pick the most familiar names from Pivotal's set of larger employers (300+ staff). Any large group of ad tech will change almost daily: we apologise to Outbrain and Maxpoint, who were not on the list when we asked the question. This ranking is based on a simple raw count of mentions. It implies no commercial endorsement other than praise for having built international brand recognition. Our thanks to Pivotal for generously letting us manhandle its data.





ARGENTINA

SNAPSHOT	
2015e adult internet users %	67%
2015e e-commerce per adult internet user USD	157
2014e video ad investment of online display	%
2014e automated % of online display	10%

	2012	2013	2014	2015e
Smartphone penetration %	16	21	25	29
Tablet penetration %	6	10	13	15
E-commerce in ARS bn (excluding travel)	**12.9**	**18.2**	**30.1**	**40.0**
E-commerce per adult internet user ARS	563	728	1,111	1,379
Adult media usage (hrs per day in decimals)				
Online (15+, ex mobile)	0.83	0.65	0.62	0.70
TV (18+)	3.90	3.40	3.20	3.15
Print (18+)			0.62	0.60
Radio (18+)	6.20	5.70	5.30	5.30
Total	**10.93**	**9.75**	**9.74**	**9.75**
Adult media usage (percentages)				
Online	8	7	6	7
TV	36	35	33	32
Print	0	0	6	6
Radio	57	58	54	54
Total	**100**	**100**	**100**	**100**

Historic sources: comScore; TGI; INDEC; eMarketer; CACE/TNS; Digital TV Research; adCuality

Top websites	Uniques 000s (Dec 2014)*	Av minutes per month
Facebook Sites	15,148	439
Google Search	15,098	31
Global websites	**Uniques 000s (Dec 2014)***	**Av minutes per month**
Twitter	3,875	50
YouTube	14,314	207
Yahoo	11,527	69
LinkedIn	1,702	18

*ex mobile

Apps	Users 000s	Av minutes per month
Instagram	1,793	13
WhatsApp	111	2
OTT SVOD	**Estimated HH 000s**	
Netflix	480	
Cablevisón On Demand	16	
Direct TV On Demand	7	
Streaming audio	**Estimated HH 000s**	
Musica.com	2,001	
Terra Musica	743	
Spotify	736	



AUSTRALIA

SNAPSHOT	
Typical home download Mbps	6
2015e adult internet users %	96%
2015e e-commerce per adult internet user USD	1,981
2014e video ad investment of online display	20%
2014e automated % of on-line display	52%

Historic sources: Roy Morgan Asteroid; Nielsen; eMarketer; TNS; Quickflix; FetchTV; Akamai

	2012	2013	2014	2015e
Smartphone penetration %	58	62	75	76
Tablet penetration %	8	24	46	60
4G penetration %				21
E-commerce in AUD bn (including travel)	32.1	37.0	40.0	43.2
E-commerce per adult internet user AUD	2,065	2,279	2,466	2,600
Adult media usage (hours per day in decimals)				
Online	2.28	2.42	2.56	2.70
TV	2.80	2.68	2.68	2.67
Print	0.55	0.51	0.48	0.43
Radio	1.74	1.73	1.82	1.82
Total	**7.63**	**7.69**	**7.63**	**7.36**
Adult media usage (percentages)				
Online	38	34	33	35
TV	32	34	36	36
Print	11	12	7	4
Radio	19	20	25	24
Total	100	100	100	100

Top websites	Uniques 000s	Av minutes per month
Google Search	14,724	181
Facebook	10,654	458
YouTube	8,801	159
Others	**Uniques 000s**	**Av minutes per month**
Twitter	2,334	45
Yahoo	7,035	105
LinkedIn	2,493	27

Apps	Users 000s
Snapchat	57
Instagram	1,411
WhatsApp	n/a

OTT SVOD	Estimated HH 000s
Netflix	408
Quickflix	137
FetchTV	170
Freezone	n/a
Apple TV	n/a
Google Play	n/a
Foxtel Go	n/a
Streaming audio	**Estimated users 000s**
Jango	763
Spotify (App & Online)	875
Pandora	203
Soundcloud	402



AUSTRIA

SNAPSHOT	
Typical home download Mbps	21
2015e adult internet users %	100%
2014e video ad investment of online display	19%

	2012	2013	2014	2015e
Smartphone penetration %	69	78	82	85
Tablet penetration %	21	31	37	40
Adult media usage (hrs per day in decimals)				
Online		0.90	0.97	1.05
TV		2.30	2.42	2.38
Print		0.60	0.51	0.45
Radio		3.00	3.18	3.18
Total		**6.80**	**7.08**	**7.06**
Adult media usage (percentages)				
Online		13	14	15
TV		34	34	34
Print		9	7	6
Radio		44	45	45
Total		**100**	**100**	**100**

Historic sources: AGTT/GfK; Evogenius; Standard Radiotest; OVA; OWA; Mindtake; Werbeplanung Marktstudie Online

Top three local websites	Uniques 000s	Av minutes per month
ORF.at	3,055	439
Herold.at	2,428	
willhaben.at	2,216	31
Global websites	**Uniques 000s**	**Av minutes per month**
Twitter.com	693,000	50
Facebook	3,146,000	207
YouTube	4,459,000	69
Yahoo!	-	18
Google search	-	
LinkedIn	457,000	

Apps	Users 000s	Av minutes per month
Snapchat	-	13
Instagram	839	
WhatsApp	2,614	2
Streaming audio	**Users 000s**	**Av minutes per month**
Spotify	611	n/a



BELGIUM

SNAPSHOT	
Typical home download Mbps	33
2015e adult internet users %	74%
2014e video ad investment of online display	15%

	2012	2013	2014	2015e
Smartphone penetration %	20	41	43	75
Tablet penetration %		16	30	40
4G penetration %			54	75
Adult media usage (hrs per day in decimals)				
Online				
TV	4.33	4.30	4.28	4.25
Print				
Radio	4.35	4.32	4.25	4.25
Adult media usage (percentages) n/a				

Historic sources: CIM TV & Radio, comScore, BMM; EU

Top three local websites	Uniques 000s*	Av minutes per month
Nieuwsblad.be	1,923	50.2
Skynet.be	1,343	9.6
2dehands	1,331	33.3
Global websites	**Uniques 000s***	**Av minutes per month**
Twitter.com	587	15.4
Facebook	4,128	238.8
YouTube	3,181	138.0
Yahoo!	1,948	103.3
Google search	4,549	15.9
LinkedIn	1,590	20.5
Apps	**Users 000s**	**Av minutes per month**
Instagram	302	13

OTT SVOD	Estimated users 000s
Netflix	80+
Streaming audio	**Estimated users 000s**
Spotify	2,100
Deezer	110
Radionomy	10

**three-month rolling average to January 2015. Mobile not included.*



BRAZIL

SNAPSHOT	
Typical home download Mbps	2
2015e adult internet users %	69%
2015e e-commerce per adult internet user USD	148

Historic sources: TGI Ibope; comScore; AB-Comm; PwC; Anatel

	2012	2013	2014	2015e
Smartphone penetration %	20	27	34	42
Tablet penetration %	1	3	6	10
4G penetration %		1	2	8
E-commerce in BRL bn (excluding travel)	24	30	39	50
E-commerce per adult internet user BRL	281	322	381	463
Adult media usage (hrs per day in decimals)				
Online	2.80	3.00	3.40	3.80
TV	4.80	4.70	4.60	4.50
Print	1.05	1.00	1.00	1.00
Radio	2.55	2.50	2.50	2.40
Total	**11.20**	**11.20**	**11.50**	**11.70**
Adult media usage (percentages)				
Online	25	27	30	32
TV	43	42	40	38
Print	9	9	9	9
Radio	23	22	22	21
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s (Dec 2014)	Av minutes per day
UOL (multipurpose portal)	60,691	11.3
Globo.com (news & entertainment)	51,497	13.9
Terra (news & entertainment)	51,343	5.7
Global websites	**Uniques 000s (Dec 2014)**	**Av minutes per day**
Twitter.com	60,691	11.3
Facebook	58,546	53.0
YouTube	46,143	29.5
Yahoo!	40,348	13.7
Google search	62,632	4.5
LinkedIn	11,378	7.3

Apps	Estimated HH 000s
Snapchat	10,000
Instagram	22,000
WhatsApp	45,000
OTT SVOD	**Estimated HH 000s**
Net Now	2,500
Netflix	2,200
Sky On Demand	2,000
Streaming audio	**Estimated users 000s**
TIMmusic by Deezer	1,800
Rdio	500
Spotify Brasil	7,000



CANADA

SNAPSHOT	
Typical home download Mbps	25
2015e adult internet users %	82%
2015e e-commerce per adult internet user USD	1,011
2014e video ad investment of online display	16%

	2012	2013	2014	2015e
Smartphone penetration %	31	35	55	61
Tablet penetration %	15	33	38	42
4G penetration %	5	19	36	60
E-commerce in CAD bn (excluding travel)	**21.5**	**21.6**	**25.4**	**29.6**
E-commerce per adult internet user CAD	1,000	987	1,153	1,283
Adult media usage (hrs per day in decimals)				
Online	1.68	1.27	1.28	1.29
TV	4.17	4.04	4.14	4.22
Print	0.64	0.50	0.60	0.58
Radio	1.91	1.89	1.30	1.31
Total	**8.40**	**7.70**	**7.32**	**7.41**
Adult media usage (percentages)				
Online	20	16	17	17
TV	50	52	57	57
Print	8	6	8	8
Radio	23	25	18	18
Total	**100**	**100**	**100**	**100**

Historic sources: comScore; Numeris InfoSys TV; PMB; NADbank; eMarketer

Apps	Users 000s**
Snapchat	678
Instagram	3,752
WhatsApp	1,687
OTT SVOD	**Estimated users 000s**
Netflix.com	2,141
Rogers On Demand	n/a
Bell Fibre TV	n/a
CraveTV	n/a
Global Go	n/a
Shomi	n/a
Streaming audio	**Estimated users 000s**
Soundcloud	1,246
CBC.ca	695
Songza	400
Tunein	356
Grooveshark	380

Top local websites	Uniques 000s*	Av minutes per month
msn.ca (Email/News/Entertainment Portal)	9,268	35
Kijiji.ca (Classified Ad site)	8,583	58
CBC.cae (News)	6,805	18
Blogspot.ca (Blog hosting site)	5,821	6
Amazon.ca	4,756	18
Global websites	**Uniques 000s***	**Av minutes per month**
Twitter.com	5,000	33
Facebook	16,682	442
YouTube	15,036	257
Yahoo!	10,535	42
Google search	19,914	90
LinkedIn	5,863	24

**desktop only annual average*

***mobile annual average*



CHILE

SNAPSHOT	
Typical home download Mbps	3
2015e adult internet users %	54%
2015e e-commerce per adult internet user USD	366

Historic sources: comScore; Ibope; Ipsos; Sernac; eMarketer

	2012	2013	2014	2015e
Smartphone penetration %	56	70	34	42
Tablet penetration %	6	7	6	10
4G penetration %	1	2	2	8
E-commerce in USD bn (excluding travel)	**2.0**	**2.6**	**39**	**50**
E-commerce per adult internet user USD	303	366	381	463
Adult media usage (hrs per day in decimals)				
Online	1.03	1.00	3.40	3.80
TV	3.90	3.93	4.60	4.50
Print	0.40	0.37	1.00	1.00
Radio	4.00	4.00	2.50	2.40
Total	**9.33**	**9.30**	**11.50**	**11.70**
Adult media usage (percentages)				
Online	11	11	30	32
TV	42	42	40	38
Print	4	4	9	9
Radio	43	43	22	21
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s	Av minutes per visit
Google.cl	5,778	3
Facebook.com	4,640	16
Live.com (News/Ent/Email/Cloud Storage)	4,467	8
Global websites	**Uniques 000s**	**Av minutes per visit**
Twitter.com	632	6
Facebook	4,656	16
YouTube	3,954	21
Yahoo!	2,902	3
Google search	5,778	3
LinkedIn	891	5

Apps	Users 000s
Instagram	383
OTT SVOD	**Estimated HH 000s**
Netflix	230
Streaming audio	**Estimated HH 000s**
Spotify	1,250
Free Music Download	n/a
Pandora	n/a



CHINA

SNAPSHOT	
Typical home download Mbps	4
2015e adult internet users %	52%
2015e online shopping per adult internet user USD	1,170
2014e video ad investment of online display	8%
2014e automated % of online display	8%

	2012	2013	2014	2015e
Smartphone penetration %	21	33	38	44
Tablet penetration %	7.5	13	17	22
4G penetration (000s)			7	10
E-commerce in CNY billion (inc. B2B, travel, O2O, exc. group buying)	**8,080**	**10,116**	**12,271**	**15,008**
E-commerce in CNY billion (online shopping only)	1,187	1,892	2,815	3,955
E-commerce (online shopping only) per adult internet user CNY	2,833	4,130	5,746	7,324
Adult media usage (hours per day in decimals)				
Ages 15-69 36 cities				
Online	3.01	3.26	3.61	3.80
TV	2.76	2.70	2.50	2.40
Print	0.65	0.64	0.62	0.58
Radio	0.85	0.81	0.75	0.70
Total	**7.27**	**7.41**	**7.49**	**7.48**
Adult media usage (percentages)				
Online	41	44	48	51
TV	38	36	33	32
Print	9	9	8	8
Radio	12	11	10	9
Total	**100**	**100**	**100**	**100**

Historic sources: comScore; Numeris InfoSys TV; PMB; NADbank; eMarketer

Streaming audio (PC)	Monthly users 000s
iTunes	91,574
Kugou music	94,180
Kuwo music player	47,423

Streaming audio (mobile)	Monthly users 000s
QQ music	39,311
Kugou music	38,700
TTPod	30,495
Kuwo music player	25,631
MIUI music player	16,126
Baidu music	14,044
Xiami	11,575
Duomi	11,493
Qingting FM	11,053
Kaola FM	10,684
Ximalaya FM	8,567
NetEase Cloud Music	3,682
Douban FM	2,970

Top three local websites	Uniques m (Dec 2014)	Av minutes per visitor per day
qq.com (Social Networking)	450.04	12
baudu.com (Chinese Language Multimedia Search Engine/Encyclopedia)	464.10	11
360.cn (Antivirus Distributor)	270.58	4

Global websites (PC)	Uniques m (Dec 2014)	Av minutes per visitor per day
Twitter.com	3.38	6
Facebook	7.44	3
YouTube	12.79	59
Yahoo!	0.13	9
Google.com search	59.00	3
Google.cn search	55.16	3
LinkedIn	4.12	3

Global websites (Mobile)	Uniques m (Dec 2014)	Av minutes per visitor per day
Twitter.com	0.84	3
Facebook	2.59	5
YouTube	2.26	3
LinkedIn	0.15	2

Historic sources: China National Resident Survey; CNNIC; iResearch; MIT; iResearch
2014 media hours are January-June only



CZECH REPUBLIC

SNAPSHOT	
Typical home download Mbps	11
2015e adult internet users %	78%
2015e e-commerce per adult internet user USD	535
2014e video ad investment of online display	8%
2014e automated % of on-line display	3%

Historic sources: MML-TGI; NetMonitor;Mediaresearch; APEK

	2012	2013	2014	2015e
Smartphone penetration %	10	11	33	55
Tablet penetration %	2	2	13	18
E-commerce in EUR bn (excluding travel)	**1.7**	**2.7**	**3.1**	**3.6**
E-commerce per adult internet user EUR	253	404	446	505
Adult media usage (hrs per day in decimals)				
Online	1.86	1.86	2.40	2.70
TV	3.52	3.58	3.68	3.70
Print	0.31	0.31	0.20	0.20
Radio	2.19	2.17	2.28	2.40
Total	**7.88**	**7.92**	**8.56**	**9.00**
Adult media usage (percentages)				
Online	24	23	28	30
TV	45	45	43	41
Print	4	4	2	2
Radio	28	27	27	27
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s	Av minutes per month
Seznam.cz (search engine/news)	5,790	16
novinky.cz (newa)	3,982	115
idnes.cz (news/entertainment)	3,643	108
Global websites	**Uniques 000s**	**Av minutes per month**
Twitter.com	150	6
Facebook	4,400	16
YouTube	5,000	21
Yahoo!		3
Google search	6,000	3
LinkedIn		5

Apps	Users 000s
Instagram	80
Streaming audio	**Users 000s**
Spotify	200



DENMARK

SNAPSHOT	
Typical home download Mbps	20
2015e adult internet users %	95%
2015e e-commerce per adult internet user USD	2,961
2014e video ad investment of online display	7%
2014e automated % of on-line display	53%

	2012	2013	2014	2015e
Smartphone penetration %	50	60	73	83
Tablet penetration %		41	58	69
4G penetration %			33	47
E-commerce in DKK bn excluding travel	**51.0**	**58.7**	**69.7**	**87.8**
E-commerce per adult internet user DKK	13,840	14,379	16,607	20,845
Adult media usage (hours per day in decimals)				
Online	1.61	1.57	1.62	1.70
TV	2.28	2.26	2.21	2.19
Print	0.60	0.52	0.46	0.45
Radio	1.39	1.35	1.33	1.32
Total	**5.88**	**5.70**	**5.62**	**5.66**
Adult media usage (percentages)				
Online	27	28	29	30
TV	39	40	39	39
Print	10	9	8	8
Radio	24	24	24	23
Total	**100**	**100**	**100**	**100**

Historic sources: Danskernes mdievaner; Danish Chamber of Commerce; Gemius; eMarketer; Bloomberg

Top three local websites	Uniques 000s	Av minutes per month
dr.dk (national broadcaster portal)	1,998	132
krak.dk (directory/search)	1,768	38
ekstrabladet.dk (popular news)	1,673	212
Global websites	**Uniques 000s**	**Av minutes per month**
Twitter.com	743	19
Facebook	3,459	540
YouTube	3,630	80
Yahoo!	206	68
Google search	3,836	422
LinkedIn	1,526	32

Apps	Users 000s
Snapchat	678
Instagram	784
WhatsApp	165
OTT SVOD	**Estimated HH 000s**
Netflix	790
Viaplay	335
HBO Nordic	240
Streaming audio	**Estimated users 000s**
Spotify	1,880
Wimp	723



FINLAND

SNAPSHOT	
2015e adult internet users %	99%
2015e e-commerce per adult internet user USD	2,238
2014e video ad investment of all online	10%

	2012	2013	2014	2015e
Smartphone penetration %	45	56	66	70
Tablet penetration %	11	21	40	45
E-commerce in EUR bn (excluding travel)	**7.2**	**7.6**	**6.7**	**7.5**
E-commerce per adult internet user EUR	2,178	2,342	1,926	2,113
Adult media usage (hrs per day in decimals)				
Online	2.10	2.30	2.45	2.60
TV	2.94	2.57	2.53	2.45
Print	0.92	0.95	0.83	0.80
Radio	1.74	1.72	1.60	1.55
Total	**7.70**	**7.54**	**7.41**	**7.40**
Adult media usage (percentages)				
Online	27	31	33	35
TV	38	34	34	33
Print	12	13	11	11
Radio	23	23	22	21
Total	**100**	**100**	**100**	**100**

Historic sources: TNS Atlas; comScore

Top three local websites	Uniques 000s*	Av minutes per visit
Iltalehti (news/entertainment)	2,893	4
Ilta-Sanomat ((news/entertainment)	2,559	4
Yle.fi (news)	2,557	5
Global websites	**Uniques 000s***	**Av minutes per visit**
Twitter.com	632	6
Facebook	4,656	16
YouTube	3,954	21
Yahoo!	2,902	3
Google search	5,778	3
LinkedIn	891	5

Apps	Users 000s
Snapchat	n/a
Instagram	382
WhatsApp	7
OTT SVOD	**Estimated HH 000s**
Netflix	400
HBO	n/a
Streaming audio	**Estimated users 000s**
Spotify app	798
Spotify website	196



FRANCE

SNAPSHOT	
Typical home download Mbps	11
2015e adult internet users %	78%
2015e e-commerce per adult internet user USD	1,542
2014e video ad investment of online display	28%

	2012	2013	2014	2015e
Smartphone penetration %	47	53	56	59
Tablet penetration %	11	19	36	38
4G penetration (000s)			10,000	19,500
E-commerce in EUR bn (including travel)	**45**	**50**	**57**	**64**
E-commerce per adult internet user EUR	1,115	1,182	1,317	1,456
Adult media usage (hrs per day in decimals)				
Online	1.30	1.48	1.61	1.77
TV	4.13	4.03	3.85	3.80
Print	0.81	0.80	0.78	0.75
Radio	2.43	2.47	2.38	2.37
Total	**8.67**	**8.78**	**8.62**	**8.69**
Adult media usage (percentages)				
Online	15	17	19	20
TV	48	46	45	44
Print	9	9	9	9
Radio	28	28	28	27
Total	**100**	**100**	**100**	**100**

Historic sources: Médiamétrie, 126 000, NetRatings, Media In Life (GroupM); IP; Les Echos; ARCEP; SRI UDECAM 2014

Top three local websites	Uniques 000s (Dec 2014)	Av dwelltime per month
Orange.fr (Mobile Technology/Comms)	19,635	02:25:44
leboncoin.fr (Buying/Selling Platform)	16,377	02:18:50
pagesjaunes.fr (Localised Search Engine/Weather)	15,785	00:15:42
Global websites	**Uniques 000s (Dec 2014)**	**Av dwelltime per month**
Twitter.com	4,868	00:32:48
Facebook	26,759	05:48:43
YouTube	23,245	02:08:27
Yahoo!	14,149	01:20:50
Google search	33,289	01:20:59
LinkedIn	5,051	00:11:57

Apps	Users 000s
Instagram (mobile 15+)	5,383
Streaming audio	**Estimated users 000s**
Vevo (YouTube)	4,320
Deezer	4,092
Spotify	1,459



GERMANY

SNAPSHOT	
2015e adult internet users %	84%
2015e e-commerce per adult internet user USD	742
2014e video ad investment of online display	24%

	2012	2013	2014	2015e
Smartphone penetration %	34	41	50	53
Tablet penetration %	18	25	33	37
E-commerce in EUR bn (excluding travel)	**23.3**	**33.1**	**39.0**	**43.6**
E-commerce per internet user EUR	457	637	689	701
Adult media usage (hrs per day in decimals)				
Online (desktop only)	1.54	1.91	2.25	1.77
TV	3.71	3.41	3.71	3.80
Print	0.42	0.46	0.47	0.75
Radio	3.19	2.28	1.96	2.37
Total	**8.85**	**8.06**	**8.39**	**8.69**
Adult media usage (percentages)				
Online	17	24	27	20
TV	42	42	44	44
Print	5	6	6	9
Radio	36	28	23	27
Total	**100**	**100**	**100**	**100**

Historic sources: Statista; AGOF; netzoekonom.de; Goldmedia

Top three local websites	Uniques 000s	Av minutes per month
T-Online (mobile/communications provider)	26,860	44
ebay.de	24,800	100
bild.de (news)	17,080	
Global websites	**Uniques 000s**	**Av minutes per month**
Twitter.com	2,500	
Facebook	27,380	126
Yahoo!	10,700	
LinkedIn	3,937	

Apps	Users 000s
Instagram	4,200
WhatsApp	32,000
OTT SVOD	**Estimated market share %**
Amazon Prime	33
iTunes	11
Maxdome (Pro7 Sat1)	11
Netflix	8
Videoload (DT)	3
Watchever (Vivendi)	2
Streaming audio	
Spotify	n/a
Deezer	n/a



GREECE

SNAPSHOT	
2015e adult internet users %	64%
2014e video ad investment of online display ex YouTube	3%

	2012	2013	2014	2015e
Smartphone penetration %	22	35	45	49
Tablet penetration %	0.2	5	11	15
Adult media usage (hrs per day in decimals)				
Online			2.20	2.35
TV			2.50	2.50
Print			0.59	0.50
Radio			1.90	1.90
Total			**7.19**	**7.25**
Adult media usage (percentages)				
Online			31	32
TV			35	34
Print			8	7
Radio			26	26
Total			**100**	**100**

Historic sources: TGI; FocusBari; Web-id; Ened; Google Analytics

Top three local websites	Uniques 000s
ProtoThema.gr (news)	4,579
Newsbomb.gr (news)	4,523
Meteo.gr (weather)	4,384
Global websites	**Uniques 000s**
Twitter.com	600
Facebook	4,600
YouTube	4,900
Yahoo!	3,200
Google search	n/a
LinkedIn	n/a

Streaming audio	Uniques 000s
Spotify	550



HONG KONG

SNAPSHOT	
Typical home download Mbps	40
2015e adult internet users %	86%
2014e video ad investment of online display	12%

	2012	2013	2014	2015e
Smartphone penetration %	50	53	62	70
Tablet penetration %	19	21	24	27
4G penetration % (ex pre-paid)	5	28	49	55
Adult media usage (hrs per day in decimals)				
Online	2.45	2.40	2.43	2.40
TV	2.85	2.75	2.23	2.15
Print	1.18	1.17	1.12	1.07
Radio	1.12	1.10	1.05	1.01
Total	**7.60**	**7.42**	**6.83**	**6.63**
Adult media usage (percentages)				
Online	32	32	36	36
TV	38	37	33	32
Print	16	16	16	16
Radio	15	15	15	15
Total	**100**	**100**	**100**	**100**

Historic sources: Statista; AGOF; netzoekonom.de; Goldmedia
Historic sources: Nielsen Media Index; comScore

Top three local websites	Uniques 000s	Av minutes per visit
Yahoo sites	4,534	6
Google sites	4,045	10
Microsoft sites	2,943	4
Global websites	**Uniques 000s**	**Av minutes per visit**
Twitter.com	320	9
Facebook	2,637	13
YouTube	563	21
Yahoo!	4,061	3
Google search	2,731	2
LinkedIn	548	5

Apps	Users 000s
Instagram	343
WhatsApp	27
OTT SVOD	**Estimated users 000s**
nowTV	1,269



HUNGARY

SNAPSHOT	
Typical home download Mbps	20
2015e adult internet users %	65%
2015e e-commerce per adult internet user USD	232
2014e video ad investment of online display	n/a
2014e automated % of online display	23%

	2012	2013	2014	2015e
Smartphone penetration %	18	24	31	40
Tablet penetration %	2	6	11	17
4G penetration %				
E-commerce in HUF bn (including travel)	**177**	**210**	**266**	**350**
E-commerce per adult internet user HUF	39,500	44,322	53,285	66,692
Adult media usage (hrs per day in decimals)				
Online	1.53	1.71	1.90	2.15
TV	5.03	5.02	5.02	5.00
Print	0.33	0.36	0.35	0.33
Radio	3.00	2.95	2.85	2.80
Total	**9.89**	**10.04**	**10.12**	**10.28**
Adult media usage (percentages)				
Online	15	17	19	21
TV	51	50	50	49
Print	3	4	3	3
Radio	30	29	28	27
Total	**100**	**100**	**100**	**100**

Historic sources: Gemius-Ipsos; Nielsen; Millward Brown TGI; Ipsos/GfK; IAB

Top three local websites	Uniques 000s
www.origo.hu (news)	450
www.blog.hu (independent news)	4,880
www.startlap.hu (news portal)	2,250
Global websites	**Uniques 000s**
Twitter.com	450
Facebook	4,880
YouTube	2,250
Yahoo!	n/a
Google search	4,900
LinkedIn	370

Apps	Users 000s
Snapchat	187
Instagram	560
WhatsApp	240
Streaming audio	**Users 000s**
Spotify	110
Deezer	80
SoundCloud	90



INDIA

SNAPSHOT	
Typical home download Mbps	2
2015e adult internet users %	42%
2015e e-commerce per adult internet user USD	15
2014e video ad investment of online display	30%
2014e automated % of online display	20%

	2012	2013	2014	2015e
Smartphone penetration % (of all handset users)		14.8	21.0	26.0
Tablet penetration % (of all internet users)	1.4	2.0	2.7	3.9
4G penetration (000s)			<1,000	>1,000
E-commerce in INR bn (exc. travel and digital downloads)	**128**	**181**	**224**	**334**
E-commerce per adult internet user INR	935	956	862	954
Adult media usage (hrs per day in decimals)				
Online		3.40	3.77	3.90
TV	2.48	2.42	2.59	2.66
Print (top 10 titles)		0.34		
Radio		0.47		
Total	**2.48**	**6.63**	**6.36**	**6.56**
Adult media usage (percentages)				
Online		51		
TV		37		
Print		5		
Radio		7		
Total		**100**		

Historic sources: IAMAI-IMRB; TAM; IRS; Crisil Research India; eMarketer; MAIT; Akamai

Top three local websites	Uniques 000s*
Google Sites	250,000
Facebook	113,000
Yahoo Sites	30,000
Global websites	**Uniques 000s**
Twitter.com	25,000
Facebook	113,000
YouTube	50,000
Yahoo!	30,000
Google search	250,000
LinkedIn	24,000

Apps	Estimated users 000s*
Snapchat	24,000
Instagram	3,000
WhatsApp	5,000
Streaming audio	**Estimated users 000s***
Hungama	>10,000
Saavn	>9,000
Gaana	>3,000

** Publisher and GroupM estimates*



INDONESIA

SNAPSHOT	
Typical home download Mbps	6
2015e adult internet users %	36%
2015e e-commerce per adult internet user USD	25

	2012	2013	2014	2015e
Smartphone penetration %	10.6	17	24	29
Tablet penetration %	1.1	2	4	5
4G penetration %				>1
E-commerce in USD bn (excluding travel)		**1.1**	**1.6**	**2.4**
E-commerce per adult internet user USD		15	19	25

Historic sources: eMarketer; Portio Research; comScore; Akamai

Top three local websites	Uniques 000s (Dec 2014)	Av minutes per month
Lazada Sites (e-commerce)	6,087	119
Kaskus (social)	5,965	317
Kompas Gramedia (news)	5,881	144
Global websites	**Uniques 000s (Dec 2014)**	**Av minutes per month**
Twitter.com	4,169	177
Facebook	14,207	4,832
YouTube	12,449	2,799
Yahoo!	13,031	1,944
Google search	16,253	833
LinkedIn	2,834	30



IRELAND

SNAPSHOT	
Typical home download Mbps	14
2015e adult internet users %	90%
2015e e-commerce per adult internet user USD	2,546
2014e video ad investment of online display	16%

	2012	2013	2014	2015e
Smartphone penetration %	51	64	70	74
Tablet penetration %	9	21	29	31
4G penetration (000s)			66	70
E-commerce in EUR bn	**3.7**	**4.3**	**6.5**	**8.3**
E-commerce per adult internet user EUR	1,237	1,299	1,923	2,404
Adult media usage (hrs per day in decimals)				
Online	2.87	2.02	2.40	2.50
TV	2.87	2.81	2.60	2.55
Print				
Radio	2.14	2.22	2.42	2.42
Total	**7.88**	**7.05**	**7.42**	**7.47**
Adult media usage (percentages)				
Online	36	29	32	33
TV	36	40	35	34
Print	n/a	n/a	n/a	n/a
Radio	27	31	33	32
Total	**100**	**100**	**100**	**100**

Historic sources: comScore; Visa Europe; AMAS; Forrester; TGI; Eircom Household Survey; Irish Times; IAB Ireland

Top three local websites	Uniques 000s*	Av minutes per month
Distilled Media (Classified ads)	1,363	43
RTE.ie (News/Entertainment)	1,046	18
Irish Times (News)	888	24
Global websites	**Uniques 000s***	**Av minutes per month**
Twitter.com	669	
Facebook	1,703	126
YouTube	1,399	
Yahoo!	1,612	
Google search	2,767	
LinkedIn	304	

Apps	Users 000s
Snapchat	517
Instagram	395
WhatsApp	699
OTT SVOD	**Estimated HH 000s**
Netflix	150
Streaming audio	**Estimated users 000s**
Spotify	205



ITALY

SNAPSHOT	
Typical home download Mbps	9
2015e adult internet users %	51%
2015e e-commerce per adult internet user USD	354
2014e video ad investment of internet display	30%
2014e automated % of online display	10%

Historic sources: Eurisko; Audipress; Audiweb; Auditel; Politecnico di Milano; Mobile Next; Sinottica/TSSP; comScore Mobilens; Ookla Net Index;

	2012	2013	2014	2015e
Smartphone penetration % (Users 15+)	40	45	48	52
Tablet penetration % (Users 15+)	9	15	22	28
4G penetration % of smartphone users 15+			28	33
4G penetration % (adults 15+)			14	17
E-commerce in EUR bn (excluding travel)	**5.7**	**6.6**	**8.0**	**9.2**
E-commerce per adult internet user EUR	227	262	306	334
Adult media usage (hrs per day in decimals)				
Online	0.70	0.64	0.85	0.93
TV	4.35	4.45	4.45	4.42
Print	0.27	0.28	0.25	0.22
Radio	2.08	2.17	2.20	2.20
Total	**7.40**	**7.54**	**7.75**	**7.77**
Adult media usage (percentages)				
Online	9	8	11	12
TV	59	59	57	57
Print	4	4	3	3
Radio	28	29	28	28
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s (Oct 2014)	Av minutes per month
La Repubblica (Online Newspaper)	11,070	25
Leonardo.it (News/Email Provider)	9,955	8
SeatPG Directories Online (Telephone Directory/Maps/Advertising)	9,989	6
Pianetadonna.it (Womens Lifestyle/News/Fashion/Beauty)	9,779	6
Global websites	**Uniques 000s (Oct 2014)**	**Av minutes per month**
Twitter.com	9,552	39
Facebook	22,681	758
YouTube	20,372	97
Yahoo!	17,120	52
Google search	23,840	112
LinkedIn	6,335	12

Apps	Users 000s (Oct 2014)	Av minutes per month
Snapchat	218	117
Instagram	6,758	133
WhatsApp	16,072	509
OTT SVOD	**Estimated users 000s**	
(All services)	940	
Streaming audio	**Estimated users 000s**	
(All services)	4,886	
Spotify	2,797	



JAPAN

SNAPSHOT	
Typical home download Mbps	61
2015e adult internet users %	95%
2015e online shopping per adult internet user USD	750
2014e video ad investment of online display	31%
2014e automated % of online display	7%

	2012	2013	2014	2015e
Smartphone penetration %	16	37	51	57
Tablet penetration %	8	18	24	29
4G penetration %		28	43	63
E-commerce in JPY tn (excluding travel)	**6.3**	**7.5**	**8.5**	**9.5**
E-commerce per adult internet user JPY	62,433	72,152	81,950	91,100
Adult media usage (hrs per day in decimals)				
Online	1.96	2.19	2.31	2.45
TV	2.69	2.53	2.52	2.52
Print	0.68	0.64	0.64	0.64
Radio	0.53	0.52	0.52	0.50
Total	**5.86**	**5.88**	**5.99**	**6.11**
Adult media usage (percentages)				
Online	33	37	39	40
TV	46	43	42	41
Print	12	11	11	10
Radio	9	9	9	8
Total	**100**	**100**	**100**	**100**

Historic sources: Video Research; Nielsen; comScore; eMarketer

Top three local websites	Uniques 000s (Dec 2014)	Av minutes per visit
Google	67,207	7
Yahoo JP	59,993	7
FC2.com (blogging/video portal)	43,800	3
Global websites	**Uniques 000s (Dec 2014)**	**Av minutes per visit**
Twitter.com	19,267	
Facebook	19,160	126
YouTube	31,987	
Yahoo!	58,793	
Google search	41,318	
LinkedIn	1,205	

Apps	Users 000s
Instagram	2,189
OTT SVOD	**Estimated HH 000s**
Hulu	900
Streaming audio	**Users 000s**
PlayStation Music (Spotify)	n/a



LATVIA

SNAPSHOT	
Typical home download Mbps	8
2015e adult internet users %	76%
2014e video ad investment of online display	12%
2014e automated % of online display	3%

	2012	2013	2014	2015e
Smartphone penetration %	12	18	28	32
Tablet penetration %	4	6	12	20
4G penetration %	10	45	70	72
Adults who ever shop online %	32%	37%	40%	45%
Adult media usage (hrs per day in decimals)				
Online	1.00	0.96	0.96	0.96
TV	2.87	2.72	2.80	2.83
Print	0.45	0.42	0.38	0.35
Radio	4.48	4.20	4.27	4.27
Total	**8.80**	**8.29**	**8.41**	**8.41**
Adult media usage (percentages)				
Online	11	12	11	11
TV	33	33	33	34
Print	5	5	5	4
Radio	51	51	51	51
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s	Av minutes per month
Inbox (Email provider/Social Networking)	743	447
Delfi (News)	726	289
Tvnet (News/Jobs/Email/Games Portal)	704	259

Global websites	Uniques 000s
Twitter.com	55
Facebook	204
YouTube	361
Yahoo!	19
Google search	704
LinkedIn	1

Streaming audio	Uniques 000s
Spotify	50

Historic sources: TNS; Gemius; Media House estimates



LITHUANIA

SNAPSHOT	
Typical home download Mbps	46
2015e adult internet users %	75%

	2012	2013	2014	2015e
Smartphone penetration %	18	28	39	46
Tablet penetration %	4	12	19	25
4G penetration (000s)	19	29	65	75
Adult media usage (hrs per day in decimals)				
Online	1.97	2.06	1.97	2.07
TV	3.83	3.92	3.65	3.70
Print	0.65	0.59	0.54	0.50
Radio	2.62	2.60	2.32	2.14
Total	**9.07**	**9.17**	**8.48**	**8.41**
Adult media usage (percentages)				
Online	22	22	23	25
TV	42	43	43	44
Print	7	6	6	6
Radio	29	28	27	25
Total	**100**	**100**	**100**	**100**

Historic sources: TNS; EC

Top three local websites	Uniques 000s	Av minutes per month
Delfi.lt (news portal)	1,198	246
15min.lt (news)	1,003	132
Lrytas.lt (news)	836	164
Global websites	**Uniques 000s**	
Twitter.com	24	
Facebook	874	
YouTube	775	
Yahoo!	105	
Google search	1,265	
LinkedIn	17	

Apps	Users 000s
Instagram	31



MALAYSIA

SNAPSHOT	
Typical home download Mbps	6
2015e adult internet users %	98%
2015e e-commerce per adult internet user USD	n/a
2014e video ad investment of online display	24%
2014e automated % of online display	20%

	2012	2013	2014	2015e
Smartphone penetration %	55	57	65	70
Tablet penetration %	11	16	19	23
4G penetration %	5	6	7	10
Adult media usage (hrs per day in decimals)				
Online	2.69	2.71	2.72	2.78
TV*	3.28	3.35	1.88	1.80
Print	0.44	0.56	0.82	0.75
Radio	1.79	1.63	1.57	1.50
Total	**8.20**	**8.25**	**6.99**	**6.83**
Adult media usage (percentages)				
Online	33	33	39	41
TV	40	41	27	26
Print	5	7	12	11
Radio	22	20	22	22
Total	**100**	**100**	**100**	**100**

**2014 drop explained as a reduction in average dwelltime on free-to-air channels*

Historic sources: 3D Malaysia; Internet World Sats; We Are Social; Global Web Index; comScore; MCMC; Asean DNA

Top three local websites	Uniques 000s (Jan 2015)	Av minutes per visit
Maybank2u.com.my (banking/payment)	3,136	9
Mudah.my (small ads)	2,119	3
CIMBClicks.com.my (online banking)	1,618	7
Global websites	**Uniques 000s**	
Twitter.com	5,490	
Facebook	8,664	
YouTube	7,415	
Yahoo!	5,517	
Google search	11,779	
LinkedIn	3,355	

Apps	Users 000s
Snapchat	n/a
Instagram	4,575
WhatsApp	11,590
OTT SVOD	**Estimated HH 000s**
(Any service)	742
Streaming audio	**Estimated users 000s**
Spotify	1,500



MEXICO

SNAPSHOT	
Typical home download Mbps	4
2015e adult internet users %	44%
2015e online shopping per adult internet user USD	44
2014e video ad investment of online display	16%
2014e automated % of online display	10%-15%

	2012	2013	2014	2015e
Smartphone penetration %	12.6	19.2	25.0	38.0
Tablet penetration %	2.2	4.3	8.0	12.0
E-commerce in MXN bn (excluding travel)	**6.2**	**7.9**	**9.8**	**11.4**
E-commerce per adult internet user MXN	449	547	610	685
Adult media usage (hrs per day in decimals)				
Online	1.80	2.50	2.40	2.50
TV	2.70	2.67	2.53	2.45
Print	0.80	0.60	0.60	0.50
Radio	0.59	0.59	0.56	0.70
Total	**5.89**	**6.36**	**6.09**	**6.15**
Adult media usage (percentages)				
Online	31	39	39	41
TV	46	42	42	40
Print	14	9	10	8
Radio	10	9	9	11
Total	**100**	**100**	**100**	**100**

Historic sources: TGI; eMarketer; comScore

Top local websites	Uniques 000s
MercadoLibre (small ads)	4,899
eBay	2,246
Amazon Sites	1,927
Wal-Mart	1,808
Linio Sites	1,734

Apps	Users 000s
Instagram	1,424
WhatsApp	149
OTT SVOD	**Estimated HH 000s**
Netflix	1,200
Streaming audio	**Estimated users 000s**
Any service	884



NETHERLANDS

SNAPSHOT	
Typical home download Mbps	14
2015e adult internet users %	90%
2015e e-commerce per adult internet user USD	971
2014e automated % of online display	31%

	2012	2013	2014	2015e
Smartphone penetration %	58	67	76	79
Tablet penetration %	34	53	61	64
4G penetration %		6	22	38
E-commerce in EUR bn (excluding travel)	**6.0**	**6.7**	**8.7**	**11.9**
E-commerce per adult internet user EUR	481	531	679	917
Adult media usage (hrs per day in decimals)				
Online			1.68	1.76
TV	3.38	3.38	3.47	3.38
Print			0.37	0.33
Radio	3.21	3.12	2.97	2.88
Total	**6.59**	**6.51**	**8.49**	**8.36**
Adult media usage (percentages)				
Online			20	21
TV			41	40
Print			4	4
Radio			35	34
Total			**100**	**100**

Historic sources: Midia Tijd; SKO; MMS; NLO; Thiuswinkel.org; GfK; DDMM; Breedbandwinkel

Top three local websites*	Uniques 000s	Av minutes per active day
Marktplaats (Auction/Buying & Selling)	7,060	11
Bol.com (Retail)	6,611	6
NU.nl (News)	6,369	7

Global websites	Uniques 000s	Av minutes per active day
Twitter.com	4,917	9
Facebook	10,797	28
YouTube	9,291	14
Yahoo!	1,750	4
Google search	11,530	7
LinkedIn	4,185	5

Apps	Users 000s	Av minutes per active day
Snapchat	717	7
Instagram	2,756	8
WhatsApp	6,972	16

**sites and apps; all platforms*



NEW ZEALAND

SNAPSHOT	
Typical home download Mbps	25
2015e adult internet users %	96%
2015e e-commerce per adult internet user USD	1,181
2014e video ad investment of online display	20%
2014e automated % of online display	7%

	2012	2013	2014	2015e
Smartphone penetration %		48	59	67
Tablet penetration %		29	39	48
4G penetration %			58	65
E-commerce in NZD bn (estimated, ex travel)	**2.8**	**2.7**	**4.2**	**5.3**
E-commerce per adult internet user NZD	984	946	1,332	1,631
Adult media usage (hrs per day in decimals)				
Online	2.69	2.71	2.72	2.78
TV	3.28	3.35	1.88	1.80
Print	0.44	0.56	0.82	0.75
Radio	1.79	1.63	1.57	1.50
Total	**8.20**	**8.25**	**6.99**	**6.83**
Adult media usage (percentages)				
Online	33	33	39	41
TV	40	41	27	26
Print	5	7	12	11
Radio	22	20	22	22
Total	**100**	**100**	**100**	**100**

Historic sources: Colmar Brunton; Nielsen; Research NZ

Top three local websites	Uniques 000s	Av minutes per month
Trademe (auction site)	1,939	181
Stuff (news/ents)	1,690	134
NZ Herald (news)	1,225	90
Global websites	**Uniques 000s**	
Twitter.com	372	
Facebook	2,348	
YouTube	1,581	
Yahoo!	1,548	
Google search	2,334	
LinkedIn	453	

OTT SVOD	Estimated users 000s
Lightbox	n/a
Streaming audio	**Estimated users 000s**
Pandora	255
Spotify	200
iHeart Radio	250



NORWAY

SNAPSHOT	
2015e adult internet users %	91%
2015e e-commerce per adult internet user USD	2,114
2014e video ad investment of all online	7%
2014e automated % of online display	12%

Historic sources: Forbruker & Media MGI; eMarketer; TNS Gallup;

	2012	2013	2014	2015e
Smartphone penetration %	65	80	84	87
Tablet penetration %	33	47	63	70
E-commerce in NOK bn (exc. travel and events)	**28.6**	**33.0**	**57.0**	**64.0**
E-commerce per adult internet user NOK	8,583	9,723	15,565	17,274
E-commerce per adult internet user NZD	984	946	1,332	1,631
Adult media usage (hrs per day in decimals)				
Online	1.50	1.70	2.12	2.22
TV	2.60	2.42	2.89	2.75
Print	1.55	1.60	1.58	1.60
Radio	0.48	0.48	0.53	0.51
Total	**6.13**	**6.20**	**7.11**	**7.08**
Adult media usage (percentages)				
Online	24	27	30	31
TV	42	39	41	39
Print	25	26	22	23
Radio	8	8	7	7
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s	Av minutes per month
VG.no	163	181
NRK.no	740	134
Dagbladet	705	90
Global websites	**Uniques 000s**	
Twitter.com	163	
Facebook	740	
YouTube	705	
Google search	875	
LinkedIn	128	

OTT SVOD	Est uniques/m 000s
Netflix	226
TV2 Sumo	77
Viaplay	58
Streaming audio	**Est uniques/m 000s**
Spotify	432
Wimp	198



PHILIPPINES

SNAPSHOT	
Typical home download Mbps	4
2015e internet users %	40%

	2012	2013	2014	2015e
Smartphone penetration %			79	84
Tablet penetration %			61	64
4G penetration %			15	28
Adult media usage (hrs per day in decimals)				
Online	n/a	1.50	1.60	1.70
TV	4.80	4.80	4.80	4.80
Print	n/a	1.00	0.80	0.77
Radio	1.70	1.30	1.30	1.30
Total	**6.50**	**8.60**	**8.50**	**8.57**
Adult media usage (percentages)				
Online		17	19	20
TV		56	56	56
Print		12	9	9
Radio		15	15	15
Total		**100**	**100**	**100**

Historic sources: Global Web Index; Nielsen; Internet Live Stats/ITU

Top three local websites	Uniques 000s (Jan 2015)
Lazada.com.ph (general retail)	1,970
Abs-cbnnews.com	1,073
Inquirer.net (news)	725
Global websites	**Uniques 000s (Jan 2015)**
Twitter.com	1,214
Facebook	7,704
YouTube	5,534
Yahoo!	4,922
Google search	4,872
LinkedIn	331

Streaming audio	Uniques 000s (Jan 2015)
Spotify	324
Soundcloud	175
8tracks.com	15



POLAND

SNAPSHOT	
Typical home download Mbps	12
2015e adult internet users %	62%
2015e e-commerce per adult internet user USD	349
2014e video ad investment of online display	7%
2014e automated % of online display	7%

	2012	2013	2014	2015e
Smartphone penetration %	33	50	58	70
Tablet penetration %	3	8	18	30
4G penetration % (best provider)		58	73	84
E-commerce in PLN bn (excluding travel)	**21.5**	**26.0**	**27.3**	**30.0**
E-commerce per adult internet user PLN	1,112	1,232	1,267	1,364
Adult media usage (hrs per day in decimals)				
Online	1.28	1.26	1.30	1.40
TV	4.05	4.12	4.30	4.27
Print	0.47	0.48	0.47	0.48
Radio	4.42	4.53	4.48	4.45
Total	**10.22**	**10.39**	**10.55**	**10.60**
Adult media usage (percentages)				
Online	13	12	12	13
TV	40	40	41	40
Print	5	5	4	5
Radio	43	44	42	42
Total	**100**	**100**	**100**	**100**

Historic sources: NetTrack/SMG; AGB Nielsen; PBC/SMG; Radio Track/SMG; GUS; Megapanel; Interaktywnie.com/IAB; PMR; IAB

Top three local websites	Uniques 000s	Av minutes per month
onet.pl (Search/News Portal)	13,669	296
allegro.pl (Auction Site)	12,239	200
wp.pl (Seach Portal/Email/Chat)	11,309	318
Global websites	**Uniques 000s**	
Twitter.com	2,529	
Facebook	16,850	
YouTube	16,199	
Yahoo!	3,243	
Google search	19,661	
LinkedIn	1,249	

Apps	Users 000s
Snapchat	n/a
Instagram	2,274
WhatsApp	n/a
OTT SVOD	**Estimated users 000s**
cyfraplus.pl	257
hbogo.pl	137
Streaming audio	**Estimated users 000s**
Spotify	462
SoundCloud	420
Deezer	87



PORTUGAL

SNAPSHOT	
Typical home download Mbps	75
2015e adult internet users %	64%
2014e video ad investment of online display	18%

	2012	2013	2014	2015e
Smartphone penetration %	24	31	45	52
Tablet penetration %	4	9	21	25
Adult media usage (hrs per day in decimals)				
Online	0.60	0.71	0.78	0.82
TV	4.83	5.10	5.07	5.00
Print				
Radio	3.23	3.22	3.27	3.25
Total	**8.67**	**9.03**	**9.11**	**9.07**
Adult media usage (percentages)				
Online (from home)	7	8	9	9
TV	56	57	56	55
Print	0	0	0	0
Radio	37	36	36	36
Total	**100**	**100**	**100**	**100**

Historic sources: Netpanel Marktest; comScore

Top three local websites	Web uniques 000s	Av minutes per month
sapo.pt(Search/Email Portal)	3,537	50
xl.pt (Classified/News)	1,909	29
iol.pt (Search/News Portal)	1,771	24
Global websites	**Web uniques 000s**	**Av minutes per month**
Twitter.com	858	42
Facebook	4,762	502
YouTube	4,191	155
Yahoo!	1,232	7
Google search	4,260	46
LinkedIn	764	10

Apps	Users 000s	Av minutes per month
Snapchat	n/a	
Instagram	680	11
WhatsApp	n/a	
Streaming audio	**Users 000s**	**Av minutes per month**
Spotify	1,400	



RUSSIA

SNAPSHOT	
Typical home download Mbps	9
2015e adult internet users %	77%
2015e e-commerce per adult internet user USD	456
2014e video ad investment of online display	21%
2014e automated % of online display	10%

	2012	2013	2014	2015e
Smartphone penetration %	24	35	42	45
Tablet penetration %	6	15	24	28
4G penetration %	0.4	1	1	3
E-commerce in RUB bn (payments, retail, content, games)	**626**	**800**	**1,150**	**1,430**
E-commerce per adult internet user RUB	16,155	18,908	25,732	31,066
Individual 10+ media usage (urban; hrs per day in decimals)				
Online (desktop only)	2.23	2.26	2.16	2.13
TV	2.68	2.61	2.70	2.71
Print	0.28	0.28	0.26	0.25
Radio	1.95	1.99	1.91	1.90
Total	**7.14**	**7.14**	**7.04**	**6.99**
Media usage (percentages)				
Online	31	32	31	30
TV	38	37	38	39
Print	4	4	4	4
Radio	27	28	27	27
Total	**100**	**100**	**100**	**100**

Historic sources: Synovate Comcon; Russian Target Index; TNS; Data Insight

Top three local websites	Uniques 000s 15+	Av minutes per month
Mail.ru (Email/Search/Social Network)	66,779	6
Yandex.ru (Search Engine)	60,610	3
VK.com (Social Networking)	53,571	12
Global websites	**Uniques 000s 15+**	
Twitter.com	4,093	
Facebook	17,012	
YouTube	36,342	
Yahoo!	2,700	
Google search	24,456	
LinkedIn	2,662	

Apps	Users 000s
Instagram	8,467
WhatsApp	102
OTT SVOD (selection only)	**Estimated HH 000s**
IVI.RU	30000
Amediateka.ru	10000
Yotaplay	5000
Streaming audio	**Estimated users 000s**
VK music	14,000
Yandex music	7,859
Zvooq.ru	5,000



SINGAPORE

SNAPSHOT	
Typical home download Mbps	100
2015e adult internet users %	82%
2015e e-commerce per adult internet user USD	450
2014e video ad investment of online display	5%
2014e automated % of online display	80%

	2012	2013	2014	2015e
Smartphone penetration %	74	78	87	90
Tablet penetration %	31	42	45	50
4G penetration %			37	45
E-commerce in SGD bn	**0.9**	**1.2**	**1.7**	**2.5**
E-commerce per adult internet user SGD	254	345	472	625
Adult media usage (hours per day in decimals)				
Online			7.33	7.33
TV			2.33	2.20
Print			0.33	0.30
Radio			0.25	0.25
Total			**10.24**	**10.08**
Adult media usage (percentages)				
Online			72	73
TV			23	22
Print			3	3
Radio			2	2
Total			**100**	**100**

Historic sources: We Are Social/eMarketer; Telmar/3D; World Internet Stats; SingStat/Google/Nielsen; Alexa; Netindex

Top three local websites	Uniques 000s	Av minutes per visit
AsiaOne (news)	669	3
Channel News Asia.com	584	1
TodayOnline.com (news/ents)	215	2
Global websites	**Uniques 000s**	**Av minutes per visit**
Twitter.com	265	42
Facebook	2,300	502
YouTube	800	155
Yahoo!	800	7
Google search	2,800	46

OTT SVOD	Estimated HH 000s
RecordTV	n/a
Streaming audio	**Users 000s**
Spotify	170



SLOVAK REPLUBLIC

SNAPSHOT	
Typical home download Mbps	10
2015e adult internet users %	76%
2015e e-commerce per adult internet user USD	215
2014e video ad investment of online display	16%

	2012	2013	2014	2015e
Smartphone penetration %	20	30	60	65
Tablet penetration %			16	19
4G penetration %			15	20
E-commerce in EUR bn (excluding travel)	**0.4**	**0.6**	**0.7**	**0.7**
E-commerce per adult internet user EUR	167	201	197	203
Adult media usage (hours per day in decimals)				
Online	0.66	1.50	2.50	2.60
TV			3.50	3.45
Print			0.41	0.38
Radio			2.86	2.75
Total			**9.27**	**9.18**
Adult media usage (percentages)				
Online			27	28
TV			38	38
Print			4	4
Radio			31	30
Total			**100**	**100**

Historic sources: MML; TNS; AIMonitor

Top three local websites	Weekly uniques 000s	Av minutes per week
www.azet.sk (Search Portal/News/Weather)	2,904	71
www.zoznam.sk (Search Portal/News/Email/Buying & Selling)	2,362	27
www.sme.sk (Search Portal/News/Email/Buying & Selling)	2,164	26

Global websites	Weekly uniques 000s
Twitter.com	150
Facebook	2,000
YouTube	2,200
Yahoo!	n/a
Google search	2,200
LinkedIn	320

Apps	Users 000s
Snapchat	n/a
Instagram	52
WhatsApp	200

Streaming audio	Users 000s
Spotify	188
Deezer	n/a



SOUTH KOREA

SNAPSHOT	
Typical home download Mbps	25
2015e adult internet users %	84%
2015e e-commerce per adult internet user USD	1,793
2014e video ad investment of online display	15%

	2012	2013	2014	2015e
Smartphone penetration %	67	80	85	87
Tablet penetration %	6	12	14	18
4G penetration %	30	52	62	70
E-commerce in KRW bn (excluding travel)	**43,314**	**54,750**	**58,664**	**67,463**
E-commerce per adult internet user KRW 000s	1,498	1,744	1,799	2,020
Adult media usage (hours per day in decimals)				
Online	3.62	3.85	4.18	4.31
TV	3.19	3.11	2.83	2.79
Print	0.49	0.49	0.49	0.49
Radio	1.00	1.07	1.07	1.08
Total	**8.30**	**8.52**	**8.56**	**8.68**
Adult media usage (percentages)				
Online	44	45	49	50
TV	38	36	33	32
Print	6	6	6	6
Radio	12	13	12	13
Total	**100**	**100**	**100**	**100**

Top three local websites	Uniques 000s (Dec 2014)	Av minutes per month
Naver (Search)	30,529	306
Daum (Search/e-mail/news)	25,694	167
Nate (Search/e-mail/news/small ads)	17,273	11
Global websites	**Uniques 000s**	**Av minutes per visit**
Twitter.com	9,201	86
Facebook	18,789	451
YouTube	26,499	228
Google search	5,200	11
LinkedIn	435	5

Apps	Users 000	Av minutes per month
Instagram	3,545	130
Kakao Talk	31,521	2,734
OTT SVOD	**Estimated HH 000s (Jan 2015)**	
KT olleh TV	5,859	
SK B TV	2,829	
LG U+	1,949	
Streaming audio	**Estimated users 000s (Dec 2014)**	
Melon	5,323	
Milk	1,371	
Mnet	1,315	
Bugs	645	
Olleh Music	295	



SPAIN

SNAPSHOT	
Typical home download Mbps	10 to 30
2015e adult internet users %	74%
2015e e-commerce per adult internet user USD	512
2014e video ad investment of online display	10%
2014e automated % of online display	16%

	2012	2013	2014	2015e
Smartphone penetration %	59	80	87	93
Tablet penetration %	23	43	57	65
4G coverage % (not penetration)	53	67	75	85
E-commerce in EUR bn (excluding travel)	**7.1**	**8.7**	**11.1**	**14.4**
E-commerce per adult internet user EUR	300	341	402	484
Adult media usage (hours per day in decimals)				
Online	0.95	1.20	1.34	1.50
TV	4.26	4.33	4.24	4.20
Print	0.22	0.21	0.19	0.17
Radio	1.68	1.67	1.61	1.61
Total	**7.11**	**7.41**	**7.38**	**7.48**
Adult media usage (percentages)				
Online	13	16	18	20
TV	60	58	57	56
Print	3	3	3	2
Radio	24	23	22	22
Total	**100**	**100**	**100**	**100**

Historic sources: EGM; CNMC; IAB; comScore

Top three local websites	Uniques 000s	Av minutes per month
Elpais.com (Worldwide Spanish News)	6,979	40
Elmundo.com (Worldwide Spanish News)	6,856	37
milanuncios.com (Classified Ads/Buying & Selling)	6,376	50
Global websites	**Uniques 000s**	**Av minutes per visit**
Twitter.com	6,372	60
Facebook	17,774	350
YouTube	15,828	209
Yahoo!	5,759	13
Google search	24,598	89
LinkedIn	3,279	28

OTT SVOD	Estimated HH 000s
RecordTV	n/a
Streaming audio	**Users 000s**
Spotify	170



SWEDEN

SNAPSHOT	
Typical home download Mbps	12
2015e adult internet users %	95%
2015e e-commerce per adult internet user USD	785
2014e video ad investment of online display	20%
2014e automated % of on-line display	10%

Historic sources: Orvesto Konsument; E-barometern; KIA-index; Twitter; Google; Internetstatistik; IRM

	2012	2013	2014	2015e
Smartphone penetration %	52	65	74	84
Tablet penetration %	17	36	53	58
E-commerce in SEK bn (excluding travel)	**31.6**	**37.3**	**42.9**	**48.0**
E-commerce per adult internet user EUR	4,690	5,468	6,173	6,761
Adult media usage (hours per day in decimals)				
Online	1.05	1.12	1.75	1.80
TV	1.88	1.82	1.95	1.90
Print	0.52	0.45	0.44	0.42
Radio	0.93	0.93	0.94	0.94
Total	**4.38**	**4.32**	**5.08**	**5.06**
Adult media usage (percentages)				
Online	24	26	34	36
TV	43	42	38	38
Print	12	10	9	8
Radio	21	22	19	19
Total	**100**	**100**	**100**	**100**

Top three local websites	Weekly uniques 000s*	Av minutes per visit
aftonbladet.se (News)	4,362	08:33
expressen.se (News/Entertainment	2,592	08:19
blocket.se (Local Buying/Selling /Jobs)	2,334	n/a
Global websites	**Weekly uniques 000s***	**Av minutes per visit**
Twitter.com	1,300	86
Facebook	5,200	451
YouTube	4,100	228
Yahoo!	n/a	11
Google search	(50m queries daily)	5
LinkedIn	787	

**Week 52 of 2014*

Apps	MAUs 000s	Av minutes per month
Snapchat	894	130
Instagram	1,900	
WhatsApp	n/a	2,734
OTT SVOD	**Estimated HH 000s**	
Netflix	1,686	
Viaplay	960	
Cmore	417	
Streaming audio	**Estimated users 000s**	
Spotify	3,572	



SWITZERLAND

SNAPSHOT	
2015e adult internet users %	90

	2012	2013	2014	2015e
Smartphone penetration %		46	53	61
Tablet penetration %		9	15	25
Adult media usage (hours per day in decimals)*				
Online	1.12	1.12	1.15	1.18
TV	2.27	2.18	2.13	2.08
Print	0.47	0.47	0.45	0.45
Radio	1.88	1.85	1.80	1.75
Total	**5.73**	**5.61**	**5.53**	**5.47**
Adult media usage (percentages)				
Online	20	20	21	22
TV	40	39	39	38
Print	8	8	8	8
Radio	33	33	33	32
Total	**100**	**100**	**100**	**100**

**2014 is still a forecast*

Historic sources: Mediapulse; NET-metrix

Top three local websites*	Uniques 000s
20min.ch – D-CH (News)	1,988
search.ch (Search Engine)	1,871
Blick Online (News/Entertainment)	1,779
Others	**Uniques 000s**
Twitter.com	600
Facebook	3,410
YouTube	n/a
Yahoo!	n/a
Google search	n/a
LinkedIn	n/a

OTT SVOD	Estimated HH 000s
Netflix	new and n/a
Cablecom	new and n/a
Swisscom	new and n/a

**German Speaking*



TAIWAN

SNAPSHOT	
Typical home download Mbps	10
2015e adult internet users %	77%
2015e e-commerce per adult internet user USD	1,962
2014e video ad investment of online display	12%
2014e automated % of on-line display	3%

Historic sources: Nielsen; UDN.com; twnic.net.tw; comScore; DMA

	2012	2013	2014	2015e
Smartphone penetration %	21	27	65	71
Tablet penetration %	12	16	29	33
4G penetration %			9	27
E-commerce in NTD (excluding travel)	**490**	**637**	**883**	**1,006**
E-commerce per adult internet user NTD	29,589	38,601	54,422	62,099
Adult media usage (hours per day in decimals)				
Online	1.96	2.87	2.75	2.85
TV	2.95	2.65	2.48	2.40
Print	0.49	0.61	0.33	0.30
Radio	0.73	0.69	0.65	0.60
Total	**6.13**	**6.82**	**6.21**	**6.15**
Adult media usage (percentages)				
Online	32	42	44	46
TV	48	39	40	39
Print	8	9	5	5
Radio	12	10	11	10
Total	**100**	**100**	**100**	**100**

Top three websites	Uniques 000s*	Av minutes per month
Yahoo Sites	12,999	8
Google Sites	12,337	9
Facebook	9,967	14
Others	**Weekly uniques 000s***	
YouTube	8,363	
Yahoo!	12,999	
Google search	8,813	
LinkedIn	620	

Apps	Users 000s	Av minutes per month
Instagram	885	130
OTT SVOD	**Estimated HH 000s**	
CHT MOD	1,300	
KBRO	680	
Streaming audio	**Estimated users 000s**	
Kkbox	10,000	
Spotify	600	

**three-month average 4Q 2014*



THAILAND

SNAPSHOT	
Typical home download Mbps	19
2015e adult internet users %	32%
2014e video ad investment of online display	16%

	2012	2013	2014	2015e
Smartphone penetration %	4	16	28	33
Tablet penetration %	1	6	12	18
4G penetration %	4G auction planned for late 2015			
Adult media usage (hrs per day in decimals)				
Online	2 to 3	2 to 3	1 to 2	2 to 3
TV	3 to 4	3 to 4	3 to 4	2 to 3
Print	<0.5	<0.5	<0.5	<0.5
Radio	1 to 2	2 to 3	1 to 2	1 to 2
Total	**n/a**	**n/a**	**n/a**	**n/a**

Historic sources: Nielsen; Office of Statistics; Truehits

Top three local websites	Uniques 000s (Jan 2015)	Av minutes per month
www.sanook.com (portal)	1,488	40
www.khaosod.co.th (pop news)	1,229	37
www.kapook.com (portal)	1,096	50

Global websites	Uniques 000s (Jan 2015)
Twitter.com	4,500
Facebook	30,000
YouTube	2,625
Yahoo!	n/a
Google search	n/a
LinkedIn	n/a

Apps	Users 000s
Instagram	1,700



TURKEY

SNAPSHOT	
Typical home download Mbps	6
2015e adult internet users %	78%
2015e e-commerce per adult internet user USD	509
2014e video ad investment of online display	21%

	2012	2013	2014	2015e
Smartphone penetration %	15	20	30	38
Tablet penetration %	0.6	1	3	4
4G penetration %				30
E-commerce in TRL bn (including travel)	**30.7**	**42.9**	**31.5**	**60.0**
E-commerce per adult internet user TRL	1,022	1,227	767	1,333
Adult media usage (hours per day in decimals)				
Online	1.30	1.50	1.65	1.80
TV	3.10	2.90	2.68	2.49
Print	0.48	0.46	0.44	0.42
Radio	1.01	0.98	1.01	1.04
Total	**5.89**	**5.84**	**5.78**	**5.75**
Adult media usage (percentages)				
Online	22	26	29	31
TV	53	50	46	43
Print	8	8	8	7
Radio	17	17	17	18
Total	**100**	**100**	**100**	**100**

Historic sources: TGI; Gemius

Top three local websites	Uniques 000s	Av minutes per month
Sahibinden.com.tr	21,659	172
Hürriyet.com.tr	20,612	125
İzlesene.com.tr	17,532	75
Global websites	**Uniques 000s**	
Twitter.com	6,527	
Facebook	19,626	
YouTube	17,261	
Yahoo!	2,433	
Google search	22,372	
LinkedIn	2,041	

Apps	Users 000s
Instagram	3,960
OTT SVOD	**Estimated HH 000s**
Tivibu	1,700
Digiturk Plus	450
Streaming audio	**Estimated users 000s**
Spotify	2,500
Deezer	448
Karnaval.com	424



UK

SNAPSHOT	
Typical home download Mbps	11
2015e adult internet users %	89%
2015e e-commerce per adult internet user USD	3,839
2014e video ad investment of online display	20%
2014e automated % of online display	47%

	2012	2013	2014	2015e
Smartphone penetration %	62	70	78	87
Tablet penetration %	29	38	50	60
4G penetration %		4	22	38
E-commerce in GBP bn (including travel)	**78**	**91**	**104**	**120**
E-commerce per adult internet user GBP	1,870	2,106	2,278	2,553
Adult media usage (hours per day in decimals)*				
Online	1.55		2.12	2.22
TV	4.01	3.87	3.74	3.62
Print	0.35		0.37	0.35
Radio	1.89		1.52	1.60
Total	**8.05**		**7.46**	**7.57**
*Averaged Mon-Fri and Sa-Su				
Adult media usage (percentages)				
Online	19		28	29
TV	53		46	45
Print	4		5	5
Radio	24		20	21
Total	**100**		**100**	**100**

Historic sources: IPA touchpoints; BARB; TGI; comScore; IMRG Cap Gemini; Orange; Telegraph/CCS; Ofcom; Akamai; Decipher Mediabug; Enders Analysis

Top websites	Uniques 000s	Av minutes per visit
Google Sites	39,330	7.8
Microsoft Sites	30,543	6.1
Facebook	27,876	12.4
Yahoo Sites	25,643	9.1
Amazon Sites	24,864	5.9
BBC Sites	24,120	3.6
eBay	21,642	8.6
Other websites		
Twitter.com	9,892	5.0
Linkedin	9,505	5.0
Apps	**Uniques 000s**	
Instagram	10,121	
WhatsApp	5,113	

OTT Free and SVOD	Claimed users 16+ 000s
BBC iPlayer	19,380
ITV Player	11,220
4oD	10,200
Netflix	7,140
Demand 5	4,080
Sky Go	3,570
Amazon Prime Instant Video	3,060
iTunes	3,060
Streaming audio	**Estimated users 000s**
Spotify	4,200
Soundcloud (user-generated)	2,800
TuneIn (aggregator)	1,800
Radioplayer (aggregator)	1,800
Deezer	1,200



UKRAINE

SNAPSHOT	
Typical home download Mbps	29
2015e adult internet users %	61%
2015e e-commerce per adult internet user USD	42
2014e video ad investment of online display	18%
2014e automated % of online display	4%

	2012	2013	2014	2015e
Smartphone penetration %	7	14	24	39
Tablet penetration %	1	2	7	13
E-commerce in UAH bn (excluding travel)	**12.7**	**19.0**	**20.9**	**19.5**
E-commerce per adult internet user UAH	849	1,122	1,049	921
Adult media usage (hours per day in decimals)				
Online	0.90	0.99	1.08	1.18
TV	3.73	3.67	4.45	4.46
Print	0.37	0.29	0.26	0.24
Radio	0.73	0.60	0.61	0.60
Total	**5.74**	**5.55**	**6.40**	**6.48**
Adult media usage (percentages)				
Online	16	18	17	18
TV	65	66	70	69
Print	7	5	4	4
Radio	13	11	9	9
Total	**100**	**100**	**100**	**100**

Historic sources: TNS, GfK, Nielsen, Gemius; Morgan Stanley; TNS Infratest

Top three local websites	Uniques 000s	Hours per month
vk.com (social networking)	11,637	06:22:47
mail.ru (email)	10,530	03:23:09
yandex.ua (search portal)	9,612	04:31:24
Global websites	**Uniques 000s**	
Twitter.com	2,229	
Facebook	6,336	
YouTube	9,768	
Yahoo!	855	
Google search	9,573	
LinkedIn	555	

Apps	Users 000s
Instagram	1.651
OTT SVOD	**Estimated HH 000s**
Megogo.net	40
Oll.tv	5
Divan.tv	2
Streaming audio	**Estimated users 000s**
Vk.com	8,642
Zaycev.net	1,759



URUGUAY

SNAPSHOT	
Typical home download Mbps (fibre)	22
2015e adult internet users %	91%

	2012	2013	2014	2015e
Smartphone penetration %	9	28	63	80
Tablet penetration %	2	9	20	36
4G penetration %				
Internet shoppers (000s)	**508**	**632**	**768**	**900**
Internet shoppers % of internet users 30-65	59	58	65	69
Adult media usage (hours per day in decimals)				
Online	1.39	1.44	1.50	1.60
TV	3.23	3.17	3.26	3.20
Print	n/a	n/a	n/a	n/a
Radio	n/a	n/a	n/a	n/a
Total	**4.62**	**4.61**	**4.76**	**4.80**
Adult media usage (percentages)				
Online	30	31	32	33
TV	70	69	68	67
Print				
Radio				
Total	**100**	**100**	**100**	**100**

Historic sources: Grupo Radar-Perfil del internauta; Ookla; comScore;

Top three local websites	Uniques 000s (Dec 2014)	Av minutes per month
El Pais (news)	784	7
El Observador (news)	412	2
Montevideo Comm (news/e-mail)	389	5
Global websites	**Uniques 000s (Dec 2014)**	
Twitter.com	447	
Facebook	1,368	
YouTube	1,208	
Yahoo!	861	
Google search	1,436	
LinkedIn	231	

Apps	Users 000s
Instagram	237
OTT SVOD	**Estimated HH 000s**
Netflix	75
Streaming audio	**Estimated users 000s**
Spotify	5



USA

SNAPSHOT	
Typical home download Mbps	35
2015e internet users %	88%
2015e e-commerce per internet user USD	1,230
2014e video ad investment of online display	35%
2014e automated % of online display	44%

Top websites	Uniques 000s (Dec 2014)
Google sites	238
Yahoo sites	216
Facebook	207
AOL, Inc.	199
Amazon sites	181
Microsoft sites	168
Mode Media	145
CBS Interactive	137
Comcast NBC Universal	135
Apple, Inc.	135

	2012	2013	2014	2015e
Smartphone penetration %	48	65	75	82
Tablet penetration %	28	44	49	54
4G penetration %				
E-commerce in USD bn	**226**	**264**	**305**	**350**
E-commerce per internet user USD	906	992	1,112	1,230
Adult media usage (hrs per day in decimals)				
Online and nonvoice mobile	4.55	5.24	5.80	6.00
Linear TV	4.63	4.52	4.41	4.24
Print	0.63	0.53	0.46	0.40
Radio	1.53	1.50	1.47	1.44
Total	**11.34**	**11.79**	**12.14**	**12.08**
Adult media usage (percentages)				
Online	40	44	48	50
TV	41	38	36	35
Print	6	4	4	3
Radio	13	13	12	12
Total	**100**	**100**	**100**	**100**
Online TV minutes per day (ex tablet)				
Average for whole population aged 2+	6.5	7.2	10.9	13.0
Average for online TV users aged 2+	11.4	13.6	20.9	23.7

Other social	Users 000s (Dec 2014)	Av daily minutes
Snapchat	30,167	6.9
Instagram	93,244	4.3
Pinterest	79,532	2.7
Tumblr	68,562	2.4
Twitter	98,729	2.2
LinkedIn	101,471	0.6
Google+	104,214	0.8
Vine	38,395	1.3

OTT SVOD	Homes % (Q4 2014)
Netflix	36
Amazon Instant Video	13
Hulu Plus	7

Streaming audio	Estimated users 2014
Pandora	81,500
Last.FM (CBS)	50,000
Grooveshark	30,000
Spotify	13,000
Songza (Google)	6,000
Beats Music (Apple)	500
iTunes Radio	n/a
Slacker	n/a
iHeartRadio	n/a
Rdio	n/a
Rhapsody	n/a
Xbox Music	n/a

Historic sources: US Census Bureau; World Bank; Pandora Media Inc; eMarketer; comScore; Nielsen; Ookla; IAB

APPENDICES

INTERACTION AD INVESTMENT USD M
(FROM THIS YEAR NEXT YEAR DECEMBER 2014)

	2012	2013	2014	2015f
NORTH AMERICA	**38,216**	**41,976**	**47,065**	**54,700**
Canada	2,726	3,113	3,513	3,759
USA	35,491	38,862	43,552	50,942
LATIN AMERICA	**1,428**	**1,543**	**1,801**	**2,236**
Argentina	210	179	230	287
Brazil	585	552	637	811
Chile	90	110	134	163
Colombia	68	99	117	153
Mexico	345	492	581	697
Peru	20	31	45	65
Puerto Rico	13	16	20	24
Uruguay	12	16	19	22
Venezuela	87	48	18	13
WESTERN EUROPE	**24,841**	**27,619**	**30,511**	**33,502**
Austria	499	589	627	665
Belgium	403	459	505	537
Denmark	702	747	803	848
Finland	278	297	332	372
France	3,374	3,487	3,596	3,702
Germany	4,517	4,878	5,341	5,875
Ireland	146	180	199	220
Italy	1,621	1,665	1,767	1,899
Netherlands	1,447	1,568	1,709	1,839
Norway	713	839	944	1,043
Portugal	77	89	109	120
Spain	1,100	1,120	1,187	1,282
Sweden	1,095	1,251	1,474	1,676
Switzerland	595	668	730	814
UK	8,275	9,780	11,186	12,610
CENTRAL & EASTERN EUROPE	**2,728**	**3,286**	**3,680**	**3,937**
Bulgaria	18	18	20	21
Croatia	16	19	21	24
Czech Republic	151	159	165	171
Estonia	15	17	20	24
Hungary	88	90	96	97
Latvia	14	15	13	14
Lithuania	12	14	17	18
Montenegro	2	2	3	4
Poland	676	720	756	792
Romania	31	38	45	52
Russia	1,194	1,521	1,801	1,918
Serbia	15	17	20	24
Slovak Republic	51	75	85	92
Slovenia	15	15	16	16
Turkey	385	498	544	603
Ukraine	44	68	58	66

	2012	2013	2014	2015
ASIA-PACIFIC (all)	**26,386**	**33,976**	**42,530**	**52,736**
Australia	2,991	3,613	4,389	4,975
Bangladesh	1	2	4	7
India	314	408	551	755
Japan	7,464	8,067	8,883	9,726
New Zealand	290	373	415	459
Pakistan	6	6	12	15
NORTH ASIA	**15,072**	**21,126**	**27,721**	**36,021**
China	12,291	17,953	24,204	32,120
Hong Kong	674	896	1,104	1,309
South Korea	1,786	1,831	1,895	1,993
Taiwan	320	446	517	599
ASEAN	**248**	**381**	**556**	**778**
Indonesia	72	107	150	209
Malaysia	84	112	164	226
Thailand	68	130	196	284
Vietnam	24	33	46	60
MIDDLE EAST & AFRICA	**1,056**	**1,130**	**1,184**	**1,425**
Israel	963	1,000	1,000	1,150
Nigeria	19	38	58	122
South Africa	75	92	126	153
WORLD	**94,656**	**109,529**	**126,771**	**148,535**

INTERACTION AD INVESTMENT CHANGES YEAR-ON-YEAR %

	2012	2013	2014	2015f
NORTH AMERICA	**10.4**	**9.8**	**12.1**	**16.2**
Canada	15.4	14.2	12.8	7.0
USA	10.0	9.5	12.1	17.0
LATIN AMERICA	**23.3**	**8.0**	**16.7**	**24.1**
Argentina	55.7	-14.5	28.0	24.9
Brazil	4.3	-5.6	15.4	27.4
Chile	24.3	22.3	22.0	22.0
Colombia	15.3	45.9	18.7	31.1
Mexico	30.0	42.8	18.0	20.0
Peru	52.7	55.0	46.7	42.9
Puerto Rico	27.5	25.5	25.0	20.0
Uruguay	50.0	33.3	18.8	15.8
Venezuela	142.1	-44.8	-62.0	-30.2
WESTERN EUROPE	**9.7**	**11.2**	**10.5**	**9.8**
Austria	18.4	18.2	6.4	6.0
Belgium	14.5	14.0	10.0	6.4
Denmark	4.0	6.5	7.5	5.6
Finland	1.7	6.8	12.0	12.0
France	5.4	3.4	3.1	3.0
Germany	10.0	8.0	9.5	10.0
Ireland	14.9	22.9	10.7	10.2
Italy	14.1	2.7	6.1	7.5
Netherlands	8.3	8.4	9.0	7.6
Norway	7.2	17.7	12.5	10.4
Portugal	6.8	14.8	22.6	10.0
Spain	-2.1	1.8	6.0	8.0
Sweden	12.9	14.3	17.8	13.7
Switzerland	9.8	12.2	9.3	11.5
UK	12.5	18.2	14.4	12.7
CENTRAL & EASTERN EUROPE	**28.5**	**20.4**	**12.0**	**7.0**
Bulgaria	4.5	-0.7	10.3	6.2
Croatia	20.5	15.0	11.3	17.2
Czech Republic	5.0	5.0	4.1	3.5
Estonia	9.1	10.4	20.8	18.8
Hungary	2.8	2.8	6.3	1.3
Latvia	13.4	6.1	-13.1	7.0
Lithuania	21.4	14.7	17.9	6.5
Montenegro	87.5	20.0	38.9	28.0
Poland	22.2	6.4	5.0	4.8
Romania	29.4	22.7	18.5	15.6
Russia	34.7	27.4	18.4	6.5
Serbia	50.0	16.7	14.3	18.8
Slovak Republic	14.8	46.3	13.3	8.8
Slovenia	20.0	0.0	4.2	4.0
Turkey	50.3	29.4	9.2	10.8
Ukraine	15.3	55.9	-14.3	13.4

	2012	2013	2014	2015f
ASIA-PACIFIC (all)	**26.8**	**28.8**	**25.2**	**24.0**
Australia	27.4	20.8	21.5	13.4
Bangladesh	42.1	30.0	123.1	100.0
India	28.0	30.0	35.0	37.0
Japan	7.7	8.1	10.1	9.5
New Zealand	11.6	28.7	11.3	10.7
Pakistan	-0.2	0.2	100.0	25.0
NORTH ASIA	**38.8**	**40.2**	**31.2**	**29.9**
China	46.8	46.1	34.8	32.7
Hong Kong	32.6	32.8	23.3	18.5
South Korea	5.3	2.5	3.5	5.2
Taiwan	14.3	39.5	16.0	15.9
ASEAN	**59.9**	**54.0**	**45.9**	**40.0**
Indonesia	92.8	48.6	39.8	39.7
Malaysia	55.6	33.5	47.1	37.5
Thailand	45.8	91.9	51.4	44.6
Vietnam	40.0	35.0	40.0	30.0
MIDDLE EAST & AFRICA	**56.7**	**6.9**	**4.8**	**20.3**
Israel	60.5	3.8	0.0	15.0
Nigeria	190.9	103.1	53.8	110.0
South Africa	10.3	23.0	36.9	21.4
WORLD	**15.4**	**15.7**	**15.7**	**17.2**

INTERACTION SHARES OF ALL MEDIA INVESTMENT

	2012	2013	2014	2015f
NORTH AMERICA	**22.1**	**23.8**	**25.9**	**29.0**
Canada	24.1	28.0	30.8	32.2
USA	22.0	23.5	25.6	28.8
LATIN AMERICA	**5.3**	**5.6**	**6.0**	**6.8**
Argentina	7.5	8.1	8.8	9.6
Brazil	5.0	4.4	4.5	5.1
Chile	7.8	9.3	10.9	12.7
Colombia	3.0	3.9	4.1	4.7
Mexico	7.0	9.3	10.7	12.2
Peru	3.4	4.7	6.6	8.8
Puerto Rico	2.5	2.9	3.6	4.2
Uruguay	5.0	6.6	7.5	8.2
Venezuela	7.6	12.9	14.2	15.6
WESTERN EUROPE	**25.2**	**28.1**	**30.5**	**32.7**
Austria	12.2	13.8	14.5	15.2
Belgium	16.2	18.2	19.9	20.9
Denmark	34.0	36.9	40.2	42.5
Finland	16.9	19.7	22.7	25.7
France	24.0	25.5	26.8	27.5
Germany	21.9	23.4	25.3	27.5
Ireland	15.8	19.9	22.0	23.4
Italy	16.3	18.7	20.3	21.5
Netherlands	30.7	34.4	37.3	39.7
Norway	29.2	33.6	37.3	40.1
Portugal	11.4	14.0	15.7	16.5
Spain	19.0	21.0	21.3	21.9
Sweden	30.7	37.9	42.8	47.2
Switzerland	15.0	17.1	19.0	21.1
UK	40.7	44.7	48.1	51.3
CENTRAL & EASTERN EUROPE	**18.3**	**21.1**	**23.3**	**24.9**
Bulgaria	5.7	5.8	6.5	7.0
Croatia	7.4	8.8	9.9	11.7
Czech Republic	19.2	21.4	22.0	22.9
Estonia	16.6	17.3	20.0	22.8
Hungary	17.0	18.1	18.7	18.7
Latvia	15.5	15.9	13.7	14.4
Lithuania	9.9	11.4	13.1	13.4
Montenegro	5.4	6.4	8.8	11.2
Poland	27.3	31.5	32.2	32.8
Romania	8.7	10.7	12.2	13.6
Russia	18.9	21.9	25.1	27.7
Serbia	6.9	8.8	9.6	11.1
Slovak Republic	15.9	22.9	26.0	27.6
Slovenia	10.0	11.1	12.3	13.1
Turkey	16.9	19.5	20.7	21.9
Ukraine	7.5	10.5	12.3	13.3

	2012	2013	2014	2015
ASIA-PACIFIC (all)	**17.9**	**21.5**	**25.4**	**29.5**
Australia	27.5	32.3	38.2	41.6
Bangladesh	0.5	0.6	1.2	2.1
India	5.5	6.5	7.8	9.5
Japan	20.4	21.6	23.1	24.6
New Zealand	17.8	21.8	23.9	25.7
Pakistan	1.0	0.8	1.5	1.8
NORTH ASIA	**18.7**	**24.0**	**29.3**	**35.3**
China	19.4	25.5	31.9	38.7
Hong Kong	10.3	12.5	14.6	16.5
South Korea	20.0	20.7	20.8	21.8
Taiwan	17.4	24.3	26.3	29.1
ASEAN	**2.2**	**3.0**	**4.2**	**5.4**
Indonesia	4.2	5.4	6.5	8.0
Malaysia	5.5	7.0	10.3	13.3
Thailand	2.3	4.0	6.2	8.5
Vietnam	2.3	2.2	2.6	2.9
MIDDLE EAST & AFRICA	**6.2**	**6.3**	**6.7**	**7.4**
Israel	17.8	18.1	20.1	21.1
Nigeria	2.1	4.0	7.1	11.0
South Africa	2.4	2.7	3.5	4.0
WORLD	**19.8**	**22.2**	**24.7**	**27.6**

INTERACTION AD INVESTMENT PER USER USD

	2012	2013	2014	2015f
NORTH AMERICA	**114**	**124**	**138**	**158**
Canada	127	142	160	163
USA	113	123	137	158
LATIN AMERICA	**12**	**12**	**11**	**13**
Argentina	9	7	8	10
Brazil	7	6	6	8
Chile			20	23
Mexico	25	34	36	42
Uruguay	14	15	16	17
Venezuela			2	1
WESTERN EUROPE	**93**	**101**	**107**	**113**
Austria	71	84	87	90
Belgium	62	69	75	77
Denmark	190	183	191	201
Finland	84	91	95	105
France	84	82	83	84
Germany	89	94	94	94
Ireland	49	54	59	64
Italy	31	31	33	36
Netherlands	117	124	133	141
Norway	214	247	258	281
Portugal	15	16	20	22
Spain	47	44	43	43
Sweden	162	183	212	236
Switzerland	103	115	118	129
UK	198	226	245	268
CENTRAL & EASTERN EUROPE	**23**	**25**	**25**	**26**
Bulgaria				
Czech Republic	23	24	24	24
Hungary	20	19	19	19
Latvia	11	12	10	11
Lithuania	7	9	11	10
Poland	35	34	35	36
Russia	31	36	40	42
Slovak Republic	21	27	26	26
Turkey	13	14	13	13
Ukraine	3	4	3	3

	2012	2013	2014	2015f
ASIA-PACIFIC (all)	**33**	**36**	**40**	**43**
Australia	192	223	271	300
India	2	2	2	2
Japan	74	78	86	93
New Zealand	102	130	133	141
NORTH ASIA				
China	29	39	49	59
Hong Kong	152	199	251	307
South Korea	62	58	58	60
Taiwan	19	27	32	37
ASEAN				
Indonesia	1	1	2	2
Malaysia	5	6	8	11
Vietnam		1	1	2
WORLD	**57**	**60**	**63**	**67**

ADULT INTERNET USERS (THOUSANDS)

	2012	2013	2014	2015f
NORTH AMERICA	**335,371**	**338,332**	**340,893**	**346,464**
Canada	21,457	21,893	22,001	23,101
USA (all ages)	313,914	316,439	318,892	323,363
LATIN AMERICA	**122,818**	**133,622**	**163,505**	**172,212**
Argentina	22,900	25,000	27,100	29,000
Brazil	85,259	93,081	102,387	108,000
Chile			6,593	7,101
Mexico	13,794	14,455	16,074	16,637
Uruguay	865	1,086	1,177	1,300
Venezuela			10,174	10,174
WESTERN EUROPE	**271,010**	**279,231**	**291,381**	**302,517**
Austria	6,987	7,003	7,240	7,350
Belgium	6,486	6,700	6,700	7,000
Denmark	3,685	4,079	4,197	4,213
Finland	3,306	3,256	3,489	3,550
France	40,345	42,287	43,290	43,950
Germany	51,000	51,923	56,620	62,200
Greece	4,728	4,934	5,002	5,112
Ireland	2,990	3,309	3,401	3,440
Italy	52,796	52,998	53,185	53,360
Netherlands	12,374	12,628	12,827	13,013
Norway	3,332	3,394	3,662	3,705
Portugal	5,223	5,423	5,480	5,500
Spain	23,563	25,465	27,517	29,718
Sweden	6,738	6,822	6,950	7,100
Switzerland	5,749	5,808	6,173	6,306
UK	41,708	43,201	45,648	47,000
CENTRAL & EASTERN EUROPE	**119,386**	**132,329**	**145,176**	**153,050**
Czech Republic	6,529	6,657	6,940	7,050
Hungary	4,481	4,738	4,992	5,248
Latvia	1,224	1,271	1,242	1,256
Lithuania	1,664	1,604	1,559	1,757
Poland	19,336	21,111	21,539	22,000
Russia	38,762	42,310	44,691	46,032
Slovak Republic	2,400	2,743	3,306	3,550
Turkey	30,000	35,000	41,000	45,000
Ukraine	14,990	16,895	19,907	21,156

	2012	2013	2014	2015f
ASIA-PACIFIC (all)	**806,281**	**953,257**	**1,069,884**	**1,226,690**
Australia	15,546	16,236	16,207	16,600
India	137,000	189,000	260,000	350,000
Japan	101,228	103,254	103,600	104,500
New Zealand	2,852	2,876	3,116	3,250
NORTH ASIA				
China	419,052	458,244	489,806	540,000
Hong Kong	4,440	4,509	4,395	4,263
South Korea	28,910	31,400	32,602	33,405
Taiwan	16,560	16,502	16,225	16,200
ASEAN				
Indonesia	59,600	72,700	83,600	93,400
Malaysia	17,723	19,200	20,140	21,300
Singapore	3,370	3,480	3,600	4,000
Vietnam		35,855	36,592	39,772
WORLD (million)	**1,655**	**1,837**	**2,011**	**2,201**

TOTAL E-COMMERCE IN USD (BILLIONS)

	2012	2013	2014	2015f
NORTH AMERICA				
Canada	17	17	20	23
USA	226	264	305	350
LATIN AMERICA				
Argentina	1	1	2	3
Brazil	8	10	12	16
Chile	0	2	2	3
Mexico	0	1	1	1
WESTERN EUROPE				
Denmark	7	8	10	12
Finland	8	8	7	8
France	48	53	60	68
Germany	25	35	41	46
Ireland	4	5	7	9
Italy	6	7	8	10
Netherlands	6	7	9	13
Norway	3	4	7	8
Spain	7	9	12	15
Sweden	4	4	5	6
UK	117	137	156	180
CENTRAL & EASTERN EUROPE				
Czech Republic	2	3	3	4
Hungary	1	1	1	1
Poland	6	7	7	8
Russia	10	13	2	2
Slovak Republic	0	1	1	1
Turkey	12	16	12	23
Ukraine	1	1	1	1

	2012	2013	2014	2015f
ASIA-PACIFIC (all)				
Australia	24	28	30	33
India	2	3	4	5
Japan	52	61	70	78
New Zealand	2	2	3	3
NORTH ASIA				
China	190	302	449	632
South Korea	38	49	52	60
Taiwan	15	20	28	32
ASEAN				
Indonesia	0	1	2	2
Singapore	1	1	1	2
WORLD USD bn	**842**	**1,080**	**1,331**	**1,656**

E-COMMERCE PER USER USD

	2012	2013	2014	2015f
NORTH AMERICA				
Canada	788	778	909	1,011
USA	719	835	956	1,082
LATIN AMERICA				
Argentina	35	46	69	86
Brazil	90	103	122	148
Chile			303	366
Mexico	29	35	39	44
WESTERN EUROPE				
Denmark	1,966	2,042	2,359	2,961
Finland	2,307	2,480	2,040	2,238
France	1,181	1,252	1,395	1,542
Germany	484	675	730	742
Ireland	1,311	1,376	2,037	2,546
Italy	115	131	159	182
Netherlands	510	562	719	971
Norway	1,050	1,190	1,904	2,114
Spain	318	361	426	512
Sweden	545	635	717	785
UK	2,812	3,167	3,426	3,839
CENTRAL & EASTERN EUROPE				
Czech Republic	268	428	473	535
Hungary	137	154	185	232
Poland	285	315	324	349
Russia	261	306	42	50
Slovak Republic	177	212	208	215
Turkey	390	469	293	509
Ukraine	39	51	48	42

	2012	2013	2014	2015f
ASIA-PACIFIC (all)				
Australia	1,573	1,736	1,878	1,981
India	15	15	14	15
Japan	514	594	674	750
New Zealand	712	685	965	958
NORTH ASIA				
China	452	659	918	1,170
South Korea	1,330	1,548	1,598	1,793
Taiwan	935	1,219	1,719	1,962
ASEAN				
Indonesia	0	15	19	25
Singapore	183	249	340	450
Mean	**509**	**588**	**662**	**753**
Median	**468**	**578**	**674**	**742**

If the median is closing on the mean, then the data are becoming more 'skewed to the right'
This means the tail of smaller buyers is getting longer



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MINDSHARE	Facebook Suggested Videos	Saul Hernandez	06/07/2015

Background

Last Wednesday, Facebook announced it would be making big changes to its video business. Facebook will be embracing traditional TV formulas and incorporating high quality content based on and old revenue sharing model.

Facebook joined the online video business race back in June 2014 by introducing view counting to its platform. At that time, one of Facebook's biggest advantages was segmentation, however, audio was restricted in order that the newsfeed remained unaffected – a decision that media agencies accepted. A year later, Facebook is evolving its video model in order to activate sound and deliver a truly immersive video experience.

The remake of a traditional formula

The suggested videos function will be activated only once the user has watched a video from their newsfeed. After they have finished watching, a list of suggestions will appear. Suggested videos are restricted to "high quality videos" from media partners such as Fox Sports or NBA, and the video ad will appear between videos with the audio activated since the user has already watched a video. Facebook anticipates a higher quality of video will gain more affinity and engagement than user generated videos. This model is very similar to TV, where the audience is exposed to TV ads between content breaks. In this case, advertisers could use the same aired TV spot and make only one video campaign, however Facebook is optimized for short form videos meaning that short formats will undoubtedly perform better.

New pricing for a new model

Advertisers have two options, pay for video ads only when they are viewed for at least 10 seconds, or pay for the video just for being placed in the user's view, regardless if they watch it or not. In addition to time measurement, this new option will have audio activated from the start; previously sound had to be activated by the user. This new option could be more expensive due to a more sophisticated product giving a better experience to the user and more features to the advertiser such as re-marketing and sequential stories. GroupM has played a substantial role in this new model by advising Facebook that they need to give video unique characteristics.

New media partners

Facebook has started to close its first deals with important video producers. NBA, Hearst, Fox Sports, Funny or Die, and Tastemade are the first to have signed a 55% of revenue share agreement, meaning that if the user watched four videos and only one ad, the revenue will be shared between those four video producers. This model is not attractive for small producers, but could be additional revenue for those who are already consolidated. However, Facebook has a very long way to go in affiliating partners in order to make this model profitable.

Summary

Facebook is launching suggested videos, fueled with high quality videos that could certainly cause a stir in the TV industry. Marketers and agencies will look at Facebook video again, and will take advantage of its new capabilities. Facebook should move fast to consolidate its new model and high quality video producers certainly have many new options to monetize its content. Brands, however, will definitely be the most rewarded by this new model.

MINDSHARE	Microsoft and AOL Announce Advertising Partnership	Rob Norman	30/06/2015

What happened?

On June 28th Microsoft and AOL announced a partnership via which Microsoft would exit the display advertising business and AOL would handle the aggregated ad sales businesses. The same announcement featured a 10 year agreement for Bing to become the default search engine across all AOL properties.

This deal brings together Microsoft properties MSN, Skype, Xbox and outlook.com with AOL's Huffington Post, aol.com, Adap.tv, TechCrunch and Engadget.

The markets concerned are USA, UK, France, Germany, Spain, Japan, Italy and Brazil. This represents, in our estimation, close to 70% of Microsoft's advertising revenue. In other markets Microsoft inventory is likely to be sold entirely programmatically via a separate deal with AppNexus (in which WPP is a minority shareholder).

What does it mean?

The acquisition of AOL by Verizon and the announcement of the Microsoft deal are potentially transformative for AOL. They now have significant volume in both display and video and the ability to sell both programmatically. In this sense the deal is somewhat significant for GroupM and our clients, but ultimately does not represent a significant change in either the volume or quantity of media supply or quality. Further, there is no obvious coherence between the combined assets and there seems to be no special focus on mobile, the fastest growing consumption state.

For Microsoft, the deal tidies up an area of long term corporate discomfort and maintains a revenue stream – believed to be about 25% of sales – and wider distribution of Bing and its Cortana voice assistant. The latter requires a reassessment of search budgets between Google and Bing powered platforms.

Competitively, we see limited short term impact on Facebook and Google but further challenges to Yahoo which, like Microsoft and AOL, have struggled mightily in recent years. One factor, as yet unknown, is what the new enterprise will be able to do to challenge and compete with others in respect of user and device level targeting. All of Outlook.com, Xbox and Skype have significant potential in this area and subject to privacy permission and the ability to connect these identities with Bing search data this move may prove more significant than it does today.

AOL and Microsoft are long term commercial partners of GroupM and its global agencies and we expect even stronger relationships in the future.

MINDSHARE	The rapid growth of ad blocking	Hanne Eilen Lohne w/ Jeff Malmad	19 June 2015

Background
At their developer's conference on Monday, Apple was the latest company to reveal they were giving users the option to block ads on iPhones and iPads as part of the new iOS9 operating system upgrade. This was not announced on stage, but in the documentation they released to developers after the event.

Up until now, ad blocking has been associated with desktop usage, but given Apple's announcement and the continued growth in smartphone penetration globally and the fact data access is not free, this could all be about to change. Notably this only impacts mobile web and not applications, since iAd only delivers ads in app, iAd will not be impacted by this and they can expect to see an uptick in media dollars.

Details
As well as Apple, other big mobile players have been plotting to block advertising across their networks. In Europe, a number of TELCO operators are rumoured to have been in conversations with Israeli start-up Shine who claim that *'[…] tens of millions of mobile subscribers around the world will be opting in to ad blocking by the of 2015'*. Shine also stated that consumers are paying for this because delivering a mobile ad experience and video eats into data plans.

One of the most popular blockers, AdBlockPlus, claim to have reached over 300 million downloads of their software globally. The company acknowledges being paid by publishers who agree to comply with their 'Acceptable Ads' initiative, in effect stripping away all interactivity from formats and displaying simple, static GIF banners.

A report published last year by PageFair and Adobe shows a 69% global growth in ad blocker usage between 2013 and 2014. In some markets, more than 24% percent of the total population had an ad blocker installed on their computers and in countries like Japan, Spain, China and Italy the use of ad blocking software has seen year on year growth of as high as 134%.

The report also shows that one of the key factors in users downloading and installing ad blockers is intrusive formats like overlays & pop ups. However, it doesn't stop there, as the latest software available doesn't just block display banners, it also blocks everything from video to paid social, and even paid search may suffer.

Implications
The growing uptake of ad blockers across desktop, tablet and mobile is forcing digital media owners and publishers to reconsider their commercial ad models or negotiate new relationships with the ad blockers themselves.

Norwegian webpage tek.no was one of the first to tackle the issue of users blocking ads on their site (www.tek.no is Norway's most popular sites writing about consumer technology). Some years ago they experienced a major challenge with more than 50% of their users having ad blockers installed, which meant they were unable to make money from online advertising. The solution was to implement an 'ad block-wall' which forced their users to either pay for the content or whitelist tek.no (allowing ads to be shown). Luckily for tek.no, this proved to be a successful move.

Due to ad blocking, new companies are emerging to provide solutions to consumers in the form of incremental data on your plan if you engage with the brand. Aquto, a company that is based in the North America, but expanding globally, is working with two of the major carriers in the US to provide free data if consumers engage with your brand. For example, watch a video and receive 50MB on your plan.

From a Mindshare point of view, ad blocking is an ongoing threat to the digital publishers we trade with, and should join the list alongside viewability and ad fraud of growing problems that need to be addressed.

Introduction

Last week it was announced that Dick Costolo, the Chief Executive Officer of Twitter, was stepping down from his role with almost immediate effect. The board named Jack Dorsey (one of the co-founders of Twitter) as the interim CEO, and announced that it was planning to launch an immediate search for a successor to Costolo. The outgoing CEO has been under an immense amount of scrutiny for the past year as growth of the platform has not performed as expected, and while revenues have shown promise, growth in the users and time spent on Twitter has stuttered. Ultimately, squeezing existing users for advertising revenue has demonstrated that the sales team at Twitter is exceptional, but the product (and marketing of the product) has not advanced at the same speed. Having a decent ARPU (average revenue per user) is great, but if your user base growth is stalling, that's going to create an artificial 'roof' on potential future earnings - this has been further compounded by Facebook's stellar growth of both ARPU as well as user base growth too. Unfortunately, Costolo positioned Twitter as a competitor to Facebook too often, and while this is a grand vision, having shareholders now means that that vision must be realised, or at least demonstrably worked towards.

Details and implications

Investors are hoping that a change in leadership (or a return to Dorsey's leadership) will bring about critical changes to the Twitter business. With Dorsey announced as the interim CEO, there have been a raft of rumours circulating that he is, in fact, destined to be the permanent CEO. The alternative is either a step up from the existing leadership team (which was mostly put in place by Costolo), or someone recruited from outside of the business. Regardless of who is chosen, Twitter needs to focus on the long term growth of the company, and communicate this vision clearly with investors (as Facebook, Google, and Amazon currently do - Amazon being a prime example). Simply chasing short-term results for investors (further increases in ARPU, and an increasing volume of formats) will most likely not solve Twitter's underlying issues.

This long-term vision will most likely need to solve the Twitter user experience rather than introduce new ad products. The Twitter experience has barely evolved from its first days beyond a redesign a few years ago (which made the platform look more like Facebook), and a handful of new features either introduced or bought in (Vine, Explore). In order to grow the user base (and in turn grow the attractiveness of the platform with advertisers), Twitter must be put an enhanced customer experience above ARPU.

There are two opposing outcomes of this situation on the advertising platform; the first is that a new, revenue-focused CEO joins the company and focuses on driving ARPU, in which case we're likely to see an influx of new advertising formats and a much stronger sales pitch from Twitter. The second outcome would be that a new CEO joins and focuses their time on developing the product, returning to the core values of the company, and increasing the volume of people using the platform, and the time that they spend with the platform. For brands, the latter is much more attractive in the long term, however the former would likely deliver an increase in reach (and potentially a drop in investment required).

Summary

Bringing in an external CEO (Costolo) at a time when the product was still developing now looks to have set the company back by a considerably amount of time. The return of co-founder Dorsey could see a return to the original vision, and a reinvestment in customer experience and product development. However, with buyout rumours rising up from Wall Street about continued interest from major companies including Google, the next six months is shaping up to be very interesting. From the perspective of brands using Twitter as an advertising platform, this may mean more users, more advertising formats, and more opportunities to engage with their audience. It may also mean less… only time will tell.

MINDSHARE	Apple Music	Zeenah Vilcassim	15 June 2015

Apple Music: A "music revolution" or the default winner?

The "one complete thought" that Jimmy Iovine spoke of at the launch of Apple Music couldn't have been brought to life more poignantly than Daniel Ek's "Oh, Ok". This was the only comment that the Spotify CEO tweeted at WWDC to describe the launch of Apple Music (disclaimer: it has since been deleted). It is seemingly juvenile but actually is very suitable in the quest to predict what Apple Music means for the future of the music streaming industry and the advertising within it. Will it revolutionise, flop, or triumph by default (literally).

So what is Apple Music? For those of you who haven't read the news this week its Apple's new music streaming model:

- Paid subscription only ($9.99/individually or $14.99/family)
- Available on android
- 30 million tracks
- Special features: Beats 1 Radio, Connect+

Now, there are quite a few considerations to take into when trying to predict the future of Apple Music

- **Lots of moving parts aren't easy to pin down**: Apple Music is unique in its offering. It is a music streaming service with an immense back catalogue, a global radio station with live DJs (Beats 1), curated playlists handpicked by experts not algorithms, and a social network (Connect+) that lets artist interact with their fans. Ambitious, to say the least. With all of these moving parts it's hard to say if they've nailed them all down. The ghosts of Apple's Ping and iTunes Radio come to mind but only time will tell if this "ecosystem" is truly going to be an ecosystem.
- **Another Tidal wave**? Before Apple Music, another major player entered the market in a similar evangelical style: Tidal. The paid subscription only model had the backing of every major artist conceivable was hailed as the killer of Spotify and Pandora. This is yet to transpire. Users have always favoured a freemium model, where the payment is opt in and the choice is everyone's. This was Tidal's downfall and it could also be Apple Music's.
- **First mover advantage is so 2003:** Apple music launched with a nod to its innovative ITunes Store launch in 2003. ITunes actually did revolutionise how the world bought music: the a la carte way. It was a game changer, no doubt, but parallels cannot be made. Apple had first mover advantage back in 2003, no one had done this before so the rules were there for the making. The music streaming world of 2015 is very different, and very established. Is it too late in the game for Apple to come in and change the current democratic model?
- **To advertise or not to advertise?** The potential to advertise at scaled reach is huge with Apple Music, however this isn't likely to transpire for a while. Data collecting capabilities in such a model are also enormous. Although Apple is very guarded about their users personal data, with such boundless prospects is hard not to imagine that Apple Music will collect and analyse the data and eventually let Brands monetise it in some way.

So, yes the future of Apple Music is very much a "watch this space". However, if Apple Music is to actually succeed it will not be due to the fact that it's better than its competitors but down to this simple yet significant detail: Apple Music is going to be the default player for *all* Apple devices with iOS 8.4, more noteworthy given the loyalty Apple users also have for its services. Currently Apple has 800m accounts, it has taken Spotify 9 years to build up 75m users. That's a pretty hefty prospect pool.

Apple Music is the only player in the market that has automatic access to one of the biggest mobile ecosystems in the world, and it's going to embed Apple Music into all of them. "Oh, Ok"

MINDSHARE	**Apple WWDC June 2015 Announcements**	**Jeff Malmad, Managing Director Mobile, North America**	**10 June 2015**

Background
The 26th annual Worldwide Developers Conference (WWDC) was very exciting, both from a marketing and consumer perspective. We learned about new Apple services as well as enhancements to iOS. WWDC's focus is on software and not the hardware end of the business. Over 5,000 developers are in attendance to listen and the event is streamed live on a global level.

In typical Apple fashion, WWDC is an event that news media and consumers all tune into simultaneously, so they all learn the same news at once. The two big themes that came out of this week's WWDC were *Enhancements* and *Entertainment*. Both are important and will lead to more consumer time spent in front of their Apple screens.

Details
The term 'enhancements' can be very broad at a development conference, because everything they talk about is an enhancement on the past operating system. The most interesting enhancement from a usability perspective is the multitasking feature for iPads. Through this feature, consumers can now write an email on their tablet while simultaneously watching video content from ESPN on the same screen.

Apple also showed off enhancements to Apple Pay, and noted that since its launch, two out of three U.S. dollars that occur via contactless payment have taken place via Apple Pay. One of its main components is Apple Passbook, which is where your synched credit card lives. Now it's being rebranded as Apple Wallet. This makes more sense from a consumer perspective as we associate our wallets with payments, vs. a "passbook." Apple Pay will also be rolling out to the UK in July.

In addition, Apple also highlighted the ability for retailers to include their loyalty cards within Apple Wallet. This was not discussed, but from an iAd perspective (Apple's mobile display ad product), brands will be able include their own loyalty card or tap to load discounts onto your favorite retailer's loyalty card within Apple Wallet.

From an enhancement perspective, Newsstand is evolving to a Flipboard-style experience called News. Newsstand is going away but the News app will house content in a more robust, consumer-friendly experience. As reported in Re/code, "publishers will keep 100 percent of the advertising they sell within the Flipboard-like app while Apple will help sell unsold inventory and take a cut at rates t*hat one publisher described as 'very favorable.'* Apple will continue to take a 30% cut of revenue from subscriptions sold through the publisher's own apps".

Apple also released their watchOS 2. This update will allow developers to create native apps that live on the Apple Watch itself, not just Bluetooth connectivity between the phone and the watch as it currently operates. This will allow app developers to be more creative and wrist-first in their development of new utilities for consumers. Additionally, this change will help spur a larger app ecosystem for the watch, as you currently need to have a smartphone app to accompany the watch app.

From an entertainment point of view, the biggest news of the day was around the launch of Apple Music. Apple is now getting in on the popularity of streaming music on-demand services such as Spotify and Rdio, to provide consumers with all the music they want for $10 a month. Consumers continue to own the music as long as they pay their monthly subscription fee. Apple is leveraging the customized success of Beats (they purchased Beats Electronics for three billion dollars last year) and rebranding it as Apple Music. The rollout of this service will help drive success through scale, because it will appear on all iOS devices - and will be available for Android as well. Apple Music will be available on a global level and available as a native app across their 800 million iPhone base.

As it relates to consumers' affinity towards entertainment, social and utility, Apple announced a big milestone for the App Store: they have now tracked over 100 billion app downloads since the store launched in 2007. The App Store has created a new economy, with payouts to developers in excess of $30 billion since launch. As consumers' time continues to be focused within apps, the opportunity to reach them in this space from a messaging standpoint will continue to be critical for brands.

Implications
Many people were expecting Apple to talk about how they are going to move into the television space with streaming services, but there was nothing to report on that front. Based on the Apple special event in March - where they had announced an Apple TV price reduction from $99 to $69, new apps and voice control for Siri - many people were expecting more.

Outside of TV, there is also speculation that Apple is working on a car, as they have indicated that the ultimate mobile device is your automobile. Apple did talk about HomeKit – but only for about thirty seconds in a two and a half hour presentation. So they are making their way into the Internet of Things marketplace, but will do so on their own terms.

Overall, Apple's enhancements to their current operating system, as well as the continued success of the application marketplace, will continue to keep consumers glued to their devices.

Instagram | Business

Instagram for Business Strategy Guide

Instagram provides a platform for businesses of all sizes to reach a captive audience and visually inspire people with their unique point of view.

The Instagram Community

Instagram is one of the fastest growing communities online today. Our community is now at over 300 million monthly actives.

Engagement on Instagram is incredibly strong. When it comes to content production, people upload about 70M and Like about 2.5 billion photos per day. The immersive nature of the product enables people to produce and consume a lot of content, and yet it also remains a relatively lightweight experience.







Community Best Practices

Engaging with the Instagram community is essential to your success on the platform because your brand is a part of the community. In addition to posting high-quality content, you should follow other accounts and respond to comments on your posts. We recommend the following:

Accounts to Follow

Follow your brand's partners, advocates, and influencers in the community whose content may relate to your brand.

Account Moderation

Set up policies and procedures for responding to questions and negative comments. Determine how you will handle offensive or inappropriate comments on your content.

Content Best Practices for Brands

The best way to build and maintain a following is to create authentic, high-quality, on-brand content that the community wants to see in their Instagram feed. Tell an interesting brand story through your images and captions.

Focus on your brand's objective

Consider how Instagram fits into your overall brand marketing strategy. Is your objective to increase awareness, shift perception, or reach a new audience? Pick a goal or two that can be achieved by connecting with Instagram's highly visual and creative community.

Be consistent

Choose story themes that are authentic to your brand. This will enable your brand to create content that follows themes for a diversity of content but also remains consistent over time.

Create high-quality content

Work with your brand or creative team to produce images and videos that are well-crafted and fit within the platform.

Text

Keep captions short and fresh. Incorporate hashtags where relevant, but not so many that they detract from the simplicity of the post.

Additional Guidelines

Organic publishing

Unlimited number of hashtags are allowed but less is more. Linking to other profiles and attribution to other profiles can be determined by brand.

Sponsored publishing

Instagram captions must not exceed 4 lines of text, around 120-150 characters including spaces. Sponsored posts (ads) cannot exceed 3 relevant hashtags. Profile linking & attribution must be agreed upon by both parties.









Creative Best Practices for Brands

Brand presence is important

It's key that there is branding present in images for paid media to ensure brand recall. If there is not enough brand recall the posts will not perform.

Unique perspective

Focus on details that are exclusive to your brand. Without careful consideration of the elements that make your brand unique, you may not add any valuable brand equity through your campaign.

Creative should ladder up to objectives

Choosing a way to compose an image can be just as important as what the photo is and can provide creative structure and give a deeper meaning.

Strong focal point

Avoid using imagery that is a busy or complex composition. Your content needs to stop an audience in their feed and leave a lasting impression.

Framing & balance

Subtle details such as the rule-of-thirds, straightening, and symmetry make a big difference in the overall polish of an image and affect the tone of your shot.

Video Best Practices for Brands

Sound

By default, all video will auto-play without audio. It's important to craft your content as if it will play silently and consider audio a value add. Your audience can activate sound by tapping. If they do, we suggest considering sound that ramps in slowly so the experience will not be jarring or cause your audience to move on.

Motion

As a general rule, consider having motion within the first few frames of your film. We've found that an audience might overlook video if they don't notice movement, assuming it's a still.









MINDSHARE	Instagram Ramps Up Its Advertising Offer	Norm Johnston	03/06/2015

Background

After sticking its toe in the water by launching ads a year and a half ago, Instagram is now jumping in with both feet as it looks to further monetize its footprint. With over 300 million active monthly users, Instagram's initial limited foray into advertising hasn't slowed down its popularity with users. Instagram continues to show robust international growth, and according to Pew is the fourth largest social network in the US, sandwiched in between third-place Pinterest and fifth place Twitter.

Details and Implications

Instagram announced three key enhancements to its advertising program:

- **Call to Actions:** Similar to Google and Facebook, Instagram is now offering advertisers the ability to layer in additional functionality that enables people to take a direct action within the ad unit. For example, people can sign up to learn more, purchase the product, or download an app. The addition of such CTA functionality has exploded over the last year as advertisers attempt to demonstrate a direct correlation to an ad impression with an actual result, ideally aligned against the brand's specific KPI's. Such efforts to help advertisers achieve that "last digital mile" should be applauded. However, advertisers need to ensure they don't slip into a "last button wins" mode that gives full credit to the action to the last ad impression rather than recognizing the contribution other ad impressions may have made up that point. Comprehensive attribution modeling will be more important than ever.
- **Targeting:** Instagram is cleverly leveraging the vast amount of data captured across Facebook's massive app portfolio to enable better targeting against specific demographics and interests as well as information you have about your own customers (e.g., Facebook Audiences). Such rich targeting is immensely appealing to advertisers, particularly when you consider that Facebook now has four major applications on most smartphones (Facebook, Instagram, WhatsApp, Messenger), no small accomplishment given the average consumer has downloaded only 42 apps and uses only eight on a regular basis – in many cases Facebook owns four of those eight apps.
- **Buying:** Facebook is basically making it simpler to buy, manage, and measure ads on Instagram by making its ads available through an Instagram Ads API and Facebook ad buying interfaces, including Power Editor and Ads Manager. Not revolutionary but a smart practical step in just making it easier to do business with them.

Summary

Instagram founder Kevin Systrom has clearly eliminated any doubts over advertising and its potential impact on the Instagram user experience. Meanwhile Facebook continues its unrelenting efforts to own the mobile space, perhaps with a close eye on the developing partnership between Google and Twitter, which could led to an acquisition of the later by the former, which would give both companies a much-needed boost in the mobile space. Or perhaps Facebook is looking at growing threats from the East, where the big Chinese players are looking at international expansion; Alibaba have just ploughed $200m into Snapchat, a growing competitor to and long-time acquisition target of Facebook.

MINDSHARE	Spotify - Video marks the Spot	Karen Saba	28/05/2015

Background

Last week Spotify founder Daniel Ek revealed "Spotify Now" – a service that will offer both videos and podcasts through the Spotify platform. The intention is to turn Spotify from a background radio station or 'poor man's iTunes' into a one-stop-shop entertainment destination.

Details and Implications

The announcement comes after years of controversy surrounding the competitive business models and rocky relationships between streaming services, record labels and artists. For example, Zoe Keating published a Google doc back in 2012, citing that only 3% of her digital royalties could be attributed to streaming services, with the majority coming from sales on iTunes, Amazon and her own website. However, despite this, Keating and others have argued that streaming services do in fact provide a valuable insight into who will eventually buy an artist's music and concert tickets etc. It could therefore be speculated, that Spotify have recognized this as an opportunity to capitalize on its unique user data, and further develop its service with the creation of Spotify Now in order to increase advertising opportunities.

Spotify Now has a partner list that reads like a *who's who* in professional digital content: Vice News, TED, Viacom, YouTube network Maker Studios, Comedy Central, MTV, BBC, GQ, Vogue, Wired, podcast network Nerdist, Epic TV, Elite Daily, NBC, Slate, and YouTube network Tastemade are among those on board.

The implications of the launch, from a media perspective, are three-fold: Ad-serving, content and data.

Beyond the existing audio ad placements, it seems quite likely that Spotify will open the door to video ad placements as a way to generate revenue – and partner with brands. Not a bad way for brands to target users (76% of whom are subscribed to the free model) by mood or occasion.

More and more we're seeing that *original* content is king. Partnering with Spotify on content creation or distribution opens the doors for brands to be present during relevant moments and triggers; The Nike Running Tempo Mix is a great example of adaptive content.

The move also opens up the data floodgates as the Spotify Video offering will open even more doors to understanding user behavior in relation to video, and even the fluidity between video and music consumption.

Summary

Spotify's core product offering remains music, so it will be interesting to see how its users take to the video offering and whether Spotify will be able to replicate the success it has had with audio. But it is clear that Spotify is increasing its offering - alongside the Spotify Now announcement Ek also revealed Spotify Running, a truly adaptive initiative which will use the phone's movement sensors to locate a track (including a Spotify original made by Tiesto) that will keep pace with a user's feet when he or she is working out.

The bottom line is, Spotify is taking massive strides towards becoming a curated, customized content hub, not just a 'poor man's iTunes'.

New Business - How can we work with Google on new business?

What resources can Google provide to share industry expertise beyond a new business support request?

Google industry-level expertise resides in the vertical teams specialized in each specific industry. In many cases, a Google in-market industry expert may be able to provide overview materials, research studies, or participate in a session to share industry knowledge, trends, etc.

Depending on availability of Google resources in a particular market, we recommend organizing industry-specific sessions with local vertical leads to learn about trends of that industry and believe that would help Mindshare stakeholders with a broader view of the specific industry's online ecosystem.

Your local Google stakeholder managing Mindshare should be able to connect you with the right stakeholder.

Does Google have external tools that can help in proposals?

Yes, below are some relevant Google external tools that may help with proposals:

THINK WITH GOOGLE

- **Think with Google:** Compelling data. Big ideas. Creative juice. Put Google research and insight behind your thinking.

  As marketers, we rely on data, analysis and insights to stay informed and inspired. *Think with Google* is our way to share all of this and more with you.

  Think of us as your resource for everything from high-level insights to deck-ready stats to useful tools. Here you will find the data we're exploring and the trends we're tracking along with forward-looking perspectives and behind-the-scenes looks at digital campaigns —across industries, platforms and audiences. We hope you find it helpful and visit often.

  Americas:
  Think with Google US (and CA collection)
  Think with Google America Latina

  EMEA:
  Think with Google UK

Think with Google FR
Think with Google DE
Think with Google IT
Think with Google ES

APAC
Think with Google AU

In Think with Google you can also find several Planning tools we are also summarizing below.

SEARCH

- **Google Trends** is a public web facility of Google, based on Google Search, that shows how often a particular search-term is entered relative to the total search-volume across various regions of the world, and in various languages.

- **Google Correlate** finds search patterns which correspond with real-world trends. It is the response, allowing you to upload your own data series and get back a list of search terms that correspond with the real world trend.

- **Google Zeitgeist** is a public web facility of Google, based on Google Search, that shows what the world searched for last year

- **Google Alerts** is a tool to keep track of trends, interesting topics, or anything really new that appears on the web. You can get email notifications any time that Google finds new results on a topic you're interested in. For example, you could get updates about a product you like, find out when people post content about you on the web, or keep up with news stories.

- **Google Ngram** is an online viewer, initially based on Google Books, that charts frequencies of any word or short sentence using yearly count of n-grams found in the sources printed since 1800 up to 2012 in any of the following eight languages: American English, British English, French, German, Spanish, Russian, Hebrew, and Chinese.

- **Adwords Keyword Planner** is an AdWords tool that helps you build Search Network campaigns by finding keyword ideas and estimating how they may perform.

- **Global Market Finder** helps you find new markets for your products or services overseas. It helps compare opportunities from different locations around the world using Google Search data, Google Translate keyword translation and Adwords keyword bid and competition.

MOBILE

- **The Full Value of Mobile Calculator** provides a simple tool and benchmarks to help you estimate the value that mobile drives for your business through calls, apps, in-store, mobile site and cross-device. In about 30 minutes, you can follow the step-by-step wizard to upload data from AdWords and your mobile website, and make some key assumptions to create your Full Value of Mobile estimate.

- **Our Mobile Planet Tool** provides information about smartphone adoption and usage across 48 countries. Create custom charts to deepen your understanding of the mobile consumer and get the data you need to guide your mobile strategy.

- **Mobile in the Purchase Journey** we studied consumers around the globe in 2013 to understand what role has the smartphone in the consumer journey.

- **Mobile Ads Showcase** lets you demonstrate mobile ad formats, from simple text ads to interactive mobile rich media. Download the app in Google Play.

YOUTUBE

- **YouTube trends Dashboard** is a tool where you can track what's being viewed and shared around the world. Compare trending videos by age, gender and location so you can discover viewers' passions, whatever their demographic.

- **YouTube Ads Leaderboard** showcases the most creative ads that people choose to watch each month. Ads are determined by an algorithm that factors in paid views, organic views and audience retention (how much of a video people watched)

DISPLAY

- **Display Benchmarks tool** lets you pull up-to-date industry benchmarks such as click-through rate, interaction rate and time, expansion rate and video completions. You can slice the data by country, vertical, ad size and ad format, and can view it as a map, data snapshot, or a trends view.

- **Display Planner** makes it easy by finding places that your audience is likely to visit and suggesting new ways to connect with them using all of the targeting options available on the Google Display Network. Simply enter demographics and sites associated with your ideal customers and the tool will suggest thousands of new websites, mobile applications and video channels for your ads.

CONSUMER INSIGHTS & RESEARCH

- **Consumer Barometer** is a tool to help you understand how people use the Internet across the world. The tool delivers insights to help agencies and advertisers understand consumer behaviours, device usage and video consumption.

- **Databoard for Research Insights** lets you explore insights from Google research studies, share them with others, and create your own custom infographics.

- **The Customer Journey to Online Purchase** analyzes millions of consumer interactions through Google Analytics and distilled how different marketing channels affect online purchase decisions. Use the benchmarks in this tool to help understand the roles these channels play, so you can better plan which channels you will use when, increasing marketing performance.

- **Google Consumer Surveys** is a fast, affordable, and accurate market research tool that helps you make informed business decisions by asking internet users survey questions. Users complete survey questions in order to access high-quality content around the web, and content publishers get paid as their users answer. Google automatically aggregates and analyzes responses through a simple online interface.

- **Public Data Explorer** provides public data and forecasts from a range of international organizations and academic institutions including the World Bank, OECD, Eurostat and the University of Denver.

DEVELOPERS

- **PageSpeed Insights** is a tool that helps developers optimize their web pages by analyzing the pages and generating tailored suggestions to make the pages faster.

- **Mobile-Friendly Test** analyze a URL and report if the page has a mobile-friendly design.

Who do I contact when I have a client that is new to using Google ad products?

This situation is what Google classifies “new customers.” New customers are defined as follows:

- Net new customers - Brand new company & URL (never spent on AdWords before)
- Win-backs - They have an existing AdWords account that has not spent for 180 days
- New divisions - Separate brand / division of an existing Google customer
- “Dabblers” - Perpetually low spenders

Your local Google stakeholder managing Mindshare should be able to connect you with the right stakeholder to prepare proposals and provide support for these types of clients. The New Business team is organized by specialized industry verticals in most markets.

MINDSHARE

MINDSHARE PRESENTS

SHIFT

IN PARTNERSHIP WITH

Goldsmiths
UNIVERSITY OF LONDON

LIFE+

Executive Summary

Throughout the past few years we have experienced the shift from desktop to laptop, and laptop to tablets and smart phones. We now stand at the brink of the next major shift into wearable technologies, the internet of things and the connected self.

LIFE+ is Mindshare's global wearbabe technology group formed to help brands take advantage of this nascent technology. Mindshare defines 'wearables' as any technology worn by a human externally that is 'beyond the three screens' and that integrates with a human's own biometric characteristics.
www.mindshareworld.com/news/mindshare-launches-global-wearable-technology-unit

SHIFT 2015 is a research project aimed at understanding the key consumer motivations for wearable technologies and the opportunities they present for brands and advertisers. The project is a collaboration between Mindshare and Dr Yael Gerson and Dr Chris Brauer of the Institute of Management Studies (IMS) at Goldsmiths College, University of London.

Using a combination of consumer device testing, co-creation workshops, expert interviews and a quantitative survey we have addressed two key questions:

- What consumer need states and use cases will wearable technology fulfil?
- What opportunities for brand communication does wearable technology present?

We have identified six key need states that wearables can satisfy:

Flow
making everyday life smoother or easier (e.g. opening locks)

Reflection
reflecting on ways you can improve your life (e.g. fitness and wellbeing tracking)

Affinity
connecting remotely with family, friends or shared interest groups.
(e.g. sending hugs or heartbeats)

Performance
helping with specific tasks to improve performance
(e.g. heads up display sports performance apps)

Value exchange
allowing tracking or data sharing for a consumer benefit
(e.g. health tracking for insurance)

Self expression
using wearables to look and feel good
(e.g. smart fabrics, Apple Watch)

We worked with our respondents to develop the different ways brands could tap into these need states and take advantage of wearables and their data in their communications.

We found five key areas embracing both advertising (push notifications and search) and content (brand utility, brand experience and content personalisation), delivered both on the wearable itself and across other platforms.

Our research also found that 13% of UK smartphone users say they are very likely to get at least one wearable device in the next 12 months. If this take up rate occurs, the number of wearables owners will rise from 6m (12% UK adult penetration) to 8m (16%).

As the adoption of wearables gathers pace, we've outlined the opportunities for marketers that this next great technological shift presents.

What we did

This research uses an innovative co-creation method including workshops, ethnographic service design, and ethnographic experiments to gain insight into users' experiences of wearables in their everyday life.

For this study 14 participants (aged 16–40) were drawn from the general public to take part in a month of ethnographic experiments alongside two workshops. Throughout these four weeks, participants were immersed into the world of wearables. We gave them lots of kit: smart watches, fitness bands, lifestyle bands, heart monitors, wearable cameras, and smart rings so they could fully understand the roles wearables could play in their everyday lives.

Through ethnographic experiments – which use behavioural insights to simulate future situations – we simulated future uses of wearables in order to trigger different experiences for users. Participants communicated with the research team on a daily basis using WhatsApp; they also participated in an introductory workshop, a storytelling workshop and an advertising workshop.

Alongside this intense fieldwork, the team also interviewed a series of subject matter experts, including senior leaders from industry (e.g. UnderArmour), and technology commentators from CNET and Wired magazines. These interviews were used to provide longer term perspective on the marketplace and to refine the conclusions produced with our respondents.

Finally, the insights from the co-creation fieldwork were verified quantitatively through a survey amongst a sample of 841 nationally representative smart phone users.



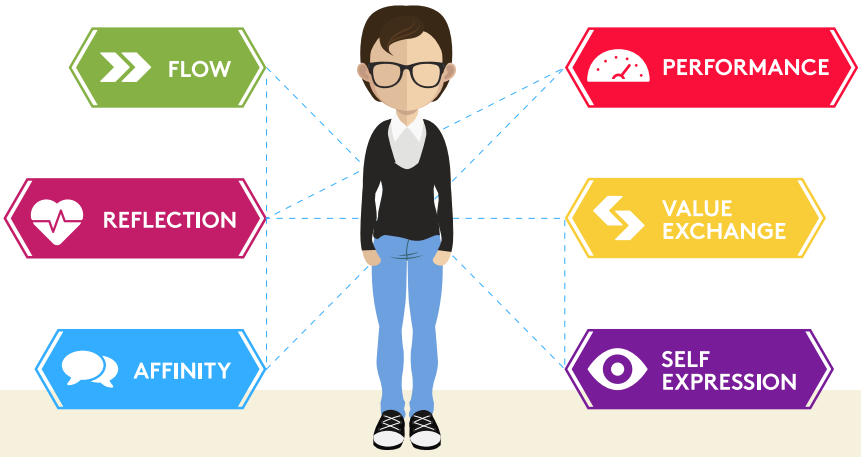


Why wearables?
Consumer need states

A key challenge for the wearables sector is to convince consumers that wearables are genuine 'must haves' for the mass market and not just gimmicky, 'nice to haves' for gadget heads. Following their intense immersion with a range of devices, we worked with our respondents to identify the range of potential use cases of wearables and the underlying need states they fulfilled.

The term 'need state' is used to describe an area opened up by wearable technologies; understanding these key needs provides an opportunity for branding and advertising to intervene and help shape products and services as they relate to each need state.
The six need states identified that wearables fulfil are:

- Flow
- Reflection
- Affinity
- Performance
- Value Exchange
- Self-expression



Flow

The predominant question in people's minds when using or thinking of using wearables is: will this make my life better?

Throughout the research we found that participants would often ask:

– will this improve my lifestyle?
– will it make things easier?
– how can wearable devices make my life better?

After a few days immersed in the world of wearables, participants experienced them as something that could simplify everyday tasks making life easier. In this context 'better' meant easier, more seamless, a synced lifestyle that flows.

"I did a voice command on the street while pushing a pram and late for a train to send a text to people waiting for me on the platform the other day it was quite convenient. It was quicker and felt quite natural.

We identified this need state as **flow** or the need to take some of the friction out of everyday life by making interactions and tasks more connected and seamless. There were three key areas where this was felt to be particularly powerful:

– transactions
– the connected home
– communications

Transactions

A rich area for wearables to deliver on the **flow** need state was around transactions, particularly in the retail environment. Wearables could fulfil a number of functions such as alerting retailers to the customer's presence, enabling advance ordering and payments, thereby cutting down on queueing and generally speeding up the transaction.

"That [ordering coffee through your watch] would be brilliant and I would use this every weekday. Saves time and I don't have to queue. Would also be nice if I could also pay [for] the drink through the watch.

31% of respondents in our smartphone owners' survey expressed an interest in this use case (see figure 1).

Key to fulfilling this aspect of **flow**, is to provide ultra-personalised information, offers or services that the user will want. For example, when participants were sent simulations based on offers (e.g. 20% off River Island in the next hour; or recommendations for coffee shops based on foot traffic in the area), they expected their devices to know them and their routines, rather than send generic messages. When this was not the case, participants reacted quite negatively to this *"No, I don't shop there", "I don't drink coffee", "I'll leave when I normally leave".*

Figure 1. Flow – % Interest in each use case



Base: Nationally representative UK smartphone users, N=841

Connected home

Respondents identified a big opportunity for wearables to fulfil the **flow** need state in the connected home and car environments. In the home wearables could adjust heating or lighting to individual preferences when entering a room (38% found this an interesting prospect); or they could be used to automatically open front door locks, security systems or start cars (this proved slightly less appealing in the wider population at 29% and 31%).

> *If my band/ring could do that [open doors, turn car on, order food and drink] it would be out of this world... tbh*

Communication

The blizzard of notifications that can often litter the mobile screen present an opportunity for wearables to fulfil the need for **flow** by bringing the most important notifications to the user's attention in a more easily accessible way. This is certainly part of the vision behind the Apple Watch that it will surface key information to the wearer that can be acknowledged through quick 'glances' or vibrations – essentially filtering key alerts and delivering them in a more seamless way to the user.

This proved one of the most popular uses cases of **flow** amongst the wider population with 41% interest (rising to 48% amongst 35–44s).

Reflection

Wearable devices worn on the body, usually throughout long periods of time, give people the opportunity to see themselves through their data, reflect upon their lives and identify ways of self-improvement.

This need state of **reflection** manifests itself in two broad areas:
– the physical and the emotional.

Physical

Wearables' success to date has been predominantly focused on fulfilment of the need state of physical **reflection**, through fitness trackers such as FitBit or Jawbone and this is likely to continue to be a core area of focus for wearables in the foreseeable future.

Participants responded positively to the experience of seeing their physical wellbeing through their data, particularly in relation to their sleep data,

"really cool [sleep data] I wouldn't have realised all of that.

This was borne out in the wider population with 50% interested in the prospect of wearables measuring and analysing sleep patterns.

But there was an overwhelming sense that the limitation of current data analytics did not fulfil the potential of the data being captured.

Particularly when relating to specific activities such as improving sleep or developing fitness, users responded more positively to interpretations of their data and not just data visualisation.

"I think it could be improved by the band telling me how to improve my sleep and whether my current levels are healthy. And recommendations, e.g. Go to bed at 10; you'll fall asleep at 10:13 according to your data. It would be quite helpful - otherwise it can be quite useless to have all of this information but not use it.

Chris Glode, VP Digital Under Armour Connected Fitness echoes this,

"I think the onus is now on us, as wearable makers and software makers and ad makers, to provide feedback that is really surprising and engaging to users and will keep them motivated and committed to the process because just showing numbers and bar graphs, we see there is some attrition around that".

Emotional

Interestingly, participants had diverse reactions to different kinds of data. Using wearable devices to track activity and sleep were generally accepted and taken with interest,
"sleep bot just told me it's bedtime. Seems useful not sure what the rationale is but it seems useful"

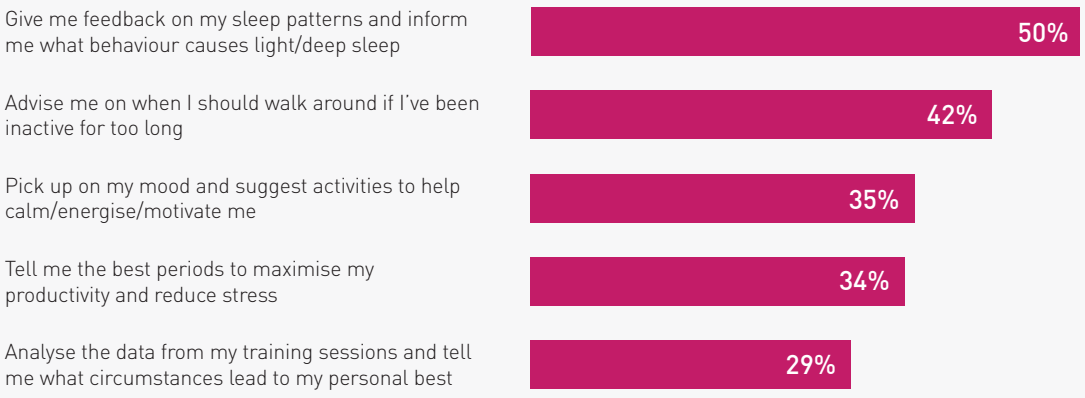
However, tracking mood or emotions produced a much wider array of responses. Some participants responded positively to the idea of tracking one's mood as illustrated by the following use case:
"as a person that is easily stressed I want my device to pick up on my mood and suggest activities to help calm me."

But questions were raised as to whether this technology was even necessary,
"I know what mood I am in, I don't need a device to tell me"

or whether it could be accurate,
"I think a bit more work might be needed on the mood sensors?"

This was also borne out in our quantitative study, where mood measurement proved less popular (35%, see figure 2) than measurement of activity (42%) or sleep (50%). This may also be in part because the measurement of mood data is much more intimate and personal than physical activity and sleep.

Figure 2. Reflection – % Interest in each use case



Base: Nationally representative UK smartphone users, N=841

Affinity

Wearables are potentially the most intimate form of consumer technology yet, both in terms of the data captured and the fact they are worn on the body. This makes them well suited to fulfilling the need state of **affinity** – or emotional connection with friends, family or communities of interest.

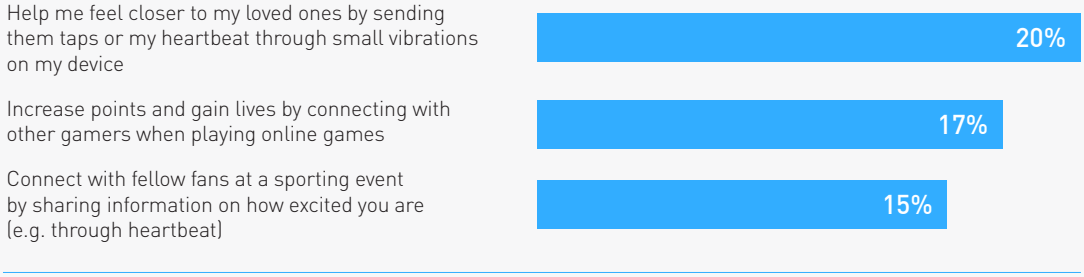
Participants responded strongly to the idea of sharing moods and emotions. For some, the ability to connect with people remotely was exciting, particularly when living far away from friends and family.

> *Actually that would be a nice feature of the watch, especially for people who are living far away from their parents and are not able to see them in person. I think I would definitely use that option on a regular basis as I am already using similar websites for this service. Especially for my friends' birthdays or mother's day and I can't be around.*

Wearable devices are harnessing the power of haptic communication and feedback systems in order to create tangible long-distance connections, *"It would be awesome if I could send her a hug so she knew I was thinking about her/ wanting her to feel better".*

This proved the most popular form of **affinity** with the wider population (20% expressing interest).

Figure 3. Affinity – % Interest in each use case



Base: Nationally representative UK smartphone users, N=841

Wearable devices can bring people together in multiple ways: they can alert users if someone they know is in the area, or they can leave 'tickles' for people in places. They can create long distance togetherness.

But the **affinity** need state is not just about connecting friends and family at a distance. We found that wearable tech has the potential to create innovative ways to make connections amongst people who share similar interests for example in gaming: *"as a gamer I want opportunities to increase points and gain lives by connecting with other gamers."*

Or football, *"as a football supporter, I want responsive clothing so that I can connect with other fans."*

Wearables can reflect an individual's shared interest with people nearby, enabling access to communities of people and facilitating interactions through wearable social messaging.

However, this form of **affinity** with communities of interest proved less popular with the wider population (an average of 15%) perhaps because it feels a more challenging concept currently or because it is by definition related to specific interest areas which do not have universal appeal.

Performance

Our respondents identified a strong opportunity for wearables to help **performance** when undertaking a specific task or activity.

This role naturally lends itself to sport where sensor technologies can be integrated into products and clothing to seamlessly monitor performance, and offer specific feedback without affecting movement. Users will be able to receive feedback and specific recommendations based on accumulated data. So cyclists or skiers could be presented with real time performance data benchmarked against their historic performance on their glasses or goggles. Golfers could be coached on their swing with 'smart gloves' or runners could have their technique corrected in real time by shoes that change shape or alert them to poor performance. In effect, wearables could fulfil the **performance** need state by moving into more of a coaching role.

For the sports playing segment of the wider population this proved a popular concept with 41% expressing interest.

The performance need state could also be met by wearables helping to execute a specific task or function. Different wearable devices could assist people in different ways as users engage with these services on a temporary basis rather than on a continual basis in their everyday life. So for example, connected eyewear could overlay a virtual spirit level onto your line of vision to help you execute a specific DIY task. Or as one of our respondents suggested there could be a role for wearables helping you to carry out an everyday task like putting on make-up just a little bit better:

"[it would be great to] watch YouTube tutorials for make-up [using Google Glass]"

Value Exchange

Throughout the study participants continuously questioned and negotiated the value of their data.

Participants simultaneously expressed concerns about the security risks associated with companies having access to their data, and responded positively to the idea of receiving personalised offers and discounts based on companies having access to their data, *"I think I would use these deal alerts. Maybe not just coffee but things like bike accessories - wait until they're on sale and the watch would notify me".*

But in many cases, deal alerts and promotions were not enough. Respondents wanted to see something of greater value in return for sharing their wearables data. Brands must be careful to add or give value to users' data, as people are increasingly aware of its value. Just offering a discount might not suit everyone, and importance is increasingly placed on improving people's lives in a more significant way.

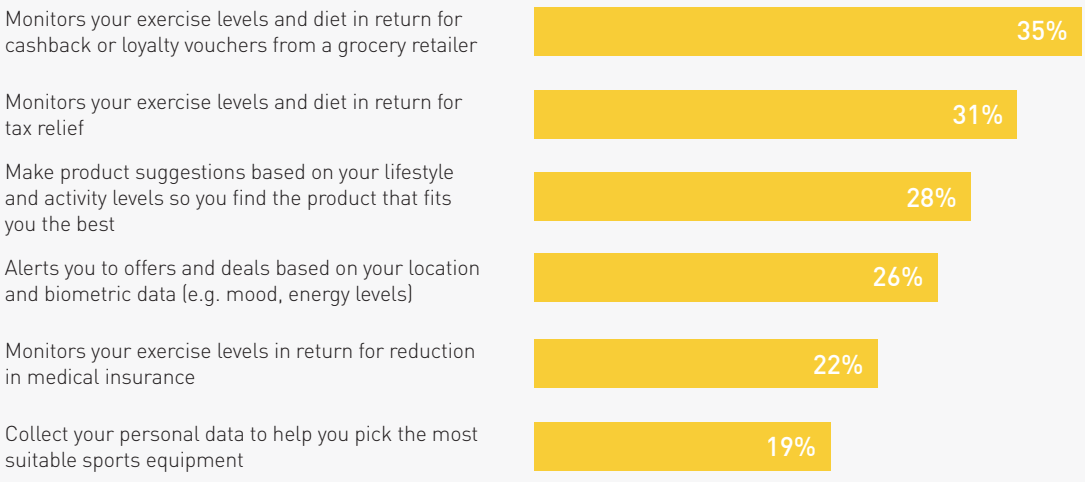
> *I would say that all these offers that suggest I buy something there or here are good ideas for saving some pennies every now and then but they don't really improve life quality.*

As Ben Hammersley put it 'I monitor my sleep because I wanna get better sleep, right? Because sleep itself is the reward. I shouldn't be monitoring my sleep in order to give a particular brand a better opportunity to get me to buy something that I previously didn't know I wanted to have'.

We identified this need to generate some tangible benefit for allowing tracking or data sharing, as **value exchange**.

So this need state for **value exchange** could for example be fulfilled through significant savings on private medical insurance in return for sharing wearables data on exercise levels, in effect an extension of what currently happens with 'black box' telematics car insurance. Similarly, respondents identified the possibility of allowing the government access to wearables data covering your exercise levels and diet in return for tax relief incentives for healthy living. While that may seem somewhat 'big brother', it proved surprisingly popular amongst the wider population with 31% finding it appealing (see figure 4). A similar concept of a CSR initiative from a grocery retailer providing cashback in return for healthy living as measured through wearables, also proved popular (35%).

Figure 4. Value Exchange – % Interest in each use case



Base: Nationally representative UK smartphone users, N=841

Self Expression

Wearable devices until now have largely been associated with wellbeing and performance related activities.

Yet throughout the study, participants' reactions to wearable devices were as much about style - what they looked like, how they 'felt', and how others responded to them, as specifically about what they did. Respondents exhibited a strong need for wearables to help them look and feel good. We identified this need state as one of **self expression**.

During the fieldwork participants constantly commented on how their user experience was deeply affected by the look of a wearable and how it 'fit in' with particular situations, as one of our participants put it, *"I have my watch in bag. Not something I would wear when going out."*

We found that social proof plays a central role in the adoption of wearable technologies when it reinforces the need state of **self expression**. Participants who at first were reluctant to use features of certain wearables (i.e. speak to the smart watch using the command "ok Google") proceeded to embrace this feature when others around them either ignored them, or seemed intrigued and asked questions, *"they were asking what brand it was, said it looked nice. When I told them things I could do with it they seemed impressed."*

Although social proof will be central to the mass adoption of wearables, the promise of interaction and personalisation, the combination of fashion (style) with communication (technology) will allow people to present themselves in different ways. This means that for many people, wearables will become more about style than substance – with the added bonus that they can have this as well.

"

One colleague said the watch looked like a tamagotchi (admittedly there are other designs on the market, but can't say that's what many people over 20 want - a tamagotchi watch). When playing with the watch in public people look at you funny, and many of my meetings this week have started with conversation about the watch. The conversation always ends... would you recommend it?

Wearable technology promises the intimacy and social familiarity of clothing, combined with the information access and transmission provided by mobile communications and micro processing. It offers the possibility of producing and delivering highly personalised services and experiences, and therefore providing channels of **self expression**. As it becomes more integrated into fashion we expect this to become an increasingly important area.

If wearables are to achieve mass adoption, style and fulfilment of the need for self expression will be a central motivating factor. As Ryan Genz co-founder of CuteCircuit said,

"no matter what it happens to be, it can be eye glasses, a tie, shirt, a bracelet, a necklace, people won't wear things unless they think they are cool enough to wear; if it matches your style, if it matches your personality, if it matches what you want to say about yourself to the world."

Brands and wearables
Opportunities for Advertisers

The advertising industry has had a tendency to try and force old forms of communication onto new platforms with mixed success. The first TV commercials were radio ads read by a narrator; the first banner ads were essentially digital posters or print ads; and mobile advertising has suffered from attempts to shoehorn the banner ad into an even smaller screen.

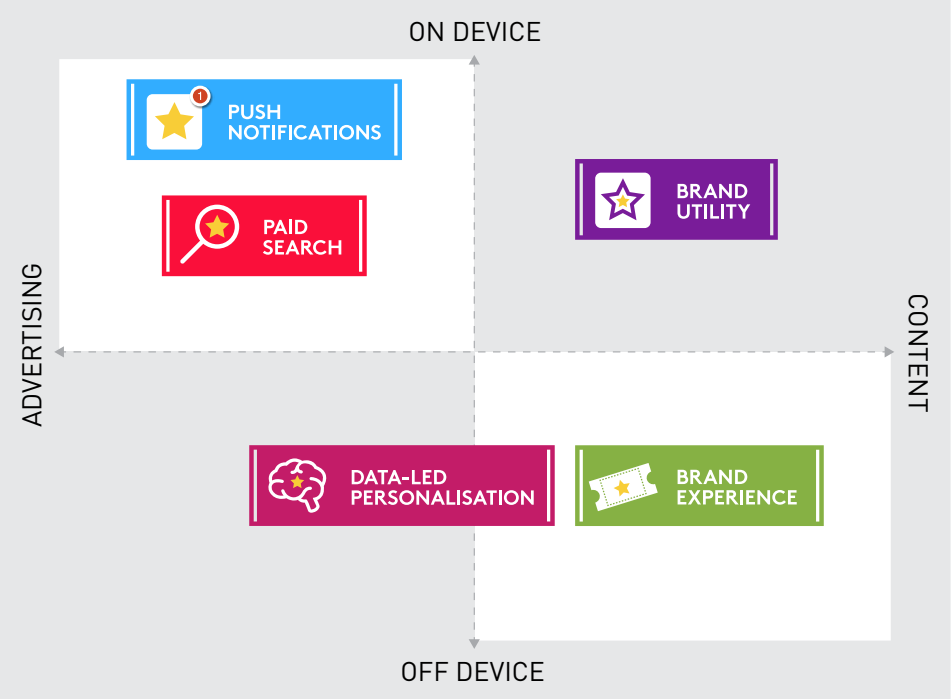
Wearables represent even more of a challenge to advertisers. On the one hand they represent a platform with an incredibly intimate understanding of the consumer; on the other, they have limited (if any) screen real estate on which to present a message.

Working with our respondents in co-creation workshops we identified a series of areas where brands can take advantage of the shift to wearables.

These opportunities cluster along two clear dimensions:

On device vs. off device: Does the opportunity exist on the wearable technology itself? Or does it use the data generated by wearables to communicate on other platforms?

Advertising vs. content: Is the opportunity advertising based? Or is it content, utility or experiential?



Brands and wearables
Opportunities for Advertisers



Push Notifications

On certain wearables with a screen, such as connected eyewear or notably the smartwatch, we think there will be an opportunity for push notifications. These may be offer or promotionally led, triggered by location and the data collected by a wearables device.

So the runner who has completed a particularly fast run could be rewarded by an offer on a sports drink or vitamins, delivered as a short notification on the Apple Watch that could be saved in Passbook.

As Jeff Malmad, the Managing Director of Mindshare North America's Life+ wearable tech unit put it,

"if I walk in to a store, and I have my device in my pocket, and I have opted in for push notification, from a specific app, those app notifications now come to my wrist and I get a little haptic feedback on my wrist telling me to take a look down. For example I was in a store, two weeks ago, going grocery shopping, at Stop&Shop, and I got a push notification on my watch from 'x' telling me here are the items today that I could purchase and get a rebate on, whilst I was in that aisle at the store".

This kind of contextually relevant communication was popular amongst the wider population with 36% finding it useful (see figure 5).

There is also great potential for more creative strategies. Brands could deliver motivational messaging in certain contexts such as running. Participants liked the idea of receiving messages in real time (i.e. using hearables) that could for example advise you to keep going or to rehydrate after a particularly long run, and could be delivered by a brand or celebrity athlete.

Many of the rules that apply to push notifications on mobile are even more applicable to wearables. People need to feel that they have control over push notifications, in terms of which brands, under what circumstances and the volume of messaging. This is largely because the devices are worn on the body and therefore perceived to be even more intimate than the mobile, already arguably the most personal medium to date.

One of the early motivations for the Apple Watch is that it can be used to filter out the large volume of notifications that often litter the iPhone and surface the most important. In that context, for a brand to deliver a push notification to the smartwatch it needs to be very confident in delivering something of use and value, and not just cluttering up a new screen. Advertisers will need to be extra careful they don't kill this opportunity with clumsy interruption before it's even had a chance to develop.

Paid Search

For certain categories of wearables, notably smartwatches, eyewear and hearables, there is strong potential for brands to deliver search style communications in response to requests for information. The success of PPC in matching an advertiser message with user intent can be replicated in scenarios where consumers are looking for information when on the go and prefer for reasons of speed or convenience not to use the smartphone.

The challenge though will be in generating even greater relevance in paid search results than can be achieved on other devices. Because wearables offer less space, and the user is less inclined to browse through multiple results, it is even more critical that the sponsored suggestion is of value to avoid irritation. There also needs to be flexibility in content form as it has to be understood with a glance but be able to provide more detailed information when required by the user.

Data-led Personalisation

The wealth of data captured by wearables presents the possibility of an increasingly detailed understanding of the consumer that in turn opens up opportunities for personalisation of content. While push notifications on the wearable itself are one manifestation of this, it is likely that different types of data aggregated from wearables will be used to inform targeting and content delivery across other digital platforms - desktop, tablet, mobile and beyond.

We can envisage a world in which mood or fitness data generated by a wearable is another dataset that is incorporated into the agency trading desk of the future to hone targeting or allows publishers to deliver ever more personalised content suggestions. So, the dehydrated runner arriving home and picking up their tablet could be presented with a display ad or piece of native content from a drinks brand.

Clearly, there are significant privacy implications that arise from using data as personal as from wearables, and we can see that in the relatively lukewarm response from consumers about the prospect of content personalised from their wearables data – 24% found it an appealing concept (see figure 5). But, this is largely consistent with much of the consumer response to data driven personalised advertising and does not suggest that wearables data is inherently 'off limits'.

So with sensitive use there's no doubt that this emerging data set has the potential to deliver a richer, more relevant content experience to the end user across all of their digital touchpoints

Brand Utility

While wearables will open up some opportunities for advertising, we think the areas of greater potential lie in the use of wearables to provide consumers with some form of value or experience.

In some cases this will consist of brands creating their own wearable technology – as Nike famously did with the Fuel Band or as BMW are doing with their driving goggles for Mini – to deliver a positive brand service to the user. But the challenges of developing and launching your own wearable onto a cluttered market mean that this approach will probably only be taken by the biggest brands. A more accessible approach that is likely to gain greater traction is for brands to develop services, such as apps for the Apple Watch, that are built on the capabilities of the wearable device.

The concept of brand utility proved popular amongst our fieldwork participants as it was perceived to be a less pushy form of communication that provided something of use in exchange for the commercial message, and left the consumer in control of whether to let the brand in or not. This sentiment is echoed in the wider population with 30% attracted to the idea of a health food company offering a smartwatch cholesterol app and 28% liking the idea of a bed retailer providing a sleep monitoring app.

The challenges for brands in executing this area lie in reassuring consumers that they will be responsible with their data but also in achieving stand out and scale given the plethora of alternative options facing consumers in most service areas.

Brand Experience

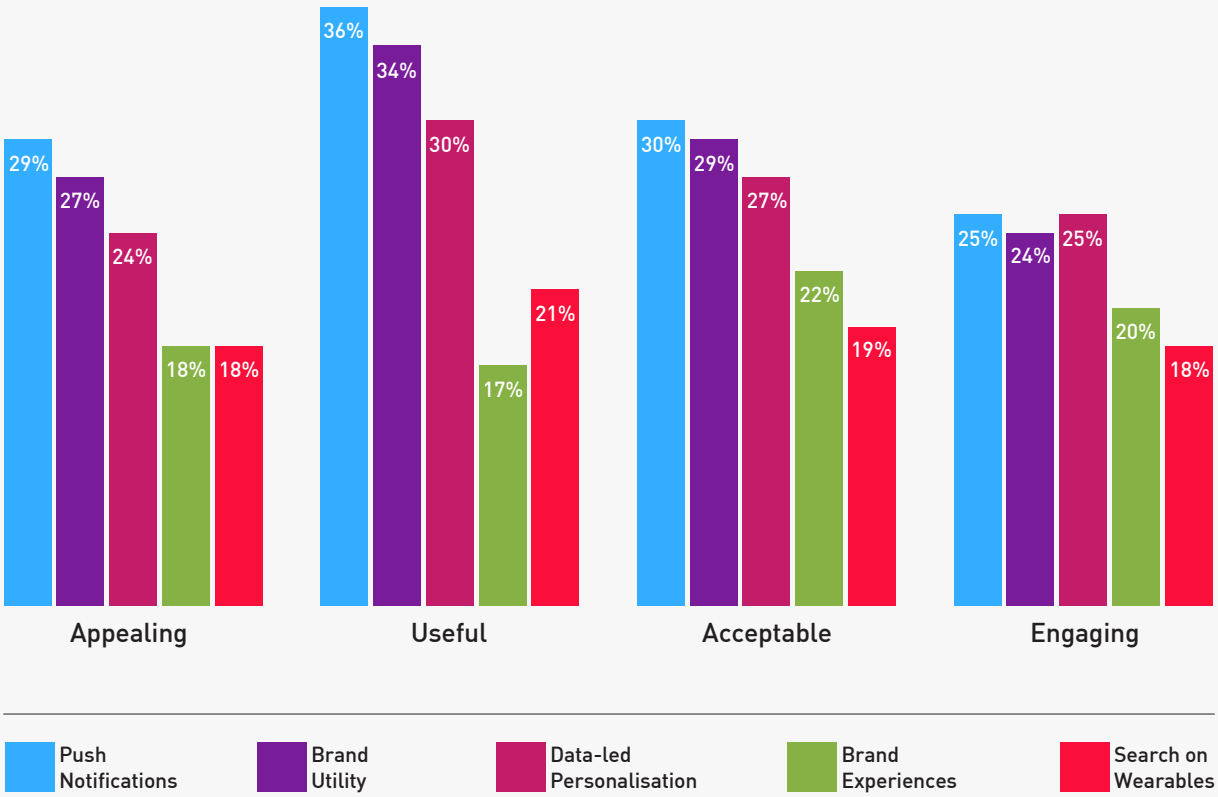
Another area of opportunity for brands which proved popular amongst our participants, was the concept of brands using wearables to enhance a real-world experience for consumers.

Wearables can be used to enhance events, and leave lasting reminders – for example a Nike smart running shirt only for people participating in a Nike running event. Equally sponsors of sporting events could use wearables worn by the crowd to monitor excitement levels and broadcast the results on screens in the stadium and elsewhere online, thereby enhancing spectators' enjoyment of the event. In a similar vein, we've seen brands provide wearables that monitor movement and heart rate for clubbers at branded club nights which are then displayed on screens and used to 'power' the DJ's set.

Because people can independently choose to participate in these experiences, it reinforces amongst users the idea of control, and of the brand providing something of value.

The challenge will be in providing something that genuinely enhances the experience and is not just a forced use of technology for its own sake. This is also an area that may need to see constant reinvention to maintain excitement and avoid feelings of having seen it before.

Figure 5. Brand opportunity evaluation (% agreement)



Base: Nationally representative UK smartphone users, N=841

Conclusion

Just as advertisers are starting to get to grips with the implications of the rise of mobile, the shift to wearables, the internet of things and the connected self will present even greater challenges. It is only by understanding why consumers use wearables and the role they play, that advertisers will give themselves a fighting chance of getting the most out of them. **SHIFT** has opened the window on the underlying motivations for using wearables and the possibilities that their rise presents for marketers. As the launch of the Apple Watch kickstarts the entire sector, now is the time to experiment, learn and plan for the future.

Acknowledgements

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Mindshare would like to acknowledge the hard work of all of the Goldsmiths research team throughout the **SHIFT** project, particularly the Research Director Dr Chris Brauer and Research Lead Dr Yael Gerson but also the full team of Research Assistants (Amy Mok, Petter Ronning, Alexander Vigebo, Valeria Wentzler, Nadine Emilien, and Ruben Tofte).

Thanks should also go to Ricardo Leizaola and Louise Boer for their filming and photography.

Appendix

The following subject matter experts were interviewed as part of the research process:

Ben Hammersley, Editor at Large, Wired magazine

Jeff Malmad, Managing Director, Head of Mobile and Life+, Mindshare North America

Brian Cooley, Editor at Large at CNET

Chris Glode, VP Digital, Under Armour Connected Fitness

Francesca Rosella & Ryan Genz, Co-founders, CUTE CIRCUIT

For the quantitative part of the project, 841 nationally representative UK smartphone users were interviewed online between15th–28th April 2015.

PL US	**IAB Mobile Engage 2015: The Connected Future**	**James Chandler, Global Mobile Director**	**15 May 2015 London, UK**

Background
The IAB's annual Mobile Engage conference took place yesterday in front of a 650-strong audience of UK agencies, vendors and clients. The event was a packed mix of mobile themed presentation, debate and interviews and saw the official launch of SHIFT 2015 – Mindshare's wearables research, developed by our global wearables unit Life+.

Details
The conference's theme of *The Connected Future,* was clear from the off – with IAB UK CEO Guy Phillipson reiterating that mobile no longer sat as a silo, but was now very much the mainstream. So much so that this year's Mobile Engage would be the last ever with the format being integrated into a new two day, broader Engage event from 2016.

Dr Simon Hampton, the IAB's resident psychologist from the University of East Anglia, opened the morning session with an unconventional view on the Internet of Things and the future of human interaction with wearable technology and the connected home. Martijn Bertisen of Google followed on to say that the seamless nature of wearables will make the experience we have with our smartphones seem 'clunky'. Specifically relating to the future of search on smartwatches and connected glasses, he noted that 41% of searches in the US were already voice-activated.

Mindshare used IAB Mobile Engage to exclusively launch SHIFT 2015 – a research study into the opportunities for brands within wearable tech produced by our dedicated unit Life+ in partnership with Goldsmiths, University of London. The key message was that the time to start developing a strategy for wearables is now, with our own forecast that penetration of wearables could reach 20% of the UK adult population by the end of 2015.

Marc Mathieu from Unilever followed by using the example of guests at a dinner party to describe how the world of marketing is changing. Rather than be the guest dominating the conversation by shouting, brands should be ready to listen, react and converse. He used examples from Dove and the All Things Hair YouTube partnership to highlight the point that brands need to bring something useful and entertaining to consumers.

In the remainder of the morning session, Opera Mediaworks talked about rethinking video for mobile – not just making TV ads work on smaller screens and Rob Newlan talked about Instagram as a new, highly creative medium for personal and professional content.

Lindsay Pattison, Global CEO of Maxus, wowed with her in depth knowledge of programmatic mobile and was treated to an impromptu round of applause from the audience after issuing a rallying cry to see more women in key leadership positions within the industry. The morning was concluded by Dara Nasr from Twitter, who covered the social aspect of the UK General Election - #GE2015 – sharing insight that showed during election week, there were more than 11,500 tweets per minute posted.

IAB COO Jon Mew took to the stage in the afternoon, sharing examples of how mobile's role has changed through the years and it's huge impact on cultural events like the London Riots and Arab Spring through to ice bucket challenge and rise of the selfie. Sizmek followed, renewing the ongoing debate about the chasm between time spent and media spend on mobile.

Havas were next, using an augmented reality gimmick amongst the audience to land several points relating to how mobile has changed social behaviour. A panel on mobile creativity followed - led by Jonathan Milne at Celtra, in which the divide between art and science was debated and ended in all parties agreeing that a collaborative approach is needed to get the best results.

The Guardian were next up, in a session dominated by their Head of Technology – Jemima Kiss. She stressed the need to think about people first, technology second and that the new world of wearables should be seen through a human lens, rather than a gadget-focused one.

After a round of mobile themed University Challenge and Brainient's CEO Emi Gal talking about 10 wacky connected future tech ideas that might just happen, the conference closed with IAB Chairman Richard Eyre quizzing The IT Crowd's Richard Ayoade on his love of gadgets.

Implications
With Mobile Engage in its sixth and final year, it's clear mobile has grown up. Back in 2009, mobile made up just 1% of digital ad spend in the UK versus the 23% of share it commanded in 2014.

Beyond banners, search and social, mobile's role in connecting physical and digital at sporting events, in the supermarket aisle and in front of the television screen has never been so important.

The clear message from Engage's finale was that the connected future certainly won't be any less complex, but will have huge rewards for the brand and advertisers that get it right.

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Introduction

The Internet has been ablaze with rumors that Microsoft is potentially interested in buying cloud-based marketing software giant Salesforce. CEO Marc Benioff and his Salesforce shareholders saw their equity fluctuate as pundits weighed in on the pros and cons of Microsoft making such a hefty purchase of a company with a market capitalization of nearly $50b.

Details and implications

Salesforce has arguably been the one of the most successful of the cloud marketing solution providers, a category that has become increasingly crowded and competitive as the Internet itself has grown in size, speed, and importance to marketers and businesses. Salesforce has achieved its success in two key ways. First, the company has taken a very aggressive acquisition strategy that has ranged from buying social monitoring technologies (Radian 6 for $340m), email and direct marketing solutions (ExactTarget for $2.5b) to social media management systems (Buddy Media for $689m). Second, CEO Mark Benioff has developed a vision and culture for the company that has transformed it from a traditional sales automation SaaS (software as a service) provider to a leader in the cloud marketing solutions space. Benioff and his team have worked hard to re-configure all of these disparate acquisitions and technology into a fully integrated and pervasive CRM solution, one that redefines CRM by enabling clients to manage customer interaction across multiple touch-points based on real-time business data, including sales. It's a big vision, and one that is not fully realized yet. While Salesforce has made good progress, it will take time for the company to assemble all the pieces of the puzzle it has purchased – but at least it has the pieces.

Why would Microsoft be interested in Salesforce? New Microsoft CEO Satya Nadella has made it crystal clear since starting his role that Microsoft's future is in helping businesses, particularly enterprise clients, manage, navigate, and win in the cloud. Not surprising given that prior to taking on the CEO role Nadella was in charge of Microsoft's Cloud and Enterprise group. While Nadella has made some important moves to open up Microsoft and shift its thinking to an open cloud-based approach, he has yet to make a significant big bet that fundamentally changes the game. Faced with a growing list of "frenemies" (everyone from SAP to Amazon to IBM to Adobe), his hand may be forced sooner rather than later. A Salesforce acquisition would send shockwaves through the industry, and solidify Microsoft's position as the preeminent player in the enterprise cloud solutions and software business, helping companies with everything from Office365 application to ERP to marketing….with data and workflow all connected and integrated.

For marketers, a Microsoft acquisition would solidify the Salesforce suite of products as the go-to choice for many top organizations. Salesforce already has a strong position with leading marketers like Unilever, Nestle, and Coca-Cola, who use parts or all of its solution set. Further integration into Microsoft's ecosystem would also help bridge the growing gap between the IT and marketing worlds. According to Accenture's CMO-CIO Disconnect study, only one in ten of marketing and IT executives believe collaboration between CMOs and CIOs is at the right level in their organizations. Perhaps Microsoft can be the 3rd party that marries the two worlds together.

Summary;

While a Salesforce acquisition by Microsoft remains purely speculation at this point, it does raise the tantalizing possibility that Microsoft could rapidly boost its street cred and capabilities with arguably the industry's most successful cloud marketing company. Microsoft is one of the few players with the war chest to actually make such a purchase. However, beyond the technology and software itself, a key question is whether Microsoft could successfully embrace Benioff and the Salesforce culture, or smother it as so often happens with other acquisitions. If the former it could be the cultural jolt that many in the industry believe is necessary to lift Microsoft above its competition.

Background

Last week Google implemented changes to the way its search algorithm operates for organic listings on mobile. From now on the degree to which a site is deemed to be mobile-friendly will be imperative to where it is listed when searches are made on mobile devices. This update could been seen as further indication of Google's mobile focus, with the impact on organic search results set to be much more poignant than the previous Panda and Penguin algorithm updates, which affected only 12% and 3% of search results respectively.

Details and Implications

The impending changes to the algorithm were first mentioned by Google in February, along with the offering of tools and mobile-friendly testing to help site owners with the mobile optimization process. Previously, Google has only indicated that a page was mobile-friendly by labelling it as such on search results.

The main factors which contribute to a web page being given the all-important mobile-friendly seal of approval are as follows: responsive in design, suitably spaced text, doesn't include the need for flash player, and possessing text which is legible without the need for zooming. It is also important to note, that thus far the algorithm changes will not affect tablets or paid search results.

For brands the algorithm updates will result in a demotion in the search results if they do not meet Google's mobile-friendly criteria. However, Google have stated that when brand search terms are used, even sites which are not mobile-friendly are unlikely to be demoted due to relevancy. Whether brands should seek to optimize their sites for mobile should also been given consideration, as if the types of products they offer are predominately categorized as high consideration, it seems less likely that users will conduct searches for these products on their mobile devices.

Furthermore, as the new changes will not encroach on paid search results, brands not wishing to optimize their sites for mobile could consider running a paid search ad. This will ensure that they are still visible and generating web site traffic. However, there is the distinct possibility that the new change could eventually be integrated into paid search in the future.

Summary/PoV

For brands and advertisers this new algorithm update will definitely make a profound difference to sites Google deems not be mobile-friendly. Whether or not brands choose to invest in optimizing their site, should be based upon the nature of their brand and the importance placed upon being present in mobile searches as compared to desktop searches. This update should also be taken by brands and advertisers, as a reminder of how imperative the user experience is and the need to be constantly evolving.

For Google, this update is a smart move, given reports suggest that around 50% of Google searches occur through mobile devices or apps. It seems entirely logical that users should receive results which are relevant to the device they are currently using. Also, with the impending battle to remain Apple's default search engine on its devices and the recent release of Apple watch, it seems highly plausible that Google wants to demonstrate its ability to be responsive and adapt to changes in search trends.

MINDSHARE	2015 Update to Yahoo! & Microsoft's Search Alliance	Aydin Moghaddam & John Sargent	24/04/2015

BACKGROUND

In 2009, Microsoft attempted to acquire Yahoo. The deal was rejected but a year later the two agreed on a ten-year joint venture, forming the Yahoo and Microsoft Search Alliance. The purpose of the Alliance was to gain market share and to compete more effectively with Google. In short, Yahoo handled sales for both companies and used Bing's technology to power desktop searches on Yahoo. This was smart on Yahoo's part because they intentionally excluded mobile from the deal so they could innovate their own technology, Gemini. Though Bing was not exclusive for Yahoo on mobile it has been the main engine of choice so far.

WHAT HAS CHANGED?

Five years on and two CEOs later, Mayer and Nadella negotiated more flexibility than their predecessors. There are three key changes to the deal:

1. **Yahoo will no longer be 100% dependent on Microsoft**
   From May 1st, Yahoo will be dependent on Microsoft for 51% of its search results, rather than the 100% it was required to pull on desktop before. This means that Yahoo could potentially rebuild its own search engine to answer 49% of search queries. It could alternatively pull search ads from other engines such as Google if it wanted to - however, this is unlikely as Google is already under the spotlight for anti-trust in the EU and the Department of Justice put Google off of a deal with Yahoo in 2009.

2. **Yahoo will have more flexibility to develop its technology/or walk out**
   Previously, Yahoo could only pull out of the Alliance if revenue targets were not met. However, the new terms allow either company to terminate the deal by handing in four months written notice. Will either company terminate the deal early? We think that this is unlikely because Yahoo is still co-dependent on Microsoft's technology and Microsoft is co-dependent on Yahoo to generate traffic.
   Under Mayer's lead, Yahoo have made it clear that they want to innovate on search, saying that Gemini will eventually serve all of its mobile traffic instead of Bing. Following recent acquisitions, it would not come as a surprise if Yahoo attempts to acquire Foursquare to enhance its local search technology.

3. **Their sales teams will sit separately**
   The new deal means that Microsoft's sales team will sell Bing ads, and Yahoo's sales team will sell Yahoo ads. Yahoo believe that splitting the sales teams internally should allow both companies to service advertisers better. Advertisers can expect the transition from Jul 1, 2015 until Jan 31, 2016.

POTENTIAL COMPLICATIONS

Could the partnership turn into a rivalry? Google's deal with Apple to be the built-in search engine on iPhones and iPads ends this year. We should expect to see Microsoft and Yahoo competing for this spot. Microsoft is already a favourite since it became the default engine for Siri last year. Yahoo semi-equalised in late 2014, when they signed a deal to become the default engine on Firefox in the U.S. for the next five years. However, if Apple are considering divorcing Google for another player, it may make more sense to go with Microsoft who have already proved themselves as a good catch – as opposed to Yahoo whose technology is underpinned by Microsoft. If Apple divorce Google from search, we may see a resemblance to "Mapsgate" in 2013, putting Apple in the position of explaining to its customers why it removed the best product in favour for its competitive affairs. In summary, Microsoft will need to hire a sales team to sell its Bing ads and Yahoo is *re*-building the foundations to become a bigger player in the search space.

xaxis.com

EMEA

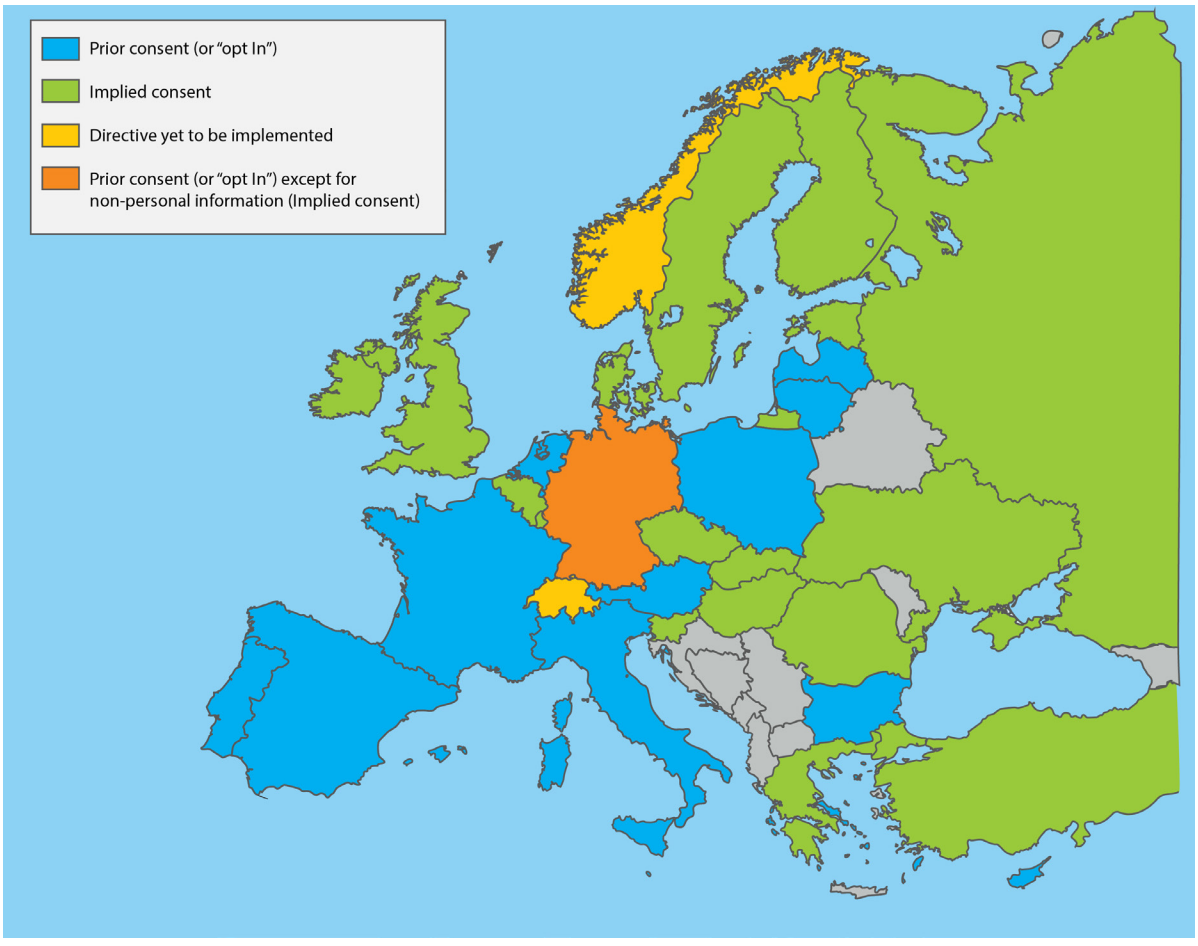
PRIVACY & COMPLIANCE GUIDE



NOTICE

This document is intended to offer a ready reference on the current status, at time of writing, of privacy in the EMEA region. It does not, in any way, replace the guidance that should be sought locally from data protection specialists in each market. If there is any ambiguity, you are strongly urged to defer to local guidance or to refer your query to the contacts listed at the end of this document.

March 2015



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INTRODUCTION

E-privacy is a central theme for Xaxis as the business operates at the forefront of using data and technology to help advertisers reach and engage with audiences at extraordinary scale. Central to this strategy is the usage of Online Behavioural Advertising.

The practice of Online Behavioural Advertising is a key driver behind the success and exponential growth of the online advertising sector. The ability to gather insights as to an audience's interests and desires enables the needs of the users of the Internet to receive relevant and timely advertisements to help drive global commerce. Shared and aggregated interests are collated based upon prior browsing activity and this data is then used to indicate potential subjects that web users may find useful. In addition, the insights can be used to promote price discounts or special offers to users based upon their previous interest in a product of service. A net result on the success of online advertising is that the commercial model helps to maintain free access to services for all.

Following public scrutiny, the European Commission has seen the need to legislate this key practice of the online advertising sector.

This guide offers an overview (not legal advice) as to how the EU Privacy Directive has been implemented across the member states, how this compares to non-member states and its impact on the sector as a whole.

COOKIES & THEIR USES

A cookie is a small file, typically consisting of letters and numbers, that is downloaded onto a device when the user accesses certain websites. Cookies allow a website to recognise a user's device. The use of cookies is intrinsic to the infrastructure of the World Wide Web.

Across the digital advertising press, the phrase, "the cookie is dead" is often used but the truth is that cookies will always be present as long as the desktop computer remains in use for surfing the Internet.

There are various types of cookies.

Session and persistent cookies

Cookies are set on the browsers computer from the time they access a given site until such time that the user deletes the cookies, either manually or using browser settings or, until the browser is closed

Session cookies are deployed for a range of uses such as remembering the products that the user has collected in their shopping basket Other uses include enabling authorised access to secure sites.

Session cookies allow websites to link the actions of a user during a browser session. They may be used for a variety of purposes such as, remembering what a user has put in their shopping basket as they browse around a site or they could also be used for security when a user is accessing internet banking or to facilitate use of webmail. These session cookies expire after a browser session so would not be stored longer term.

For this reason, session cookies may sometimes be considered less privacy intrusive than persistent cookies.

Persistent cookies are stored on a users' device in between browser sessions that allow the preferences or actions of the user across a site, or sites, to be tracked. Persistent cookies may be used for a variety of purposes including remembering users' preferences and choices when using a site or to target advertising.

Types of cookies

First party cookies

Cookies that are set by a website or domain visited by the user. Such cookies store information such as user preferences or personalised content. They can also be used to personalise ad content placed by the website or domain or to recall the contents of shopping baskets placed by the user.

Third party cookies

Cookies that are set by a domain other than the one being visited by the user. These are normally set by an organisation provided services to the domain owner, such as advertising businesses monetising the domain. If a user visits a website and a separate company sets a cookie through that website this would be a third party cookie. These cookies can be either session or persistent variants.

Fourth party cookies

An extension to third party cookies as they tend to occur when a third party vendor requires the services of a fourth party to fulfil certain aspects on the ad delivery. For example, in cases where a rich media campaign is to be delivered, the content will often be streamed from another partner, hence introducing a fourth party into the transaction.

Opt –out cookies

Should a user decide to opt out of cookie based targeting by a specific advertisers or domain, an opt-out cookie is placed upon their computer which is picked up by the relevant platforms. This then directs the platform to disregard this user for the purposes of cookie based targeting.

It should be noted that this does not opt out of all cookie based targeting only in relation to the specific site or advertiser platform. In addition, should the user delete their cookies, then they will, in the future, need to opt out again in order to curtail targeting by cookies.

PRIVACY LEGISLATION

Across the EMEA region, the majority of the territories are governed by local legislation, based upon the ePrivacy directive (EU Data Protection Directive 95/46/EC). This legislation regulates the processing of personal data and is seen as a vital component of EU human rights and privacy protection. The directive was passed in 1995 and was incorporated into local legislation across most EU markets in 2012.

The relevant part of the new directive states:

Member States shall ensure that the storing of information, or the gaining of access to information already stored, in the terminal equipment of a subscriber or user is only allowed on condition that the subscriber or user concerned has given his or her consent, having been provided with clear and comprehensive information, in accordance with Directive 95/46/EC, inter alia, about the purposes of the processing. This shall not prevent any technical storage or access for the sole purpose of carrying out the transmission of a communication over an electronic communications network, or as strictly necessary in order for the provider of an information society service explicitly requested by the subscriber or user to provide the service.

Although directives are not themselves pieces of law, they constitute a requirement for EU member states to put laws in place that meet the requirements of the directive.

The content of the legislation covered a number of specific areas:

Personal data

What constitutes personal data?

Processing of personal data

What can be done with personal data and how is each company held responsible to ensure compliance?

Transparency

Who should be informed of the uses being made of their data and the purposes of processing with safeguards on the accountability of the data processor?

Legitimate purpose

What constitutes a legitimate purpose for using the individual's data?

Transparency

Who should be informed of the uses being made of their data and the purposes of processing with safeguards on the accountability of the data processor?

Proportionality

How should the use of the data be proportional to the need to collect specific types of data?

Supervisory authority & registration

What constitutes a legitimate purpose for using the individual's data?

Transfer of data across borders

What mechanisms should be in place to ensure that the level of protection is adequate in countries to which data could be transferred?

New legislation

Work on a new piece of legislation, the Data Protection Regulation which is intended to supersede the aforementioned legislation the earlier Data Protection Directive (Directive 95/46/EC) started in 2010.

The rationale behind the new legislation is that, since 1995, there have been enormous changes in technology, and the explosion in the availability and use of personal data online has rendered the current laws as being hopelessly out of date.

It is important to note that this legislation is planned to be a Regulation that addresses all member states and is immediately applied without the need for national legislation. The previous Directive required that all member states implement the legislation into national law by a given date.

The first published version of the Regulation was released by the European Commission on 25 January 2012, championed by Commissioner Viviane Reding. The initial version met with near unilateral criticism as it was felt that this duplicated the current directive and required much additional work by the legislature in each member state to enact.

Since the first announcement, there have been many major committee meets, amendments, votes, and negotiations. It is generally expected that final agreement will now be reached at some time during 2015. A two year lead in period is then normally provided to give businesses time to prepare and enforcement of the Regulation would then, most likely, begin in 2018.

CONSENT

Consent is a pivotal issue in the E-privacy debate and governs the behaviour that must be adopted to enable the placement of ads on a webpage.

There is no one single definition of consent and rules vary from country to country. For information on your country, please refer to the Countries section.

Implied consent

Implied consent, also known as deemed or indirect consent, can mean two things:

1. A user voluntarily authorises an organisation to collect, use, or disclose information for purposes that would be considered obvious at the time.

OR

2. A user provides personal information to an organisation and it is used in a way that clearly benefits you and the organization's expectations are reasonable.

Implied consent is usually inferred from actions and or current circumstances In most cases, implied consent can also be granted automatically via browser settings.

Prior consent

Prior consent, otherwise called explicit, express or direct consent means that an individual is clearly presented with an option to agree or disagree with the collection, use, or disclosure of personal information.

Until such time as the individual has accepted the collection and therefore, the placement of a cookie, no data collection should take place. The automatic acceptance via browser setting is deemed insufficient for this purpose.

Conditional consent

Conditional consent on applies to certain countries where anomalies exist, such as, countries where implied consent in granted in most cases, unless the data to be collected meets certain criteria, such as the collection of data via IP address. As this data could potentially be reconciled to a given user, it is thought, in certain countries. that this data constitutes Personally Identifiable Information.

How to obtain consent

Consent is a key aspect of delivering Online Behavioural Advertising but it is one where Xaxis cannot intercede. The responsibility for obtaining consent falls to the website owner or publisher. Therefore, information should be provided to the publisher as to the specific consent requirements and included in any media agreement. The publisher should be provided with an audit of the cookies that will be placed on the each user providing consent and detailed information as to the use and purpose of the cookies. Links to a privacy policy and any opt out functionality should also be provided. It is important that periodic audits be taken on the publisher to ensure that the consent needs are being met and are consistent and compliant with local laws.

XAXIS & E-PRIVACY

Xaxis' stance on e-privacy is to adhere the both the letter and spirit of the EC privacy directive. By placing privacy at the centre of our development of the Turbine data management platform, Xaxis has committed to a path of placing the long-term strategic and ethical values of the business ahead of any short term gain.

Xaxis' services do not collect or make use of users' names, mailing addresses, phone numbers, email addresses or similar personally identifiable information (PII).

Furthermore, in countries where an IP address is considered personal data by applicable law, Xaxis does not itself manage or operate any transactions with IP address present. While IP address is required in order to deliver an advert to a web browser, in such countries this is executed by 3rd party ad delivery platforms that Xaxis uses.

Xaxis uses information regarding a user's browsing, usage and interactions, which may include such information as the user's Internet browser and computer operating system, the URLs of the websites the user has visited before and after viewing an advertisement, and information related to websites and web pages the user is viewing and has viewed. Xaxis also makes use of other non-PII provided by GroupM, their clients and selected third-party data providers. Xaxis uses technologies such as cookies where only a randomly allocated number is used as an identifier as a proxy for a browser or device.

Formally Xaxis' clients are the GroupM media agencies, and Xaxis provides products and services to advertisers who are clients of the agency. Therefore when Xaxis collects data it is doing so in order to discharge its duty to provide products and services to the agency.

One of those services is for Xaxis to provide insight analytics. This type of analytics provides a means for agencies and advertisers to have a deeper understanding of the behaviour of their digital campaigns. This insight creates value for the entire ecosystem since it increases measurability and accountability meaning that advertisers feel more secure in investing significant budget in new media channels.

Because Xaxis is collecting data to deliver services to the agency, data collection practices are covered by commercial terms between the agency and the publisher. Those commercial terms also include provision for the agency to have use of the URL of the page to which their adverts are being served. This allows the agency to appoint to leverage either in house semantic targeting technology or 3rd party providers to determine the brand appropriateness of web pages and to classify the genre and content type of those pages. Xaxis is one of the partners that can be appointed by the agency to provide a contextualisation service; Xaxis does this in order to provide its core audience targeting products to the agencies and their clients. Xaxis' contextualisation process logs page genre and page content against cookie id. The URL itself is not retained and neither are any advertiser or media owner names.

Note that the practices outlined here are commercial in nature and should not be confused with privacy related issues.

Xaxis considers protecting privacy to be a guiding principle in its commercial practices. Wherever possible, individuals should have notice, transparency and control over what data is being collected about them. Xaxis believes these principles to be vitally important. Transparency includes educating users about why behavioural cookie data is collected and how this practice helps provide a free internet and more relevant advertising to them.

In particular, Xaxis believes that consumers should be able to choose whether or not to receive its targeted third-party advertising. For example to help individuals manage their interaction with its third-party cookies used for targeting (behavioural cookies) and their online advertising preferences, Xaxis participates in the Internet Advertiser Bureau's Framework for Online Behavioural Advertising (http://www.youronlinechoices.com/uk/wp-content/uploads/2012/08/2012-06-08_iab_europe_oba_framework.pdf), which gives users the ability to opt-out of such targeted advertising. Xaxis is heavily engaged in this programme, and in fact our team co-authored technical specification documentation for the programme.

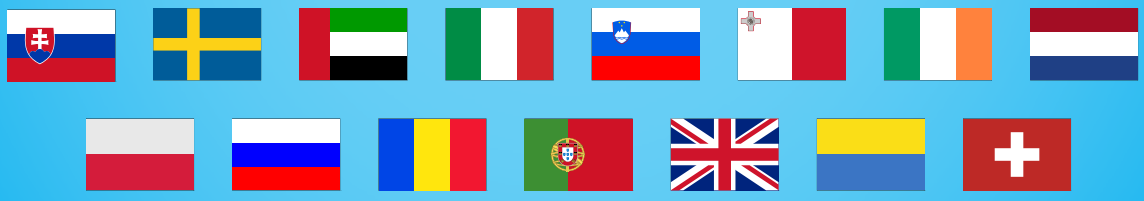
Pursuant to the Framework, Xaxis works to ensure that whenever it serves an advert that collects data for targeting purposes, that advert will include the AdChoices Icon to provide enhanced notice to the user when technically possible. In fact we go above and beyond the Framework's requirements by working to add the AdChoices icon not only to adverts that collect behavioural cookie data but also to adverts that use behavioural cookie data in order to provide users with even greater transparency and control.

If users choose to click on Xaxis' AdChoices icon they will be redirected to a purpose built microsite designed to give users both transparent information about data collection and control over that collection by either visiting the Framework's behavioural cookie management page www.youronlinechoices.com or by following instructions to change how cookies are handled on their browsers.

Finally, Xaxis has a detailed privacy policy at http://www.xaxis.com/page/privacy-policy and users can opt-out from Xaxis data collection using cookies by following this link: http://www.xaxis.com/common/OPT-OUT_call.html.



COUNTRIES



AUSTRIA



Applicable laws

EU Data Protection Directive 95/46/EC

Austrian Telecommunications Act (Telekommunikationsgesetz 2003 'TKG')

Data Protection Authority

Austrian Data Protection Authority (Datenschutzbehörde)

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Prior consent required
Under the TKG, a user must give informed consent to the placement of cookies. The user must be told the nature of the data to be stored and the purpose of such collection. Implied consent or consent by browser settings is insufficient under the legislation.

BELGIUM



Applicable laws

The Belgian law of 8 December 1992 on privacy protection implemented the EU Data Protection Directive 95/46/EC

N.B. Current legislation is in development currently and further restrictions, similar to the current draft EU legislation is likely to be incorporated. This will require prior consent to the placement of cookies.

Data Protection Authority

Commission for the Protection of Privacy

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Implied consent

Under the current legislation, the placement, usage and storage of cookies and similar technologies requires:

- clear and comprehensive information
- consent of the website user

This will require links to a privacy policy, containing details of the purpose of the cookies, along with an ability to opt out of future communications .

CYPRUS



Applicable laws

The main provisions of the law are outlined in an amendment to the Regulation of Electronic Communication and Postal Services Law, implementing Article 5(3) of Directive 2002/58/EC as amended, came into effect on 18th May 2012. This legislation is based upon Directive 95/46/EC.

Data Protection Authority

The Office for Personal Data Protection

Data constituting personal information

Personal data means any information relating to an identified or identifiable data subject. A data subject shall be considered identified or identifiable if it is possible to identify the data subject directly or indirectly in particular on the basis of a number, code or one or more factors specific to his/her physical, physiological, psychical, economic, cultural or social identity.

Sensitive data means personal data revealing nationality, racial or ethnic origin, political attitudes, trade union membership, religious and philosophical beliefs, conviction of a criminal act, health status and sexual life of the data subject, as well as any genetic or biometric data of the data subject.

Consent requirements

Prior consent required

Online behavioural advertising, via cookies, requires the availability of a privacy policy indicating the use of data collected and the method of collecting same. An Opt-out' method must be made available at all times. The 'opt-in' principle as introduced by the Directive 2009/136/EC has not implemented at this time, into the Cypriot law.

CZECH REPUBLIC



Applicable laws

The main provisions of the law are enshrined in Act no. 101/2000 Coll., on the Protection of Personal Data, as amended ('Act'). This legislation is based upon Directive 95/46/EC.

Data Protection Authority

The Office for Personal Data Protection

Data constituting personal information

Personal data means any information relating to an identified or identifiable data subject. A data subject shall be considered identified or identifiable if it is possible to identify the data subject directly or indirectly in particular on the basis of a number, code or one or more factors specific to his/her physical, physiological, psychical, economic, cultural or social identity.

Sensitive data means personal data revealing nationality, racial or ethnic origin, political attitudes, trade union membership, religious and philosophical beliefs, conviction of a criminal act, health status and sexual life of the data subject, as well as any genetic or biometric data of the data subject.

Consent requirements

Prior consent required

Online behavioural advertising, via cookies, requires the availability of a privacy policy indicating the use of data collected and the method of collecting same. An Opt-out' method must be made available at all times. The 'opt-in' principle as introduced by the Directive 2009/136/EC has not implemented at this time, into the Czech law.

DENMARK



Applicable laws

Denmark implemented the Directive 95/46/EC within the Act on Processing of Personal Data ('Act')

Data Protection Authority

Datatilsynet ('DPA')

Data constituting personal information

Personal data means any information relating to an identified or identifiable data subject. A data subject shall be considered identified or identifiable if it is possible to identify the data subject directly or indirectly in particular on the basis of a number, code or one or more factors specific to his/her physical, physiological, psychical, economic, cultural or social identity.

Sensitive data means personal data revealing nationality, racial or ethnic origin, political attitudes, trade union membership, religious and philosophical beliefs, conviction of a criminal act, health status and sexual life of the data subject, as well as any genetic or biometric data of the data subject.

Consent requirements

Implied consent

Under the Danish Act, the use of cookies requires implied consent. Such consent is not required to be given on each occasion, nor an informed decision is required to be made by a user, prior to the placement of cookies on the users device. However, in practice, due to the different interpretations of the Article 5(3) of the EU ePrivacy Directive across other authorities, the Danish Business Authority has indicated that until further clarification is obtained from the EU, they will not be enforcing the statutory requirement for prior consent.

It is important that a privacy policy is available to all users , indicating the following:

- the information must be clear and easy to understand
- the purpose of the use of the cookies must be provided
- the identity of the person or entity which is responsible for the use of the cookies must appear
- the possibility of withdrawal of consent must be easily accessible and be described in the information, and
- this information must be easily accessible for the user at all times..

ESTONIA



Applicable laws

Estonia takes the view that it has implemented the EU Data Protection Directive 95/46/EC is in place with the Article 102 of the Estonian Electronic Communications Act.

Data Protection Authority

Ministry of Economic Affairs and Communications

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Implied consent

The local data protection authority requires prior consent is required for the storage of cookies on the user's device. However, such consent is not in common practice and it is generally accepted that consent can be given via browser settings or similar application. It is vitally important that the purposes of saving and using such data be contained within a privacy policy. It is also important that the user have an opt-out function within the policy.

FINLAND



Applicable laws

Finland has implemented the EU Data Protection Directive 95/46/EC in June 1999 within the Personal Data Act 523/1999 ('Act'). Matters such as cookies and location data are regulated by the Finnish Act on the Protection of Privacy in Electronic Communications 2004/516.

Data Protection Authority

The Data Protection Ombudsman

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Implied consent

Consent is required for the storage of cookies on the user's device. However, such consent can be given via browser settings or similar application. It is vitally important that the purposes of saving and using such data be contained within a privacy policy. It is also important that the user have an opt-out function within the policy.

FRANCE



Applicable laws

Law No. 78 17 of 6 January 1978 on 'Information Technology, Data Files and Civil Liberty regulates data protection in France. The EU Data Protection Directive 95/46/EC was implemented via Law No. 2004 8021 of 6 August 2004.

Data Protection Authority

CNIL ('Commission Nationale Informatique et Libertés')

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Prior consent required

Prior consent is a fundamental requirement under French law and must be obtained prior to the placement of the cookie. This point has been the subject of enforcement action. Consent cannot be granted by browser settings and must represent a definitive action of acceptance by the user. In addition, the user must be informed as to the purposes of saving and using that data. The user must also have the ability to opt-out at time and the provision of services cannot be linked to requirement to be opted-in.

It should be noted that the maximum expiry period for a cookie set on a user under French law, must not exceed 13 months.

GERMANY



Applicable laws

German Federal law Is enshrined in Federal Data Protection Act (Bundesdatenschutzgesetz) ('BDSG') which enacts the European data protection directive 95/46/EC.

In addition, each state has its own data protection law. In most cases, the state protects the use of data by the state authorities whereas the federal law covers the use by the federal authorities and private companies.

Data Protection Authority

Each state maintains its own data protection authority. The place of business of the data controller will dictate the respective state authority to be involved.

Data constituting personal information

Under the auspices of the BDSG, personal data as any information concerning the personal or material circumstances of an identified or identifiable natural person ('data subject'). It should be noted that IP addresses and their usage for tracking require opt-in consent.

Sensitive or rather special categories of personal data under the BDSG are any information on racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, health or sex life.

Consent requirements

Prior consent required

In the majority of cases, consent is implied via browser settings. Users must always be informed on the use and purposes of cookies in a privacy policy. The policy must provide users with an opt-out mechanism.

As detailed above, collection via IP address will require prior consent.

Germany has yet to formally implement the e-privacy directive, pending clarification. Should the legislation be enacted, active opt-in would most likely be a requirement.

GREECE



Applicable laws

Greece implemented the EU Data Protection Directive 95/46/EC in October 1997 with Law 2472/1997 on the Protection of Individuals with regard to the Processing of Personal Data, as amended. Such law is currently in force as amended by Laws 3471/2006 3783/2009. 3947/2011, 4024/2011 and 4070/2012.

Data Protection Authority

Data Protection Authority of Greece

Data constituting personal information

Under the Greek data protection laws, personal data refers to any information relating to the individual. Aggregated statistical data that cannot be traced to an individual is not regarded as personal data.

As a general policy, date relating to racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, health or sex life should not be used for the purposes of online behavioural advertising.

Consent requirements

Implied consent

The use and storage of cookies is allowed under the Greek law but only where specific consent has been provided. Such consent may be given through browser settings or similar application. It is vitally important that the purposes of saving and using such data be contained within a privacy policy. It is also important that the user has an opt-out function within the policy.

HUNGARY



Applicable laws

The EU Data Protection Directive 95/46/EC has been enacted in Hungary though Act No.CXII of 2011 on Informational Self Determination and Freedom of Information which came into force on 1 January 2012.

Data Protection Authority

National Authority for Data Protection and Freedom of Information.

Data constituting personal information

Under the Hungarian data protection laws, personal data refers to any information relating to the individual. At any point where the link can be made between the named individual and the data record, it shall be deemed as being personal information. Aggregated and anonymised statistical data shall not be considered personal data.

As a general policy, date relating to racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, health or sex life should not be used for the purposes of online behavioural advertising.

Consent requirements

Implied consent

Under Hungarian law, there is not specific guidance on the consent issue other than the fact that the user's prior consent is required. It is generally accepted that consent can be granted via browser setting or use of similar applications.

IRELAND



Applicable laws

Irish data protection law is comprised in the Data Protection Act 1988 with a further amendment in the Data Protection (Amendment) Act 2003 which implemented the EU Data Protection Directive (95/46/EC).

Data Protection Authority

Office of the Data Protection Commissioner

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Implied consent

The Irish legislation makes specific reference to the fact that consent may be given by the use of browser settings or similar application. As in common with more EC countries, specific guidance must be given to the user about the purposes of such cookies placed on the user's computer. This should be referenced in a comprehensive privacy policy together with an opt-out mechanism.

ITALY



Applicable laws

Italian data protection legislation is detailed in Legislative Decree no. 196 of 30 June 2003 ("Codice in materia di protezione dei dati personali". The legislation implements Directives 46/1995/EC and 58/2002/EC.

Data Protection Authority

Garante per la protezione dei dati personali

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Prior consent required

The Italian legislation has recently been updated with specific reference to the use of cookies for profiling purposes. The intention is to make makes specific reference to the fact that consent to place cookies may be granted by the use of browser settings. The user must be provided with clear information relating to the uses of the data obtained and its intended purpose.

LATVIA



Applicable laws

The Latvian Law on Information Society Services applies EU Data Protection Directive (95/46/EC).

Data Protection Authority

No single authority currently exists in Latvia with responsibility for data protection.

Data constituting personal information

The standard definition of personal information under the EU Data should be applied. Therefore, personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life.

Consent requirements

Prior consent required

The implementation of the Directive into Latvian law does not expressly address the use of browser settings to obtain consent, indicating that a strict opt-in consent requirement applies. Full and detailed information on the use and purpose of cookies should be provided and the ability to opt out of cookie based targeting is strongly advised.

LITHUANIA



Applicable laws

Lithuania passed the Law on Legal Protection of Personal Data in 1996, amended in 2000, 2002 & 2003 which implements the EU Data Protection Directive 95/46/EC.

Data Protection Authority

State Data Protection Inspectorate

Data constituting personal information

Under the Lithuanian law, sensitive or personal information is defined as data relating to the user's racial or ethnic origin, their political opinions or religious, philosophical or other beliefs, membership in trade unions, and their health, sexual life and criminal convictions.

Consent requirements

Prior consent required

The Lithuanian State Data Protection Inspectorate requires that users must be given the opportunity not to consent to the placement of cookies prior to any action taking place. The use of browser settings is deemed as insufficient in this case. Explicit information must be given as to the uses of the data and the use must be proportionate to the need.

LUXEMBOURG



Applicable laws

Protection of Persons with regard to the Processing of Personal Data

Data Protection Authority

No single authority currently exists in Luxembourg with responsibility for data protection.

Data constituting personal information

Data relating to the user's racial or ethnic origin, politic opinions, religious or philosophical beliefs, trade union membership, and the processing of data concerning health or sex life, including the processing of genetic data are prohibited.

Consent requirements

Implied consent
User consent can be implied and performed by browser settings on the proviso that the users are given the opportunity to opt out and information on the uses.

MALTA



Applicable laws

Data Protection Act 2001 (Chapter 400 of the laws of Malta) enacts the Directive 95/46/EC.

Data Protection Authority

Office of the Data Protection Commissioner

Data constituting personal information

Prohibited data includes an points of reference indicating a user's physical, physiological, mental, economic, cultural or social identity. Sensitive personal data is defined as personal data that reveals race or ethnic origin, political opinions, religious or philosophical beliefs, membership of a trade union, health or sex life.

Consent requirements

Implied consent

Consent may be granted through the use of browser settings. It is strongly suggested that the ad creative have reference to the AdChoices self regulated opt out and information relating to the uses of cookies. Reference should be made to the advertiser's privacy policy indicating to the specific usage made of the data by the advertiser.

MONACO



Applicable laws

Data Protection Law n° 1.165 was applied in 1993 and modified in 2008. As Monaco is not part of the EU, it is not compliant with Directive 95/46/EC.

Data Protection Authority

Commission de Contrôle des Informations Nominatives.

Data constituting personal information

A strict definition does not exist in the Data Protection Law but it is generally agreed that the definition includes data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade union membership, and the processing of data concerning health/genetic data, sex life, data concerning morals or social matters".

Consent requirements

Implied consent

A fundamental requirement under the Data Protection Law is that all organisations placing cookies, must notify the Commission de Contrôle des Informations Nominatives.

NETHERLANDS



Applicable laws

Dutch Telecommunications Act which came into effect in 2012, enacts the Directive 95/46/EC and represents the strictest implementation of the legislation across the members states

Data Protection Authority

OPTA, the Dutch post and telecoms authority administers the implementation of the legislation.

Data constituting personal information

Any information relating to a natural person who is or can be identified, directly or indirectly, by reference to an identification number or to one or more factors specific to him or her such as a name, registration number, telephone number, etc.

Sensitive personal data is that reveals directly or indirectly, racial and ethnic origins, political, criminal record, any criminal proceedings or allegations, philosophical or religious opinions or trade union affiliation of persons, or that concern their health or sexual life.

Consent requirements

Prior consent

All users must give express consent prior to the placement of cookies. In addition, users must be given detailed information relating to the use and purpose of the cookies and the data collected. The user must be given the opportunity to opt out from being targeted. The requirement for a detailed privacy policy is fundamental .It should be noted that the legislation applies to not only cookies but also to Flash, HTML5 and other similar techniques for user identification. Analytics cookies are excluded from these consent requirements, where the use and deployment of such cookies does not compromise user privacy.

It should be noted that a number of prosecutions have commenced against organisations transgressing the legislation with the potential for serious financial penalties.Fines of up to 450,000 euros may be levied

NORWAY



Applicable laws

Norway has yet to fully implemented the EU Data Protection Directive 95/46/EC. In April 2000, the Personal Data Act 2000 partially implemented the legislation.

Data Protection Authority

Datatilsynet.

Data constituting personal information

Personal information refers to Information relating to a) racial or ethnic origin, or political opinions, philosophical or religious beliefs, b) the fact that a person has been suspected of, charged with, indicted for or convicted of a criminal act, c) health, d) sex life, or e) trade union membership.

Consent requirements

Implied consent

The Norwegian implementation of the EU Data Protection Directive allows for implied consent on the proviso that the user is given information as to how the data is collected and its uses. The user must be given the option to opt-out of the process but the enablement of the process can therefore be made using normal browser settings.

POLAND



Applicable laws

Poland implemented the EU Data Protection Directive 95/46/EC in the Personal Data Protection Act of 29 August 1997.

Data Protection Authority

Generalny Inspektor Ochrony Danych Osobowych.

Data constituting personal information

Personal information refers to Information relating to a) racial or ethnic origin, mental, economic, cultural or political opinions, philosophical or religious beliefs, b) the fact that a person has been suspected of, charged with, indicted for or convicted of a criminal act, c) health, d) sex life, or e) trade union membership.

Consent requirements

Prior consent required

Consent may be granted through the use of browser settings. It is strongly suggested that the ad creative have reference to the AdChoices self regulated opt out and information relating to the uses of cookies. Reference should be made to the advertiser's privacy policy indicating to the specific usage made of the data by the advertiser.

PORTUGAL



Applicable laws

Portuguese Data Protection Law – Law nº. 67/98 enacts the EU Data Protection Directive 95/46/EC.

Data Protection Authority

Comissão Nacional de Proteccção de Dados

Data constituting personal information

Personal data refers to information where a person can be identified, directly or indirectly, by reference to a specific number or to one or more elements concerning his/her physical, physiological, mental, economic, cultural or social identity. Sensitive information relates to data revealing an individual's philosophical or political beliefs, political affiliations or trade union membership, religion, private life and racial or ethnic origin and also data concerning health or sex life, including genetic data.

Consent requirements

Prior consent required

Although it is not specifically detailed in the Portuguese Data Protection Law, its is generally advised that the use of cookies should only be made after the user has given their consent. The decision to accept cookies should be an informed one, supported by information relating to the use and purposes of the data collected and the availability of an opt out on all ad placements.

ROMANIA



Applicable laws

EU Data Protection Directive 95/46/EC was implemented prior to Romania's joining the EU in the form of the Law no 677/2001.

Data Protection Authority

Autoritatea Nationala de Supraveghere a Prelucrarii Datelor cu Caracter Personal.

Data constituting personal information

Personal information is regarded as being any data that is referring to a person. Person is one who can be identified either directly or indirectly by referring to a personal identification number or by factors such as physical, physiological, mental, economic, cultural or social identity of the respective person. Sensitive information shall be data relating to the individual's a) racial or ethnic origin, or political opinions, philosophical or religious beliefs, b) the fact that a person has been suspected of, charged with, indicted for or convicted of a criminal act, c) health, d) sex life, or e) trade union membership.

Consent requirements

Implied consent

In the absence of specific guidance on the position of cookies, it is generally accepted that the user's consent may be given by the settings of the user's browser.

In order to offer a consistent approach and mindful of the potential for future clarification from the Data Protection Authority, references to the use and purpose of the data should be contained within a privacy policy with an opt-out option.

RUSSIA



Applicable laws

A number of applicable laws exist, all covering aspects that relate to data protection. The include the Data Protection Act No. 152 FZ, Information, Information Technologies and Information Protection Act No. 149 FZ as well as the Russian Labor Code.

Data Protection Authority

Federal Service for Supervision of Communications, Information Technologies and Mass Media.

Data constituting personal information

Personal information relates to any data that renders the individual identifiable. Sensitive information is defined as information that identifies and individuals racial, political, religious, health or other related interests.

Consent requirements

Implied consent

Russian law does not regulate online privacy but the general principles are that information relating to the number of visits and the timing of such visits and IP address may constitute personal data.

SLOVAK REPUBLIC



Applicable laws

Slovakia implemented the EU Data Protection Directive 95/46/EC in September 2002 with Act No. 122/2013 Coll., on the Protection of Personal Data as amended with Act No. 84/2014.

Data Protection Authority

Úrad na ochranu osobných údajov Slovenskej republiky.

Data constituting personal information

The guidance given on Slovak legislation offers the following information on personal data,- " ...personal data can be any data related to a particular natural person which is why the Act does not provide a demonstrative list of data which can be regarded as personal data." The guidance then continues: "Whether a data is personal data has to be considered in the given situation based on available data which can be attached to that person".

In addition, sensitive information is defined as data relating to the user's racial or ethnic origin, their political opinions or religious, philosophical or other beliefs, membership in trade unions, and their health, sexual life and criminal convictions.

Consent requirements

Implied consent

The Act on Electronic Communications of 14 September 2011 governs the use of cookies under Slovak Law. Within this Act, Cookies may only be used if the user has given their consent, based upon information on their use and purpose. This consent may be given through the use of browser settings.

SLOVENIA



Applicable laws

The Slovenian Personal Data Protection Act No. 86/2004 (Zakon o varstvu osebnih podatkov) implements the EU Data Protection Directive 95/46/EC.

Data Protection Authority

Informacijski pooblaščenec.

Data constituting personal information

Under the Slovenian law, sensitive or personal information is defined as data relating to the user's racial or ethnic origin, their political opinions or religious, philosophical or other beliefs, membership in trade unions, and their health, sexual life and criminal convictions.

Consent requirements

Implied consent

The recent Slovenian Electronic Communications Act has ruled that cookies may only be used subject to the prior consent of the user based upon an informed decision as to the use and purpose of the cookies. However, the consent may be granted subject to the browser settings where applicable and technically feasible.

SPAIN



Applicable laws

Ley Orgánica 15/1999, de Protección de Datos de Carácter Personal implemented the EU Data Protection Directive 95/46/EC.

Data Protection Authority

Agencia Española de Protección de Datos.

Data constituting personal information

Personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life.

It should be noted that under the Spanish law, there is an exemption for any information for business contact information relating to an individual working for a legal entity.

Consent requirements

Prior consent required

Spain has implemented the EU Privacy Directive and has successfully prosecuted organisation that transgressed the cookie rules. Based upon current legislation, cookies may only be used subject to the prior consent of the user based upon the user having sufficient information as to make an informed decision as to the use and purpose of the cookies. However, the consent may be granted subject to the browser settings where applicable and technically feasible, as well as having the ability to opt-out.

SWEDEN



Applicable laws

Personuppgiftslagen (1998:204) implemented the EU Data Protection Directive 95/46/EC.

Data Protection Authority

Datainspektionen.

Data constituting personal information

Personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life.

It should be noted that under the Swedish law, an IP address is regarded as being personal data.

Consent requirements

Implied consent

Consent may be granted through the use of browser settings. It is strongly suggested that the ad creative have reference to the AdChoices self regulated opt out and information relating to the uses of cookies. Reference should be made to the advertiser's privacy policy indicating to the specific usage made of the data by the advertiser.

SWITZERLAND



Applicable laws

The Swiss Federal Data Protection Act of 1992. Although Switzerland is not a member of the EU, the Act has been found to provide an adequate level of data protection from a EU Data privacy perspective.

Data Protection Authority

Federal Data Protection and Information Commissioner

Data constituting personal information

Personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life

It should be noted that information relating to racial or ethnic origin do not form part of the legislation.

Consent requirements

Implied consent
Currently, no legislation places a specific requirement to obtain user consent in order to place cookies.

TURKEY



Applicable laws

Turkey has yet to ratify the EU Data Protection Directive 95/46/EC. The Convention for the Protection of Individuals with regard to Automatic Processing of Personal Data is currently being processed by the Turkish Parliament with the aim of implementing the convention into law in 2015.

Data Protection Authority

There is currently no defined data protection authority in Turkey but one will be appointed with the enactment of the above legislation.

Data constituting personal information

The standard definition of personal information under the EU Data should be applied. Therefore, personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life.

Consent requirements

Implied consent

As no specific legislation currently exists, there is no requirement to obtain consent prior to placing cookies.

UAE



Applicable laws

No specific data protection legislation currently exists across the UAE. However, Dubai has implemented the DIFC Law No. 1 of 2007 Data Protection Law in 2007 ('DPL'). Dependent upon the offence, the UAE Penal or Civil code could apply.

Data Protection Authority

No single data protection authority exists in UAE but there are several organisations in given sectors that deal with aspects relating to data protection including - Dubai international Finance Center, which has an appointed Commissioner of Data Protection and the UAE Telecommunication Regulatory Authority.

Data constituting personal information

Personal data shall pertain to any information that relates to an individual's private or family life.

Consent requirements

Implied consent

If the collection and processing of any personal data pertains to an individual's private or family life then the consent of the individual is required. A failure to obtain such consent would constitute a breach of the Penal Code (Article 378) and could also be a breach of the Cyber Crime Law if the personal data is obtained or processed through the internet or electronic devices in general (Articles 21 and 22). Consent should be acceptable, through the use of browser settings, on the proviso that the information is provided to support the acceptance of the consent and the grant of consent is freely given. An opt out option should always be available.

UKRAINE



Applicable laws

The Law of Ukraine No. 2297 VI "On Personal Data Protection" as of 1 June 2010 ("Data Protection Law") and 2012 amendments applies. As a non EU member state, Ukraine has no requirement to enact the EU Data Protection Directive 95/46/EC but the above laws are very similar.

Data Protection Authority

The State Service of Ukraine on Personal Data Protection

Data constituting personal information

The standard definition of personal information under the EU Data should be applied. Therefore, personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data is not defined under Ukrainian law but given the similarities in legislation, the standard EU definition should be applied. Therefore personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life, should be considered as being prohibited.

Consent requirements

Implied consent

There is no specific legislation regulating to online privacy in Ukraine and no guidance on cookies is currently in force.

UNITED KINGDOM



Applicable laws

The UK has implemented the Directive through the Privacy and Electronic Communications (EC Directive) (Amendment) Regulations 2011, which came into force on 26 May 2011.

Data Protection Authority

There is currently no defined data protection authority in UK but one will be appointed with the enactment of the above legislation.

Data constituting personal information

The standard definition of personal information under the EU Data should be applied. Therefore, personal data means any information relating to an identified or identifiable natural person; an identifiable person is one who can be identified, directly or indirectly, in particular by reference to an identification number or to one or more factors specific to his identity.

Sensitive personal data shall mean personal data revealing racial or ethnic origin, political opinions, religious or philosophical beliefs, trade-union membership, and the processing of data concerning health or sex life.

Consent requirements

Implied consent

Consent may be granted through the use of browser settings. As Xaxis is a signatory to both the Digital Trading Standards Group and the European Digital Advertising Alliance in the UK, the ad creative should contain an Adchoices icon with optout capability and information relating to the uses of cookies. Reference should also be made to the Xaxis privacy policy indicating the specific uses of cookie data and collection practices.

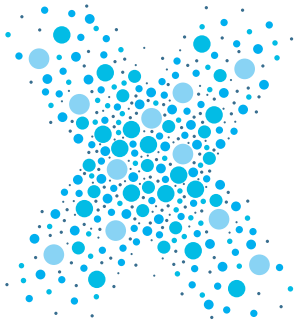
About Xaxis

Xaxis is a global digital media platform that programmatically connects advertisers and publishers to audiences across all addressable channels. Xaxis combines proprietary technology, unique data assets and exclusive media relationships with the brightest team of audience analysts, data scientists and software engineers. Advertisers working with Xaxis achieve higher ROI from digital marketing campaigns. Xaxis works with over 2,700 clients across 40 markets in North America, Europe, Asia Pacific, Latin America and the Middle East.

For more information, please contact:

infoemea@xaxis.com
www.xaxis.com





XAXIS

xaxis.com

MINDSHARE	WPP and Facebook Sitting in a Tree	Sameer Modha	10/04/2015

INTRODUCTION

WPP and Facebook have deepened their relationship with new terms brokered by WPP's Data Alliance. The terms cover all parts of the marketing process from (1) social audience insight, to (2) enhanced targeting of those audiences, to (3) better measurement of the effects of campaigns that target them… and back round to the beginning again, taking learnings from the measurement to improve the audience definition that we started with.

To be clear, there is no sharing of any individual's Facebook information here – but it does allow us to work with aggregates of that information in a number of ways.

DETAILS AND IMPLICATIONS

The agreement also connects neatly with a number of other activities that GroupM and Mindshare have been pursuing recently. Taken together, the key points for clients are:

1. MEASURE THE PEOPLE THAT YOUR COMMUNICATION GETS SALES FROM

   As part of this deal, there is now a connection between Kantar WorldPanel and Facebook, so that it is possible to identify who was exposed to Facebook elements of client campaigns, and what grocery products, if any, they bought as a result. For a while now, we at Mindshare have been pursuing Consumer Mix Modelling with WorldPanel as an upgrade to classical Market Mix, and this is a solid enhancement to that. (Market Mix will tell you which communication levers had an effect, but it won't tell you on *whom* it had its best effect. Consumer Mix, particularly when your adserver is linked to the panel as well, gives better insight, and is in many cases faster too.)

2. TARGET YOUR AUDIENCES WITHOUT LOSING CONTROL OF THEM

   Many marketers use Facebook's Custom Audiences approach to 'onboard' people of interest into Facebook and then target them within Facebook's systems. Others are reluctant to do this for a variety of practical and philosophical reasons – not least that they would rather keep all their audience information in one central place. The drama about what that should be, and where it should live, is still being played out, but this deal makes it less of an either/or. By connecting Wunderman's KBM Group's Zipline DMP to Facebook, clients who have (or would like to have) data that defines their important audiences in Zipline, can now buy those audiences in Facebook-land giving them the best of both worlds – and use WPP proprietary assets to target as well giving us unique segments.

3. DEFINE AND UNDERSTAND TARGET AUDIENCES BETTER

   There are a number of ways the deal enables this (we can now find out what particular audiences really talk about and when) but perhaps the most interesting is the one that, at time of writing, is still under construction. In time, it will be possible to connect the campaign measurement from (1) and pipe it into the audience targeting in (2), so that the people who we influence to buy are the people that we also try to target.

SUMMARY

This unique agreement is the beginning of the future of 'closed loop planning with open sourced audiences', and a riposte to the argument that walled gardens will mean that all the best signals of audience value will be locked away in the cloudy silos of GAFA (Google, Amazon, Facebook, Apple), never to be seen again. It gives WPP and its agencies the ability to do strategy, targeting and measurement in ways that are leavened with Facebook data while preserving the sanctity of that information.

MINDSHARE	The Tao of Mark Zuckerberg	Rob Norman, April Wardy	30/03/2015

Two days at the Haj of Facebook, the F8 developers conference, gave insight into the dizzying heights of Facebook's corporate purpose and ambition. Connecting the people of the world in real time and to do that in the context of lifelike experiences makes 'organize the world's information and make it universally accessible' - the Google purpose - seem almost pedestrian.

Facebook is in the process of changing society and doing so by making communication some kind of sixth sense or fifth element. It's easy to trivialize likes and shares but underneath lies truly profound change.

The magical word is not social, not network but reality. Reality in this context is the humanizing of experiences that are currently desensitized by lack of physical presence and real time interaction and ultimately the sensory separation that necessarily, until now, has created emotional as physical distance.

F8 was long on announcements that confirm the energy, trajectory and scale of Facebook's ambition. Two stood out and occupy the poles of practical and magical. The announcement of business integrations with Messenger, bring real identity, natural language dialog and real time to customer interactions with companies. The second, the update on Oculus, in which clear statements were made of 2015 mass market shipping of Crescent Bay, the latest iteration of its consumer VR device. The proximity of large scale shipping and the obvious advances of the product, the demonstration is head spinning, would give anyone confidence that virtual reality is at a tipping point and that the emphasis is moving from virtual to reality.

2500 developers, themselves the creators of Facebook's pervasive app ecosystem, left F8 with the sense that Zuckerberg's ambition will comfortably accommodate their own and provide the audience and technology backbone to support their own investments.

For advertisers F8 showed that live and lifelike experiences and real time customer interaction are near term necessities rather than a hypothetical way station on the 2925 road map.

<u>Key Points</u>

- **Facebook Messenger Platform** – Facebook messenger will become its own separate platform, complete with its own selection of apps. Developers are encouraged to design apps that will fit seamlessly into the functionality of messenger and will enhance the user experience. These apps, which will likely to incorporate pictures, videos and sound clips, will not be installed through an external app store, but spread virally through messages created using the apps.
- **Business and Messenger** – The new platform also presents exciting opportunities for businesses to converse more freely with consumers. Especially with new functionality allowing consumers to ask questions directly to businesses through Messenger, as well as incorporating order tracking capabilities.
- **Parse and the Internet of Things –** Parse SDK (mobile development platform previously acquired by Facebook) has now made it easier for developers to build apps that connect Facebook to technology around the home.
- **Spherical Videos** – The new VR friendly format will allow 360 degree videos to be added to the Facebook newsfeed capitalizing on Facebook's Oculus Rift acquisition.
- **Analytics for Apps** – This new tool aims to bring more transparency to app developers regarding who is using their apps. They will also be able to track the ads responsible for promoting their apps.



TRENDS // IMPLICATIONS



SXSW INTERACTIVE IS THE FOREMOST GATHERIN§G OF FUTURISTS, MAKERS, ENTREPRENEURS, AND INDUSTRY LEADERS.

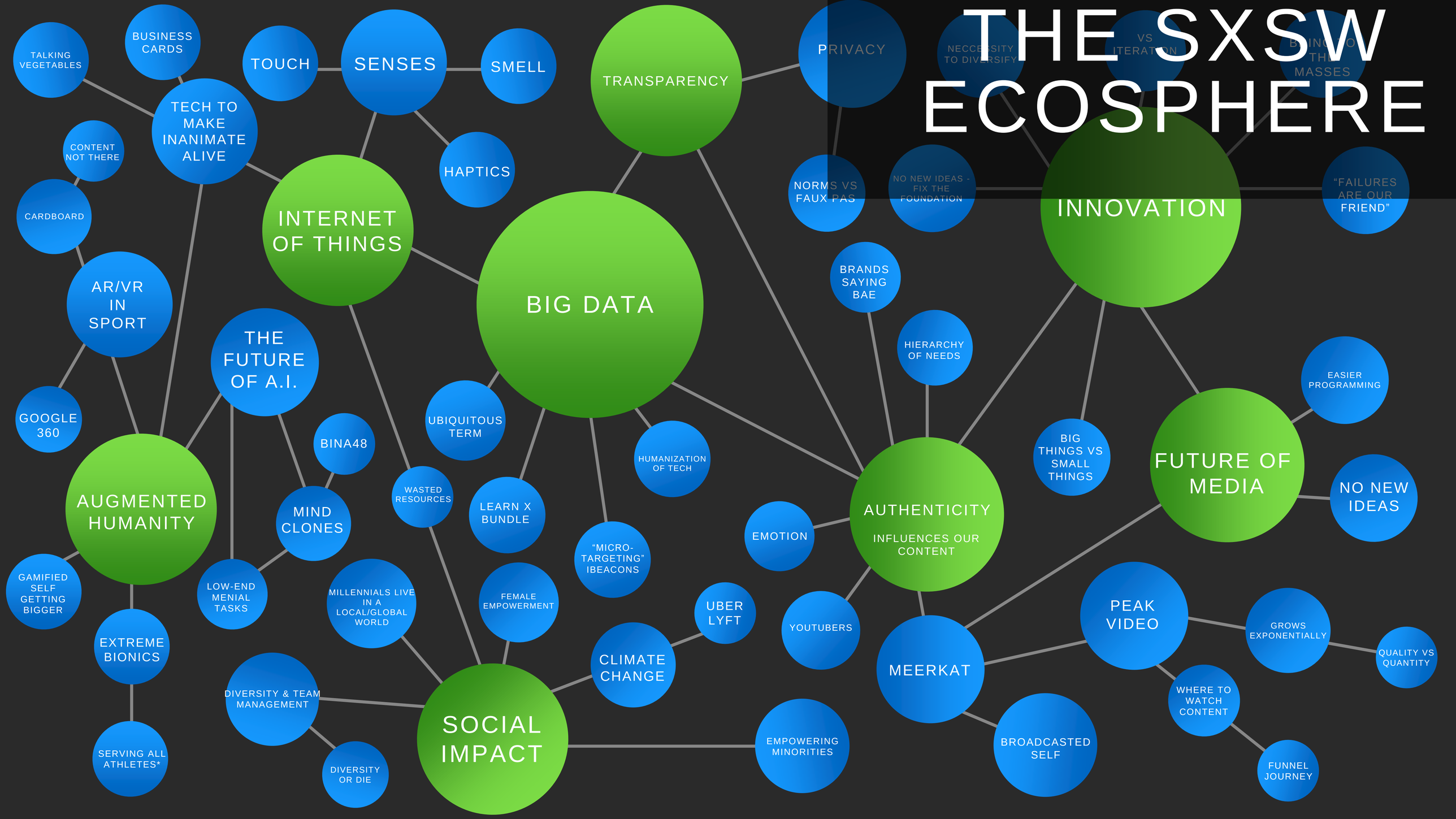
AS TECHNOLOGY AND MEDIA CONTINUE TO CONVERGE, A DIVERSE SET OF DEBATES AND VISIONS OF THE FUTURE WERE UNVEILED...



OUR TEAM COLLECTIVELY ATTENDED OVER

250

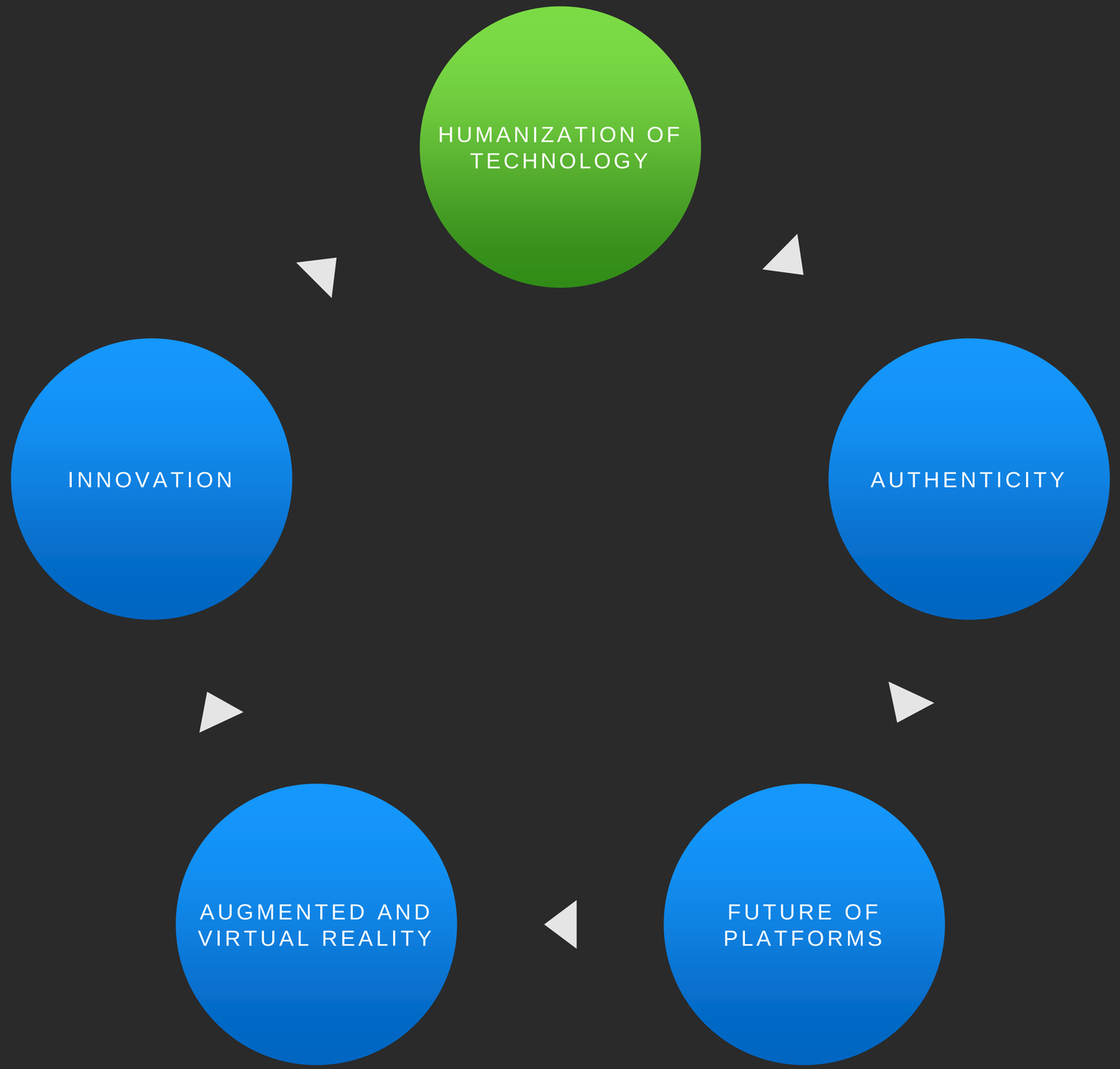
SESSIONS


THE SXSW ECOSPHERE
TALKING VEGETABLES
BUSINESS CARDS
TOUCH
SENSES
SMELL
TECH TO MAKE INANIMATE ALIVE
CONTENT NOT THERE
CARDBOARD
HAPTICS
INTERNET OF THINGS
AR/VR IN SPORT
GOOGLE 360
THE FUTURE OF A.I.
BIG DATA
TRANSPARENCY
PRIVACY
NORMS VS FAUX PAS
NECCESSITY TO DIVERSIFY
VS ITERATION
NO NEW IDEAS - FIX THE FOUNDATION
INNOVATION
"FAILURES ARE OUR FRIEND"
BRANDS SAYING BAE
HIERARCHY OF NEEDS
UBIQUITOUS TERM
HUMANIZATION OF TECH
BINA48
WASTED RESOURCES
LEARN X BUNDLE
MIND CLONES
AUGMENTED HUMANITY
"MICRO-TARGETING" IBEACONS
EMOTION
AUTHENTICITY
INFLUENCES OUR CONTENT
BIG THINGS VS SMALL THINGS
FUTURE OF MEDIA
EASIER PROGRAMMING
NO NEW IDEAS
GAMIFIED SELF GETTING BIGGER
LOW-END MENIAL TASKS
MILLENNIALS LIVE IN A LOCAL/GLOBAL WORLD
FEMALE EMPOWERMENT
UBER LYFT
YOUTUBERS
PEAK VIDEO
GROWS EXPONENTIALLY
QUALITY VS QUANTITY
EXTREME BIONICS
CLIMATE CHANGE
MEERKAT
WHERE TO WATCH CONTENT
DIVERSITY & TEAM MANAGEMENT
SOCIAL IMPACT
EMPOWERING MINORITIES
BROADCASTED SELF
FUNNEL JOURNEY
SERVING ALL ATHLETES*
DIVERSITY OR DIE



THIS DOCUMENT IS A DISTILLATION OF THE MOST RELEVANT, CONNECTED AND INSPIRING THEMES COMING OUT OF SXSW 2015:

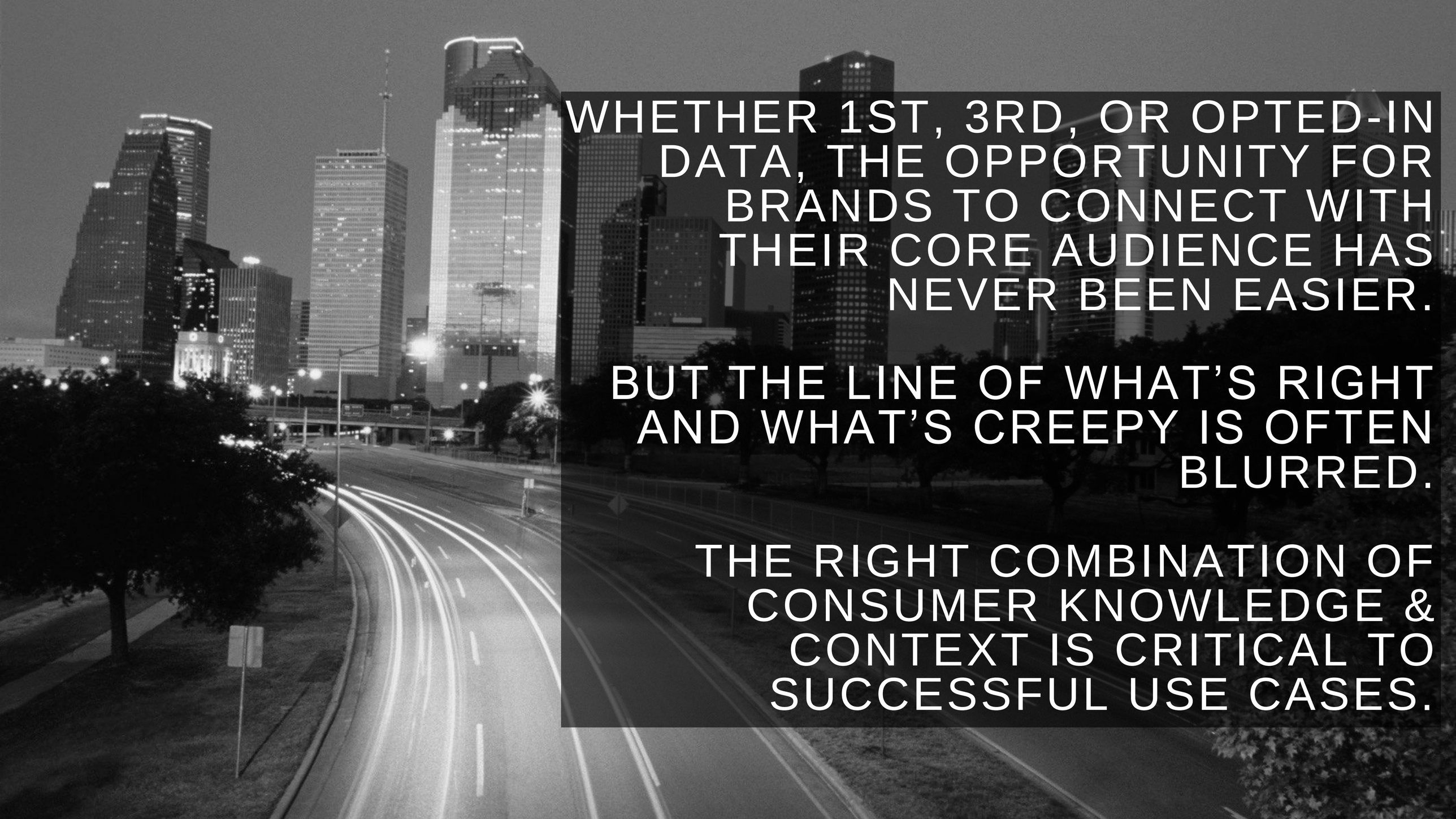
HUMANIZATION OF TECHNOLOGY
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
PROCESS OF INNOVATION


HUMANIZATION OF TECHNOLOGY
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
INNOVATION



HUMANIZATION OF TECHNOLOGY

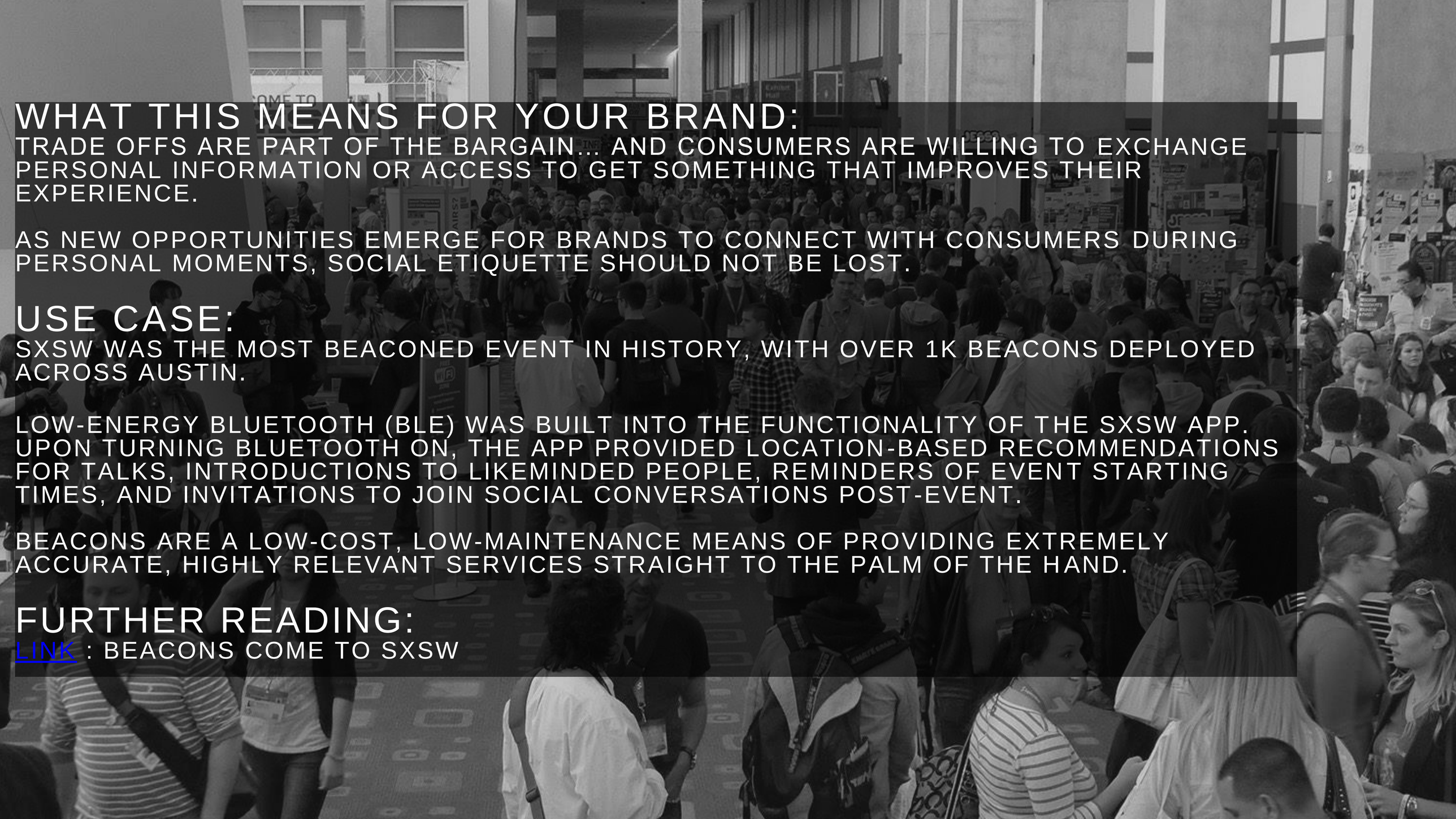
"THE INTERNET PROVES THAT WE LIVE IN A CONNECTED WORLD AND REMINDS US TO BE THE BEST VERSION OF OURSELVES"
- DAVID WEINBERGER, TECHNOLOGIST



WHETHER 1ST, 3RD, OR OPTED-IN DATA, THE OPPORTUNITY FOR BRANDS TO CONNECT WITH THEIR CORE AUDIENCE HAS NEVER BEEN EASIER.

BUT THE LINE OF WHAT'S RIGHT AND WHAT'S CREEPY IS OFTEN BLURRED.

THE RIGHT COMBINATION OF CONSUMER KNOWLEDGE & CONTEXT IS CRITICAL TO SUCCESSFUL USE CASES.



WHAT THIS MEANS FOR YOUR BRAND:

TRADE OFFS ARE PART OF THE BARGAIN... AND CONSUMERS ARE WILLING TO EXCHANGE PERSONAL INFORMATION OR ACCESS TO GET SOMETHING THAT IMPROVES THEIR EXPERIENCE.

AS NEW OPPORTUNITIES EMERGE FOR BRANDS TO CONNECT WITH CONSUMERS DURING PERSONAL MOMENTS, SOCIAL ETIQUETTE SHOULD NOT BE LOST.

USE CASE:

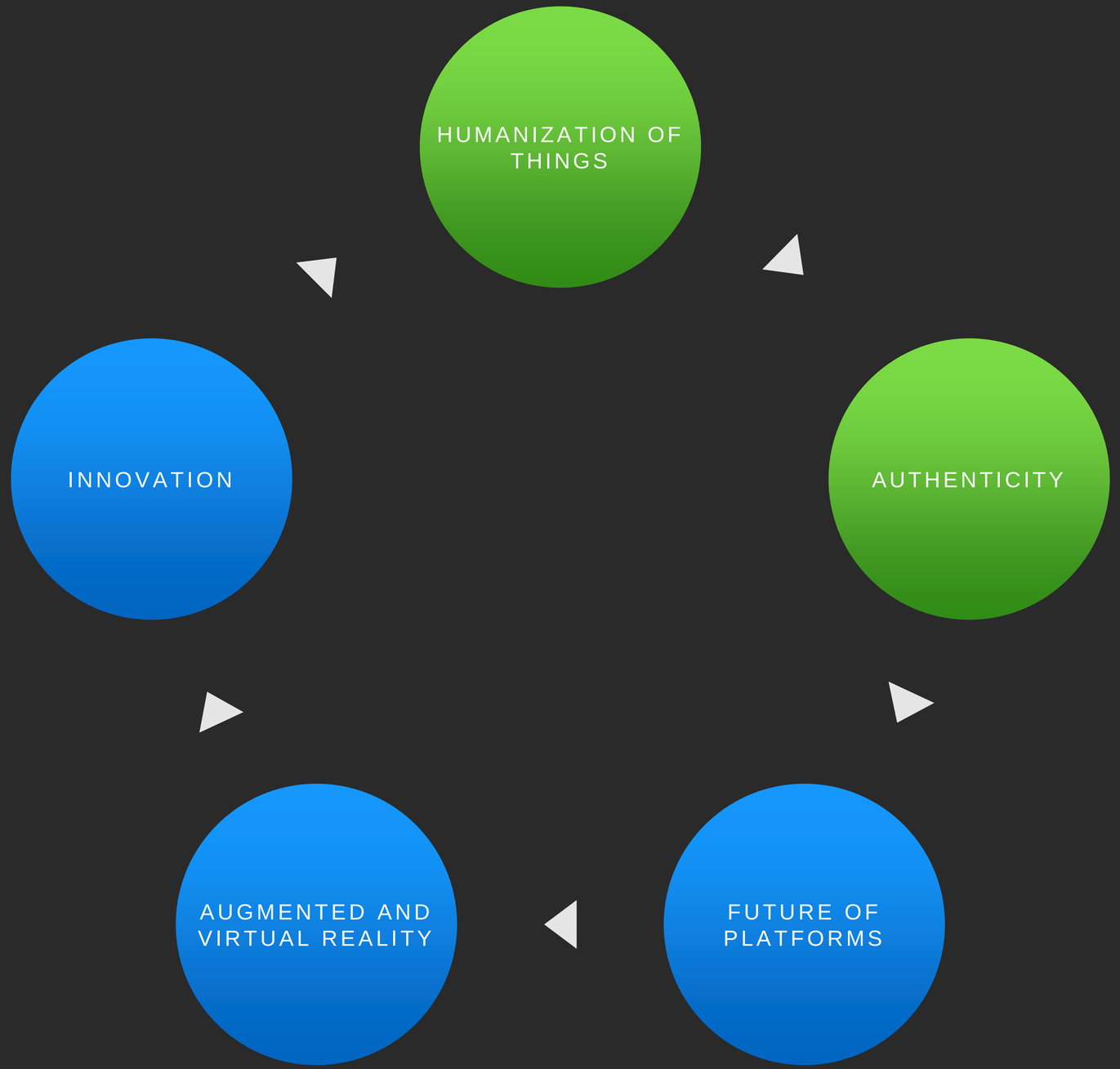
SXSW WAS THE MOST BEACONED EVENT IN HISTORY, WITH OVER 1K BEACONS DEPLOYED ACROSS AUSTIN.

LOW-ENERGY BLUETOOTH (BLE) WAS BUILT INTO THE FUNCTIONALITY OF THE SXSW APP. UPON TURNING BLUETOOTH ON, THE APP PROVIDED LOCATION-BASED RECOMMENDATIONS FOR TALKS, INTRODUCTIONS TO LIKEMINDED PEOPLE, REMINDERS OF EVENT STARTING TIMES, AND INVITATIONS TO JOIN SOCIAL CONVERSATIONS POST-EVENT.

BEACONS ARE A LOW-COST, LOW-MAINTENANCE MEANS OF PROVIDING EXTREMELY ACCURATE, HIGHLY RELEVANT SERVICES STRAIGHT TO THE PALM OF THE HAND.

FURTHER READING:

LINK : BEACONS COME TO SXSW


HUMANIZATION OF THINGS
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
INNOVATION



AUTHENTICITY

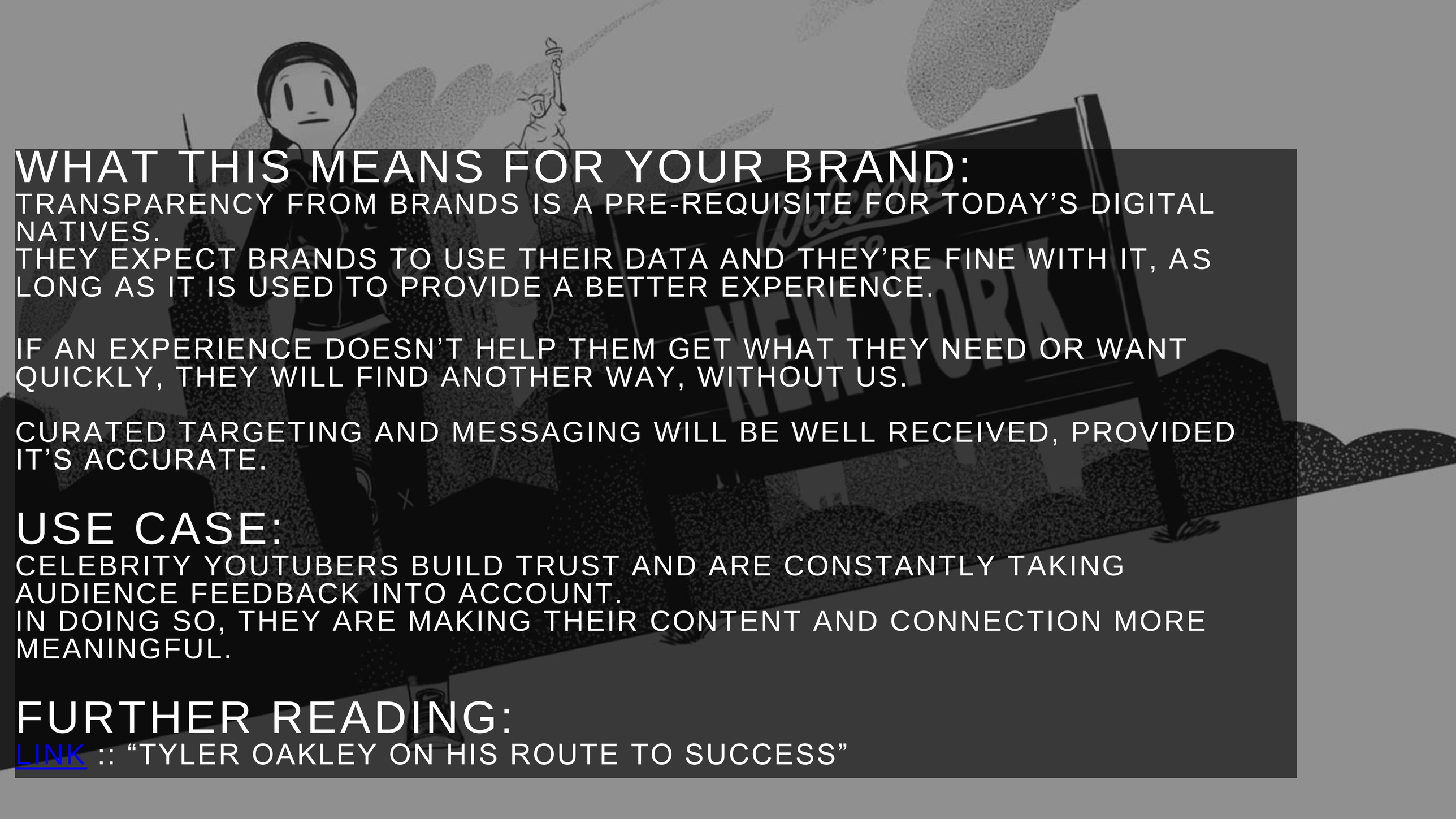
"EMOTION IS MORE IMPORTANT THAN INFORMATION" - JONAH PERETTI, FOUNDER OF BUZZFEED



DATA IS POWERFUL, BUT IT ISN’T EVERYTHING.

GREAT ADVERTISING IS THE MIX OF ART AND SCIENCE.

UNDERSTANDING HUMAN NEEDS, EMOTION, AND INFLUENCE IS CRITICAL TO BOTH WHERE (MEDIA) AND HOW (CONTENT) CONNECTS WITH CONSUMERS.



WHAT THIS MEANS FOR YOUR BRAND:

TRANSPARENCY FROM BRANDS IS A PRE-REQUISITE FOR TODAY'S DIGITAL NATIVES.
THEY EXPECT BRANDS TO USE THEIR DATA AND THEY'RE FINE WITH IT, AS LONG AS IT IS USED TO PROVIDE A BETTER EXPERIENCE.

IF AN EXPERIENCE DOESN'T HELP THEM GET WHAT THEY NEED OR WANT QUICKLY, THEY WILL FIND ANOTHER WAY, WITHOUT US.

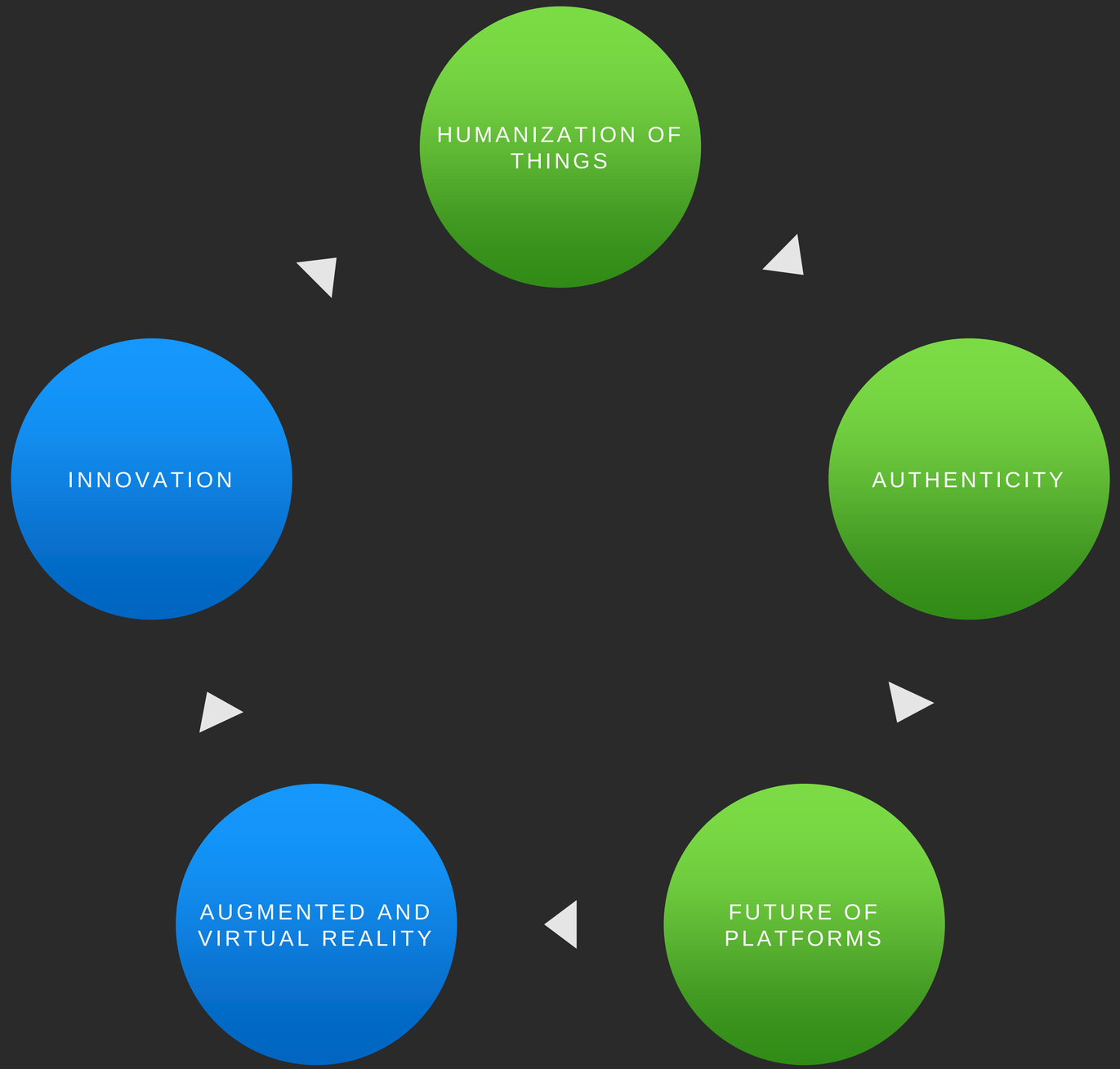
CURATED TARGETING AND MESSAGING WILL BE WELL RECEIVED, PROVIDED IT'S ACCURATE.

USE CASE:

CELEBRITY YOUTUBERS BUILD TRUST AND ARE CONSTANTLY TAKING AUDIENCE FEEDBACK INTO ACCOUNT.
IN DOING SO, THEY ARE MAKING THEIR CONTENT AND CONNECTION MORE MEANINGFUL.

FURTHER READING:

LINK :: "TYLER OAKLEY ON HIS ROUTE TO SUCCESS"


HUMANIZATION OF THINGS
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
INNOVATION



FUTURE OF PLATFORMS

"VISION WITHOUT EXECUTION IS HALLUCINATION"
- WALTER ISAACSON, AUTHOR

CONTENT NO LONGER LIVES WITHIN A SINGLE PLATFORM, ON A SINGLE DEVICE.

CONSUMERS EXPECT ON DEMAND EXPERIENCES. THE PLATFORMS WHICH SERVE THEM BETTER EVOLVE TO CONSUMER NEEDS OR ARE THREATENED AS NEW PLAYERS ENTER THE GAME.

BRANDS ARE CHALLENGED TO BETTER UNDERSTAND THEIR VALUE TO CONSUMERS AND THE APPROPRIATE PLATFORMS WITH WHICH TO CONNECT.



WHAT THIS MEANS FOR YOUR BRAND:

WITH VIDEO CONTENT EXPECTED TO DOUBLE OVER THE NEXT 2 YEARS, HOW CAN BRANDS ENSURE THEY LEAD CONSUMERS INTO A TRULY VALUABLE AND CONNECTED EXPERIENCE?

BRANDS SERVING MULTIPLE KPI'S CAN BLUR THEIR TRUE OBJECTIVE, AND OFTEN LEADS TO CONSUMER CONFUSION WHEN MESSAGING ACROSS MULTIPLE PLATFORMS.

SIMPLIFY AND GO.

USE CASE:

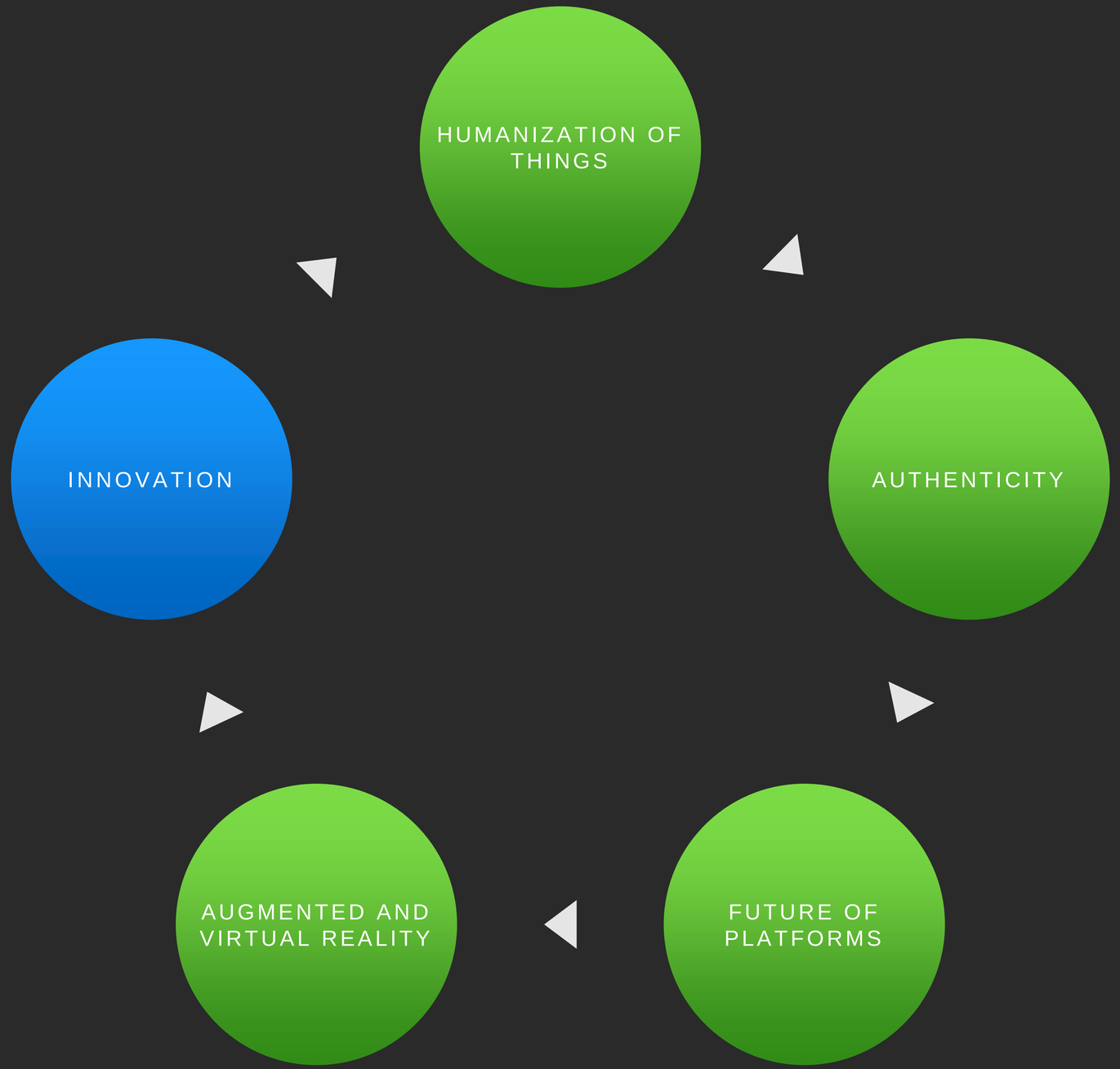
THE SXSW TRENDING TOPIC THIS YEAR WAS MEERKAT, A NEWLY LAUNCHED LIVE VIDEO STREAMING APP.

MANY ATTENDEES WERE EAGER TO TRY THE SERVICE, AND MANY PANELIST OPENLY DEBATED THE ROLE MEERKAT COULD PLAY IN THEIR OWN CONTENT STRATEGIES.

AS ALWAYS, FINDING AN AUTHENTIC USE OF THE SERVICE WILL BE KEY FOR BRAND ADOPTION.

FURTHER READING:

LINK :: "HOW MEERKAT CONQUERED ALL AT SXSW"


HUMANIZATION OF THINGS
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
INNOVATION



AUGMENTED AND VIRTUAL REALITY

"THE LAST 10 YEARS CONTENT MARKETING HAS BEEN KING... GREAT EXPERIENCES WILL LEAD THE NEXT 10."
- DERRICK LEWIS, COMMUNICATIONS AND RETAIL AT RAPHA



AR/VR WERE THE MOST TALKED ABOUT ADVANCED CREATIVE TECHNOLOGIES AT SXSW.

THE OPPORTUNITY FOR BRANDS TO MAKE AN IMMERSIVE EXPERIENCE IS ONE MANY ARE EAGER TO CREATE.

THE FUTURE OF THE SPACE IS CONTINGENT UPON THE CREATIVE VALUE IT BRINGS AND SCALABILITY TO THE PEOPLE WHO WANT IT.

nu reality

WHAT THIS MEANS FOR YOUR BRAND:

AS THE COST OF ENTRY LOWERS, TECHNOLOGY BECOMES AVAILABLE TO ALL AND THE OPPORTUNITY TO CONNECT DATA TO MULTI-SENSORY EXPERIENCES GROWS.

EXPECT THE USE OF DATA VISUALIZATION TO PLAY AN INCREASING ROLE FOR MARKETERS AND CONSUMERS.

DEVELOPING IMMERSIVE SERVICES NOT JUST BRAND MESSAGING IS A POTENTIAL AREA TO EXPLORE.

USE CASE:

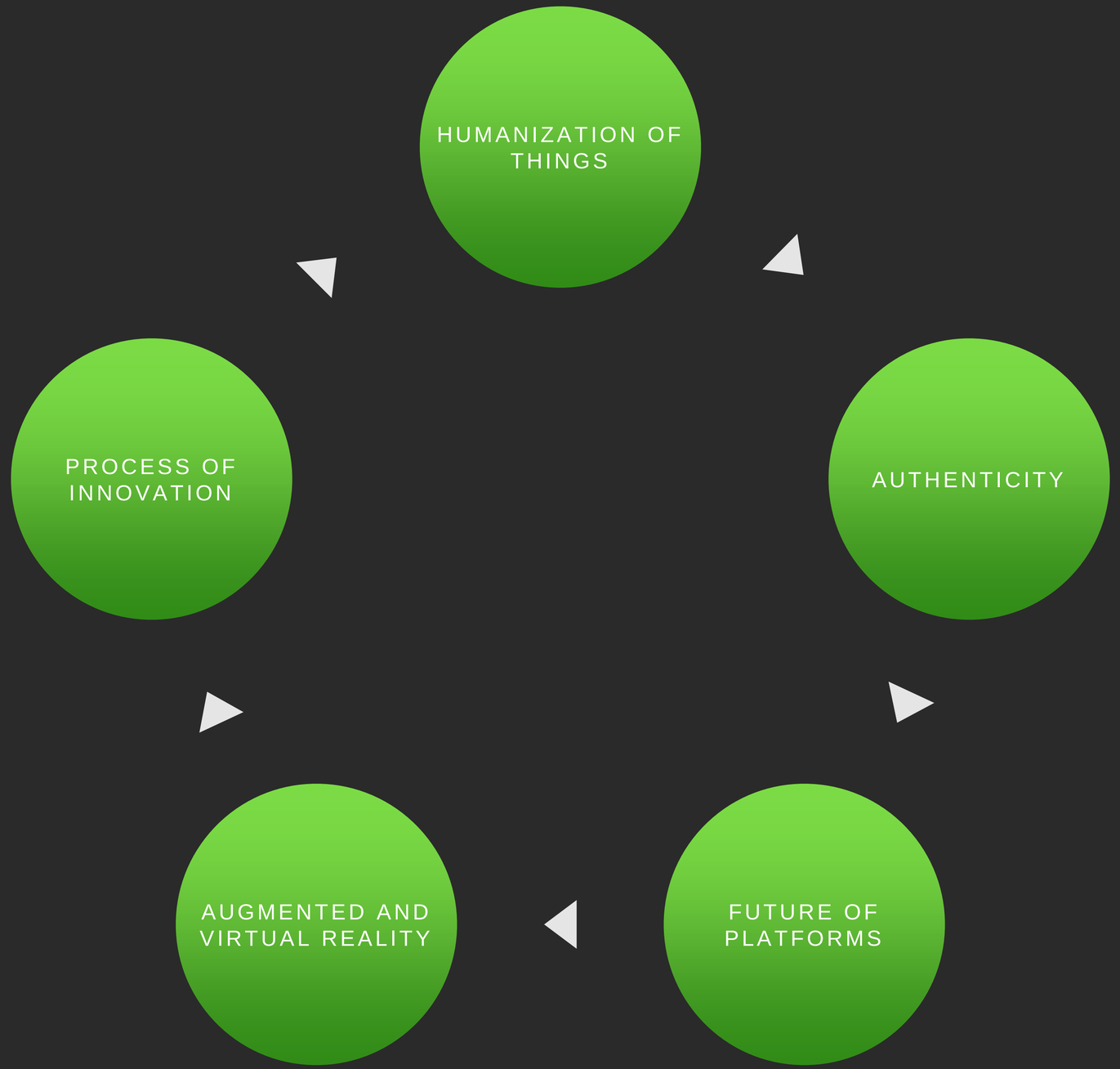
THE DUTCH NATIONAL TEAM HAS BEEN USING VR TO ADVANCE TRAINING AND SKILLS AMONGST ITS PLAYERS.

USING SIMPLE TOOLS SUCH AS VR CARDBOARD, COACHES CAN PLACE PLAYERS BACK INTO THE HEAT OF THE ACTION AND RE-LIVE SCENARIOS.

TRIALS IN THE NETHERLANDS WITH AJAX FC ARE PROVING THE TECHNOLOGY IS GAME-CHANGING AND SCALEABLE.

FURTHER READING:

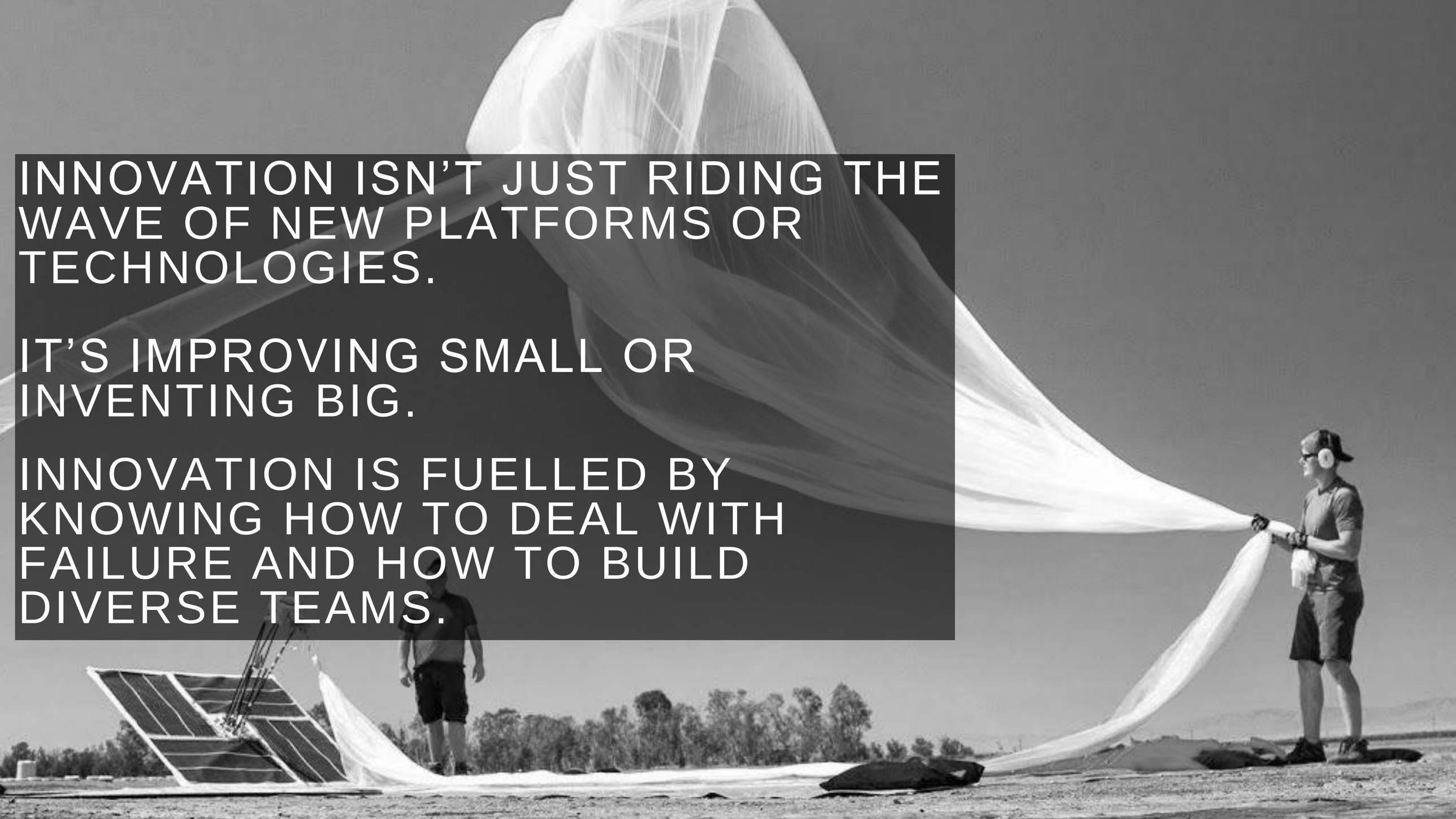
LINK:: “BEYOND SPORTS AND AJAX FC”


HUMANIZATION OF THINGS
AUTHENTICITY
FUTURE OF PLATFORMS
AUGMENTED AND VIRTUAL REALITY
PROCESS OF INNOVATION



PROCESS OF INNOVATION

"FAIL FAST AND OFTEN"
- ASTRO TELLER, CAPTAIN OF MOONSHOTS AT GOOGLE


INNOVATION ISN’T JUST RIDING THE WAVE OF NEW PLATFORMS OR TECHNOLOGIES.
IT’S IMPROVING SMALL OR INVENTING BIG.
INNOVATION IS FUELLED BY KNOWING HOW TO DEAL WITH FAILURE AND HOW TO BUILD DIVERSE TEAMS.

WHAT THIS MEANS FOR YOUR BRAND:

HARNESSING FAILURE IS THE ROUTE TO SUCCESS. IT SHOULD BE EMBRACED NOT FEARED.

MAKING CURRENT IDEAS WORK, BEATS CONSTANT REINVENTION. NO NEW IDEAS.

ATTACK THE HARDEST PROBLEMS FIRST. IT SAVES TIME AND MONEY.

USE CASE:

GOOGLE X LABS RESEARCHES A PROBLEM FIRST, PROTOTYPES SOLUTIONS, THEN FOCUSES ON IT “WITH THE MANIACAL FOCUS OF A START-UP.”

GOOGLE’S PROJECT WING BEGAN IN 2011, WITHIN 18 MONTHS, FAILURE WAS 80% ASSURED. A FIVE MONTH DEADLINE FORCED THEM TO LAUNCH TEST FLIGHTS.

SETTING DEADLINES, EVEN IF THEY ENSURE FAILURE, GIVES YOU VALUABLE LEARNINGS TO MOVE FORWARD.

FURTHER READING:

LINK:: “GOOGLE WORKING ON NEW PROJECT WING DESIGN”



THIS IS JUST A TASTE OF THE INSPIRATION AND GENIUS THAT FUELS SXSW.

THE OTHER BIG TOPICS OF CONVERSATION THIS YEAR INCLUDED...

DIVERSITY & GENDER EQUALITY

“WE DIDN’T KNOW HOW GOOD BASEBALL COULD BE UNTIL EVERYONE WAS ALLOWED TO PLAY” - REV. JESSE JACKSON

THE BIGGEST DEBATE AT SXSW WAS THE ROLE OF WOMEN AND HOW THE TECH GIANTS IN PARTICULAR CAN AND SHOULD DO BETTER- ONLY 5% OF FORTUNE 500 SENIOR LEADERSHIP ARE WOMEN.

BETTER REPRESENTATION OF ALL OF SOCIETY IS REQUIRED WITHIN THE TECH WORLD TO DRIVE DIVERSE THINKING AND GROWTH.

WHILST GOVT. REGULATION CAN HELP, ENTREPRENEURS AND INDUSTRY LEADERS CAN AFFECT CHANGE MOST FASTER.

FURTHER READING:
LINK :: “DIVERSITY & SXSW”

SOCIAL IMPACT

“WHAT HAPPENS WHEN THE HASHTAG STOPS TRENDING BUT THE WORK MUST CONTINUE?” - CAMMIE CROFT, AMNESTY INTERNATIONAL

USING TECH TO SOLVE SOCIETAL AND ENVIRONMENTAL ISSUES WAS AGAIN TOP OF THE BILL

INNOVATION IN THE TECH INDUSTRY CAN DRIVE POSITIVE CHANGE IN SOCIAL RESPONSIBILITY, LIVING STANDARDS, THE ENVIRONMENT, UNIVERSAL ACCESS AND CITY LANDSCAPES.

THINK OF THE CHANGES TO SOCIETY IF WE ALL OWNED FEWER CARS, SWITCHED TO RENEWABLE ENERGY AND EXPANDED THE ACCESS TO THE DIGITAL WORLD TO ALL?

FURTHER READING:
LINK :: “AL GORE AT SXSW”

BIONICS AND SPORT

“IF YOU REMOVE TECHNOLOGY I’M SHACKLED, CRIPPLED, DISABLED. BUT WITH TECHNOLOGY, I AM FREE”
- HUGH HERR - HEAD OF BIOMECHATRONICS (MIT)

SXSW SHOWCASED NEW TECHNOLOGY TO EMPOWER INJURED OR DISABLED ATHLETES

THIS OFTEN ALLOWED THEM TO GO BEYOND HUMAN LIMITS

THE INTRODUCTION OF TECHNOLOGY OPENS UP THE POSSIBILITIES OF HUMAN ENDEAVOUR AND BEGS THE QUESTION OF WHETHER PHYSICAL DISABILITY REALLY WILL BE A DISADVANTAGE IN THE FUTURE...

FURTHER READING:
LINK :: “TED TALKS: HUGH HERR”

ARTIFICIAL INTELLIGENCE

“THE FUTURE WILL LOOK MORE LIKE THE PAST THAN THE FUTURE.” - DR. KATE STONE - NOVALIA

2015 WAS JUST THE START OF THE DEBATE OF THE FUTURE ROLE OF AI AND THE CONSCIOUSNESS OF CYBER

IS IT UTOPIAN OR DYSTOPIAN?

MOST LIKELY THAT IT WILL MAKE US SMARTER AND REPLACE PROCESS-DRIVEN TASKS RATHER THAN HUMAN CREATIVITY

AS MACHINES BECOME MORE SENTIENT, THEIR ROLE AND IMPACT ON MANKIND WILL CONTINUE TO BE SCRUTINIZED.

FURTHER READING:
LINK :: “TINDER’S A.I. STUNT AT SXSW”



THANK YOU

MINDSHARE	Facebook Keep Innovating	Ben Watson	26/03/2015

Introduction

If you live in the US you will soon be able to make payments to your friends within Facebook Messenger (think concert tickets or splitting tabs at dinner). Facebook made the formal announcement last week. This won't be a payment system, you won't be charged fees for now, maybe even forever. Rather Facebook's intention is make money from increased consumer dwell time and usage and associated advertising opportunities.

Details and Implications

Is Facebook looking to own the payment space? Maybe one day, but not today. The real story is that Facebook continues to innovate and maintain its place atop the rising mountain of global social platforms challengers, including large competitors such as Snapchat, QQ, WeChat, Twitter, VK, etc.

Social platforms are one of the most fluid business categories in the world, with new stars constantly appearing. New "Facebook killer's" routinely emerge - Diaspora in 2010, Google+ in 2011, Twitter in 2012, Snapchat in 2013, Ello in 2014. Some fail, some succeed, others get acquired, including by Facebook itself. Even for those social platforms that don't get dubbed as a "Facebook killer", scale can come quickly. In November 2014 social network Tsu achieved five million members in just five weeks, all through word of mouth.

Which explains why Facebook is constantly innovating and adding features, and it is not alone. Twitter recently bought Meerkat competitor Periscope, and Snapchat recently announced its own peer payment system.

This constant evolution is not easy. It's made more difficult by the social currency of the day changing over time as new social dynamics are unearthed. Who would have thought five years ago that watching a six second video would be a cool thing, or that an online static Polaroid picture would become such a strong social currency that it would drive the creation of a 300 million member social platform called Instagram (coincidently owned by Facebook).

Bringing it back to Facebook, not every add-on it has unveiled has been a success; Facebook Calling and Facebook Paper are two recent examples of failures. It's too early to tell if payments will succeed. Some consumers are wary of giving away too much personal information in social environments, even with the incentive of a 'free and easy' transfer. Regardless, Facebook continue to live up to its "fail fast" ethos of rapid prototyping, constant betas, and an acceptance that to stay ahead you must keep pushing the envelope and be willing to accept both failures and successes.

Summary;

Facebook continue to build not only its original 1.4 billion platform but a portfolio of social apps such as WhatsApp, Instagram, and Messenger. The challenge with these apps is to balance the need for scale to advertise with keeping the integrity of the user experience. Adding new useful user features such as payments achieve both by giving users a reason to linger longer in Facebook and by providing brands more opportunities to advertise and also "close-the-loop" by enabling actual commerce ability.

MINDSHARE	SXSW 2015 Preview	Casey Steinberg & Yvonne Williams	12 March 2015

Background

The upcoming South-by-South West Interactive (SXSW) conference is known for highlighting the latest and greatest in technological and digital innovation. Thirty thousand attendees will congregate in Austin, Texas from March 13-17 for presentations, panels, keynote speakers, and networking events, as well as a Gaming Expo, Trade Show, and Startup Accelerator. Now in its 22nd year, SXSW has become a leading incubator of cutting-edge technologies and digital creativity.

What we expect to see…

Digital data usage: There's a fine line between using data smartly and creeping your customers out. One of this year's themes will be the "schizophrenia" inherent in the relationship between consumers and big data: wanting companies to use their data to help them navigate and provide a personalized experience, while also keeping their distance just enough to make them feel safe.

The evolution of shopping and eCommerce: The retail industry has a lot of catching up to do. There's a number of sessions that will examine the new generation of retail innovators that have entered the picture, and how they're completely changing the way consumers think about shopping. Companies like Birchbox, Rent the Runway, and more are actually changing the purchase journey itself, by gamifying shopping, enabling virtual experiences, and creating new, unique business models.

The impact of mobile technology: Inevitably discussions on eCommerce also turn to mobile - how it's changing purchase behavior, and how retailers are using it to capture consumers' attention. The power of mobile payments, location services, and beacon technology has enabled consumers to get/purchase products more quickly, and enabled brands to provide customized shopping experiences. Retail aside, there'll also be plenty of continued conversation around the impact of mobile on experiential marketing - how brands can best use data and tailored suggestions to enhance the consumer experience.

The realization of adaptive marketing: It's not just about being reactive to pop culture events, news stories, and competitors' marketing efforts. The future as we know it involves staying ahead of the curve – marketing that's both less reactive and more proactive. What does it mean to be "on" at all times? How do brands communicate with their consumers on a much more regular and fluid basis? It's a new emerging norm, and attendees and speakers alike will discuss the difficulties of entering into consumer conversations, and the brand's role within them.

Wearables: how to live up to the hype: Big name brands are putting their stake in the wearable technology space – they're racing to showcase how the technology can be made personal, seamless, and convenient. Expect a number of discussions on how to design for this space, and a look at some of the recent device-and-fashion partnerships. However, real adoption of wearables is still blossoming – as is the actual impact of tying together the technology with a brand's essence.

New sensory experiences: Reality vs perception: marketers have always realized that sight, sound, and motion are essential in bringing a brand message to life, but with continuous emerging technology, new sensory experiences are elevating marketing to a whole other level. From edible print ads to holograms, the fusion of physical and digital is pushing the boundaries and creating new, unique ways to engage consumers. How do we create authentic experiences that delight all of the senses? We're hoping to see new technology that will be the talk of the industry.

Summary

SXSW is shaping up to be another informational ride, packing in more than just your typical industry buzzwords. There will be plenty about the typical business and marketing implications of data and technology – but more importantly, the consumer journey and experience as well.

MINDSHARE	**Apple's *Spring Forward* special event**	**James Chandler, Global Mobile Director**	**9 March 2015 London, UK**

Background
Apple held a special media event in San Francisco in which they announced their thinnest, lightest Macbook yet, a new set of medical research apps under the umbrella of *ResearchKit* that turns iPhones into crowd-sourced diagnostic tools and the long awaited demo, pricing and launch date of Apple Watch.

Details
Spring Forward was a mix of things that were expected and some that we weren't. Apple CEO Tim Cook opened with Apple TV and an exclusive launch tie up with HBO's new streaming service *HBO Now*. The audience were treated to a preview of the critically acclaimed Game of Thrones, before Cook announced an Apple TV price drop from $99 to $69 and promised to 'reinvent the way you watch television'.

After some impressive iPhone scene setting (700m+ devices sold last quarter, #1 selling smartphone in the world and growth that doubles what the rest of the industry is doing) medical research followed – with Tim Cook stating that it is in health that Apple sees iPhone making the most profound impact. *ResearchKit*, an open source toolkit for developers was announced along with 5 apps made in conjunction with medical institutions which included health monitoring for Parkinson's, asthma and diabetes. Apple finished by stating clearly it is the user who is in complete control of what is tracked and shared and that Apple does not see any of their data.

Apple Pay followed, with news that over 2,500 banks now support Apple's Touch ID enabled payment method as well as the platform being accepted at point of sale in over 700,000 US retailers. Coca Cola were also called out for the 40,000 vending machines they have enabled with Apple Pay.

Then to MacBook – and the announcement of a brand new 12 inch notebook, the thinnest and lightest Apple have ever made. The now all too familiar video featuring Jonny Ive's voiceover took the audience through how in its design, the new MacBook had been built with 'extreme portability' in mind. A pressure sensitive Force Pad trackpad with haptic technology built in and a single port for video output, power and USB were also revealed in what Apple also dubbed as the world's most energy efficient notebook.

And finally, Apple Watch. Tim Cook took time to land the point that Watch was the most personal device Apple had ever created and that unlike iPhone, it wasn't just with you – it was on you.

He introduced Glances, where a user can swipe up on the watch face to check weather, calendars or even their heart rate and then went on to show a number of demos from partners Apple has been working with. These included being able to bypass the front desk in a W Hotel and unlock your room in a single tap of the watch and paying for groceries in Whole Foods simply by opening Apple Pay and waving your watch next to the contactless payment terminal.

Apple's CEO also clearly defined the three use cases for Watch: as a timepiece, a communicator and as a 'coach on your arm' in reference to its health and fitness capabilities.

Apple used model Christy Turlington Burns to demonstrate the dual use of Apple Watch, both as an interchangeable fitness tracker and fashion accessory. After a video showing Christy using Apple Watch as part of a half marathon race, she appeared on-stage with Tim Cook sporting the same watch but with a blue modern buckle strap introducing it as her 'chic one'.

Cook finished on pricing, with the entry-level Sport model starting at $349 to the exclusive high-end Edition range available from selected retailers for a jaw-dropping $10,000. Apple Watch is available for pre-order and in-store preview from 10 April ahead of a 24 April launch.

Implications
There were two key themes that ran throughout the event. The first being the multiple nods to China – from the opening video of the incredible new store opening in West Lake, Hangzhou to the inclusion of Chinese social messaging phenomenon WeChat in the Apple Watch partner demos. China is clearly a strategic part of Apple's growth.

The second theme was focused around Apple 'doing good'. At a time when scrutiny is centered on other tech giants looking at the amount of tax they pay to an increasing focus on privacy and the use of customer data, Apple used today's event to set themselves apart from the rest of the pack. The roll out of medical research functionality in iPhone, their clear statement on not using their users' private data and even the promotion of Christy Turlington Burns' *Every Mother Counts* initiative all added up to a sense that whilst Apple are the most valued company in history and continue to generate unprecedented profits from global iPhone sales, they are keen to demonstrate their 'good' credentials.

Lastly, the Apple Watch demos clearly showed that content has to be reimagined for the device – repurposed experiences from desktop and iPhone simply won't work. Not only is the visual real estate smaller but the unique features of the Watch are a treasure trove for developers to explore and make more meaningful, personal connections with Apple Watch users.

MINDSHARE	Mobile World Congress 2015 | Barcelona	James Chandler, Dana Adhami, Pilar Martinez & Neil Bruce	6 March 2015

Background

Mobile networks, manufacturers, platforms, and technology partners made their annual pilgrimage to Barcelona this week, to attend Mobile World Congress 2015: The Edge of Innovation. Despite the conference title, MWC has become as much about wearable technology and the Internet of Things than mobile phones.

Details

Once again **Facebook** CEO Mark Zuckerberg used his keynote to talk about internet.org. A Facebook-led initiative aimed at bringing together technology leaders, charities, and local communities to connect the 50% of the world's population without internet access. Last year at MWC 2014, he was bullish about mobile operators getting in involved saying, "internet.org would happen with or without them". This year though, he appeared onstage with a handful of global operators, acknowledging that growing the internet is no easy task and working together with the Telecoms would accelerate this.

Google announced that they will launch an MNVO (mobile virtual network operator) in the US on a small scale. Sprint, AT&T and Verizon will certainly see this move as a threat, particularly around more competitive value and pricing. Google's mobile ecosystem looks almost complete, with them owning the hardware (Nexus), platform/OS (Android) and now the network too.

5G was a big hype topic, with the main message being that with everything now becoming connected (homes, cars and the billions of wearables forecast in the coming years) we need a rock solid infrastructure to keep it running.

Samsung provided MWC with the biggest product launch of the week, with their new S6 Edge device (similar to an iPhone in look and feel). In addition they also introduced Samsung Pay, which will work in a similar way to Apple Pay. However, unlike Apple (and the mobile operators), Samsung don't have a billing relationship with their customers which may hinder its adoption. Furthermore, **Sony** launched Experia Z4 - the world's brightest 2k display and **LG**, the G Flex -the world's first curved, flexible phone.

Microsoft launched two new beautiful Lumia devices (now branded Microsoft rather than Nokia) – the 640 and 640XL. The XL model on 4G costs a little over £150, which presents a huge opportunity for Microsoft in the developing mobile markets. They may even encroach on the lower end smartphone share, which Android currently dominates. Windows 10 looks great too – with a rallying cry to developers and content producers that they only need to build something once to work across Xbox, desktop, Surface, Windows Phone and eventually Microsoft Band.

Apple don't attend MWC in any official capacity, but their influence was clear to see. From the ZTE Blade S6, which requires a closer look to realise that it wasn't actually an iPhone, to the number of wearable products that bridged smart tech and high fashion. Swarovski's shine range perfectly ties together beauty, luxury, and technology, in much the same way we expect Apple Watch to do when it launches in April.

Implications

There were huge parallels to be drawn between the vast MWC exhibition and how we engage with two main app stores (iOS & Android) - both are huge and unwieldy, making discovery very difficult. As we trawled through the 8 exhibition halls gazing at seemingly familiar stands, it felt akin to trying to find that killer app you are looking for in an app store. We relied on word of mouth to find out where the good stuff was, much like discovering great apps – and in the majority of cases, once you engaged with and actually understood some new tech, you were ready to move on to something else.

Connectivity in terms of battery life and WIFI/cellular was also a dominant theme. For the world's biggest mobile conference, WIFI coverage and usability was very poor and battery life not much better in its ability to cover the 1,900 exhibitors across eight exhibition halls. There were noticeable more charging stations this year, but not nearly enough - with attendees prioritizing the charging of their portable chargers over the phones themselves - an indication of the times! This space certainly presents an opportunity for brands to win consumers, simply by facilitating the means of getting connected and staying connected. Starbucks and IKEA are just two examples of brands that are embedding wireless charging into their products & service and meeting consumers' desire to stay connected by keep their devices powered.

In summary, for all the will in the world, a big shiny stand at MWC or a sizeable paid media budget will only get brands so far. Focusing on creating a killer product or service will be the single most important thing that sets them apart.

MINDSHARE	Yahoo Mobile App Moves	April Wardy	25/02/2015

Background

Yahoo announced the introduction of its Mobile Development Suite at its first Mobile Developer Conference in San Francisco last week. Yahoo's service will combine a comprehensive range of tools with access to its vast consumer data sets, in an attempt to help app developers acquire users, measure engagement, and ultimately monetize their apps. This move is the latest, and possibly most aggressive in Yahoo's fight to fully immerse itself in the mobile revolution, regain its search market share, and improve the reach of its ads.

Details and Implications

Yahoo has fallen behind its rivals in recent years, generating $768 million in mobile revenues last year, considerably less than Google's and Facebook's. However, under CEO Melissa Meyer's leadership, Yahoo's mobile department is witnessing a revolution, growing from a few dozen mobile-centric employees to more than 500.
The introduction of its development suite sees Yahoo using its one billion-strong worldwide reach, along with last year's $270 million acquisition of mobile analytics service Flurry, as a catalyst for engaging app developers.

The new service is comprised of five main products: Flurry Analytics with Explorer (app analytics); Yahoo App Publishing (app monetization); Yahoo App Marketing (user acquisition); Yahoo Search in Apps (Yahoo web search integration + ads) and Flurry Pulse (transmission of data to partners). App developers will also be privy to Yahoo's consumer insights, including how consumers engage with Yahoo's digital content such as sports and fashion, their purchase intentions from Yahoo's search data and their social interactions on Yahoo-owned Tumblr.

For advertisers and brands, the inclusion of the new analytic dashboard from Flurry will increase consumer tracking and improve ad-targeting capabilities. Furthermore, the facility to embed Yahoo video and native ads into apps will significantly increase ad reach on mobile platforms, especially as Yahoo hopes the 630,000 apps currently using Flurry analytics will run its ads – with Yahoo leveraging 40% of the revenue from ad sales.

The implementation of 'Yahoo Search in Apps' is also a poignant development for advertisers as, if successful, it has the potential to see Yahoo gain greater share in the search space; a similar tactic was used when Yahoo successfully integrated a search element into its Aviate application late last year. Yahoo's search share is currently at its highest since 2009 after Mozilla's decision to replace Google with Yahoo as the default search engine on its Firefox Internet browser.

Summary

For advertisers, Yahoo is certainly providing the tools necessary to increase ad reach and targeting capabilities in the mobile space. However, whether Yahoo has ultimately left it too late to catch up with Google and Facebook remains to be seen, especially as unlike Google it doesn't actually possess its own mobile operating system. Yahoo does however appear to be making strides towards regaining its search market share, which could be particularly pertinent as Apple's contract naming Google as the default search engine for its devices is due to expire this year.

MINDSHARE	Facebook Product Ads	Lance Whitehead	19/02/2015

Introduction

Earlier this week Facebook unveiled a new advertising unit, Product Ads, as it continues to make strides in aggressively growing its ad revenue and commerce capabilities. Product Ads will enable advertisers/brands, particularly retailers, to dynamically showcase three products for sale within a single carousel ad unit, both on desktop and mobile. Each product highlighted will have its own image, description and click target. Facebook's system will recognize when products are out of stock and cease advertising them. The new units are similar to Google's Shopping Ads, which perform a similar function, and have been very successful for the company.

Details and Implications

Facebook has a massive array of personal-interest information on over 1.4 billion users. With such a rich first-party data set, retailers and others selling products directly should be able to target very precise audiences based on everything from demographics to interests (music and fashion) not to mention geographic location; keep in mind over 70% of Facebook's current ad revenue comes from mobile, a number that continues to increase in as more users come online via mobile-centric markets around the world. So the first benefit to advertisers is essentially precision-targeting of "shoppable" ads down to your geographic location via mobile phones.

These ads are also dynamically optimized, meaning that the products featured will be tailored based on users' activity and interests. They will adapt to show viewers what they want most from a brand/advertiser. There is also the facility for brands to highlight products that have been frequently viewed on their website/mobile app, or showcase best-selling products. Consequently, the second benefit for advertisers is dynamic adaption of the creative unit, including product and messaging, to maximize relevance to the user.

Finally, Facebook are making visuals in the ad unit a priority by actively encouraging videos and photos. Facebook may have learned from Google; in 2014 Adobe research indicated that merchants spent 47% more on Google Shopping Ads, whereas text based ad spending actually decreased by 6% in the same period. This approach also makes sense given Facebook's consumer focused ethos; concentrating on the aesthetics is a relatively simplistic way of enhancing the user experience. So the third benefit is a highly-visual ad format, which continues Facebook's efforts in this space with Instagram ad units and its new video ad units.

Early tests of the product have produced positive results; Shutterfly states that its CTRs increased by 20%, while Target indicated that these ads have done particularly well on mobile, where conversion rates are twice as high.

Summary

Product Ads are another indicator that the "shoppable" ad space is heating up and early results indicate that consumers are embracing it. These new commerce-enabled ads are also proving to be another major battle ground between Google and Facebook, with Yahoo and Bing lagging behind with only a small proportion of the market share. Facebook's Products Ads certainly has the propensity to prevail as the market leader, purely due to the amount of data collated by Facebook on a considerable proportion of the population. In short, it has breadth and depth in people and data, and a proven track record in successful rolling out new ad units.

For advertisers and brands this presents an excellent opportunity to deliver dynamic ads designed to evoke a more personal connection, which ultimately increases the chances of a consumer reacting, particularly on mobile. Given the visual nature of the ads, advertisers should concentrate not only producing relevant content, but content which is captivating and visually creative. Done well, these new units can actually lead to more sales, directly or indirectly through retail partnerships.

MINDSHARE	Google and Twitter Collaboration	Imants Krezins	13/02/2015

Background

Last week Google and Twitter announced their latest partnership, which will allow Google to gain access to the "firehose" (Twitter's name for their tweet stream). The tweets will be displayed on Google, thus significantly enhancing the search engine results page (SERP) with user generated content. This is far from the first time Google and Twitter have struck a deal of this nature, having had similar deals in place back in 2009 and 2011. This deal however looks like it is here to stay, as Google continues its plight to transition into the social space and Twitter seeks new ways to extend its user reach.

Details and Implications

It is expected that Google will display the tweet feed in the same fashion as it did before, i.e., in the top position, below paid ads and above organic listings. This is potentially bad news for SEO, as it will push down organic listings even further, in many cases below the fold. However, we don't expect to see big changes for more informational or transactional queries ("buy + [keyword]"). It will also be interesting to see whether this will work with or against the Google News widget on Google.

From Twitter's perspective, this deal will serve to dramatically expand their reach, ultimately increasing its user-base and the activity of it. The net result, at least Twitter hopes, will be more inventory and more advertisers.
It is also worth considering the implications for "paid-for tweets", after Twitter's recent announcement that promoted tweets are going to be visible on other websites. Whether Google will allow Twitter to monetize Google space is an open question, especially as more than 80% of Google's revenue comes from paid ads (PPC), and the company has been struggling to meet Wall St. expectations over monetizing the shift to mobile searches.

This new development will also present tracking and attribution challenges. Typically links in tweets and promoted tweets are displayed using URL shorteners such as bit.ly, which are tagged and attributed to the Twitter platform. However, if a tweet with a link to a website is shown in a Google listing, and a user clicks on it and lands on a website, what is the real source? Is it Twitter or is it Google? Current URL shortener set-ups will list the source as Twitter, but is that accurate?

Finally, from a brand and reputation management perspective, this change will place even more emphasis on content and real-time. Inevitably further driving an "always on" adaptive marketing approach.

Summary/ POV

This is a stark reminder to all that different media and devices no longer operate in silos. Content, search, and social need to work closely together to ensure a seamless user experience prevails across ever increasingly ambiguous platform divides. More practically, it may require a renewed focus on your approach to Twitter given the implications that social network will now have elsewhere.

Introduction

Snapchat the once obscure short-lived picture messaging app, which now boasts 100 million active users per month, launched its latest feature Discover last week. The launch proceeded several months of anticipation, especially from the millions of users collectively sending 400 million Snapchat snaps a day. The update adds a series of channels where media outlets can share streams of photos, videos and articles. Outside of Snapchat's own channel, 11, other channels launched included: CNN, Comedy Central, Cosmopolitan, Daily Mail, ESPN, Food Network, National Geographic, People, Vice, Yahoo! News and Warner Music Group.

Snapchat was quick to emphasize the feature is not social media as it doesn't rely on "clicks and shares." The company is instead positioning Discover as a tool to help bolster the Snapchat community's creativity.

"Discover is different because it has been built for creatives," the company wrote on its blog. "This time we built the technology to serve the art: Each edition includes full-screen photos and videos, awesome long-form layouts, and gorgeous advertising."

Details and implications

As for the user experience, once you enter a channel the usage closely resembles Flipboard (a news aggregation and sharing app) as you swipe left or right to expose different pieces of content. Each piece of content starts with a brief preview which can be video, text or photo and you must scroll down to engage with the full piece of content which can also be video, text or photo. Content on each channel will be updated every 24 hours.

Each channel also has its own ads and sponsored content which the publisher has control of, and will result in various paid opportunities. One thing to note is that you can skip through the ads the same way you would skip through any other page, so it's easy for consumers to ignore ads all together. Also, there's currently no way to share content from Discover outside of Snapchat, though you can copy and paste text and photos none of the content links back to a website or social media.

Summary

The addition of the Discover feature is a swift move for Snapchat, as it provides a novel news source for the mobile generation. Not only is the content engaging, it is concise, ideal for anyone looking to scan a few essential stories whenever they get a minute. Discover, also makes Snapchat more appealing to an older generation, who historically perceived Snapchat as a medium for teenagers to share trivial pictures.

It will be interesting to see if more channels roll-out and if more paid advertising opportunities are introduced. Furthermore, as the service progresses out of infancy and gathers user data, whether a tailored user-specific service ensues.

MINDSHARE	Facebook Officially Culls Organic Reach	Zeenah Vilcassim	05/02/2015

Background:

The time has come. After a November announcement (and a two year tethering process), in January Facebook officially implemented the changes to its algorithm significantly reducing guaranteed organic reach for brands.

The announcement came after Facebook conducted a study in 2014, reporting users regarded key "brand offenders" as those who were overtly selling a product or download, posting low relevance competitions or sweepstakes, and reusing advertisements in posts.

Backlash and praise have come from various sides, but according to Facebook it's mainly a numbers game. Facebook says an average of 1,500 pieces of content (up to 15,000) can be shown on a user's News Feed every day; they normally cull this down to 300. In February 2014, WPP estimated that big brand pages, on average had a 2% organic fan reach. With this new algorithm, the average will be creeping towards 0%.

Implications:

The obvious implication for brands, and one that most analysts touch upon, is that this will force brands to focus on engaging purposeful content. True, but the amount of content on Facebook is growing exponentially. The chance of gaining high reach, even if it manages to pass the "organic sense-check", is quite low. Also, this truism was relevant before Facebook started its organic cull: brands should always, and only, focus on relevant content.

However, what Facebook's revised algorithm has done is force brands to rethink the roles of key players in their social strategy.

- **Facebook**: Facebook has made its business objectives clear: ads (and usually reach) cost money, but worthy social networking is free. The reality is Facebook is very strong in both of these spaces. A study by eConsultancy, monitoring Facebook reach from three brands over a three month period, concluded that engaging content coupled with strategic channelling obtain the best results. Brands that are using Facebook ads and tools like Custom Audiences, Partner Categories, retargeting, page-testing, coupled with great organic content are getting the most out of Facebook.

- **Alternative platforms**: Organic reach can still be hard to obtain for most brands, even with the right content. But there is a place, via other social platforms to achieve this. A study by Forrester showed that Instagram posts, for instance, gain 58 times more engagement than Facebook and 128 times more than Twitter. Whilst Pinterest users tend to spend freely online, engage with brands in social media, and drive vast amounts of traffic to brand sites. In addition, knowing the affinity and intent data strengths of various platforms can inform those best suited to a particular brand.

- **Brand-owned communities:** Perhaps one of the more untapped sources for social longevity comes from investment in a brand built community. Short term, this can start within existing platforms. Modifying a Facebook page, for example, so it serves a greater purpose than a content-execution hub can kick-start a valued community. Longer term, continuously building these tactics can enable a brand to incorporate social relationship tools into an owned site. Done right, this can drive greater brand reach, convert prospects into customers, and cement existing customer relationship.

Summary:

It's been long drawn out, but it's finally happened: Facebook organic reach is no longer effective in isolation. This has ramifications for how brands choose to diversify their social tactics, be it within Facebook, alternative channels, or owned sites. It forces brands to be more robust outside of just creating better content. Regardless of how this is achieved, one thing is for certain: When it comes to social strategy it's time for brands to start thinking outside the (organic thumbs-up) box.

MINDSHARE	Quarterly Earnings Roundup	Norm Johnston	30/01/2015

BACKGROUND: This week saw the heavy hitters in the digital technology and media space, including Apple, Yahoo, Google, Facebook and Microsoft reporting their earnings. Here's what you need to know.

IMPLICATIONS:

Apple: Splendid iSolation: Without a doubt the brightest star of the week. Absolutely crushed market expectations in Q4 2014 with new iPhones flying off the shelves (74.5m), particularly in China (a 70% year-on-year increase) where any direct threat from homegrown Apple look-a-like Xiaomi now seems like a stretch. To put things in perspective, a company once again written off in the press as being past its prime has now achieved the highest quarterly net margin in history ($18bn) and has enough cash ($142bn) stocked up that it could outright buy any of the 480 businesses that make up the Fortune 500…and the Apple Watch hasn't even launched and Apple Pay is only getting started. Two things to ponder: what are they going to do with $142bn in cash (the Beats acquisition only cost $3bn), and will iPad sales (-22% year-on-year) continue to diminish due to cheaper competition and/or people now using larger smartphones and, gulp, laptops. Yes, laptops are back. But Apple sells those as well.

Yahoo: A Tale of Two Companies: Yahoo has been riding on the success of its twin investments in Chinese e-commerce giant Alibaba and Yahoo Japan. In fact, as reported by Forbes last year, Yahoo's stake in those two entities was estimated to be worth $45bn, more than its total $39bn market value at the time. In other words, Yahoo on its own was worth less than zero, a reflection of a sustained and steady decline in its advertising revenue (-4% year-on-year), which has moved to rivals like Facebook and Google. With a declining stock price, CEO Marissa Mayer has been under pressure to show investors some return, and she has used this quarter's earnings report to do just that. Yahoo will spin-off its remaining equity stake (15%) in Alibaba into a separately listed investment company called SpinCo (yes, really), with Yahoo shareholders benefiting from the continued success of Alibaba without the perceived dead weight of Yahoo's historical business. In theory, this will enable Mayer to focus on the Yahoo turnaround, which is actually showing some signs of light, particularly with Tumblr, the fastest-growing social network with scale (+400m users) and BrightRoll, a premium video network, providing needed inventory to advertisers seeking to move TV spend online.

SUMMARY: Google, Facebook and Microsoft also announced their quarterly earnings this week. Google was slightly behind growth expectations due to declining ad prices and foreign exchange issues, cited by almost everyone (+15% in year-on-year growth). Google continues to struggle to monetize mobile, which has resulted in fewer advertising units in smaller screens not to mention cheaper inventory (-3% on CPC rates). Faced with increased regulatory scrutiny, particularly in the European Union, Google faces some serious challenges to keep its core business on track, which is an increasing necessity to fund all its 'moonshots'. In contrast, Facebook continues to be the industry leader when it comes to mobile (nearly 70% of its advertising revenue), which resulted in a staggering 49% year-on-year growth rate. What is notable about the figures was the growth in mobile video viewing (3bn videos a day on Facebook), which bodes well for the company's investment in online video advertising. As for Microsoft, it met expectations, which essentially were for a fall in quarterly profits. Sluggish comes to mind. New CEO Satya Nadella has a lot of work to do.

Introduction

Rumours have surfaced that Google is close to launching a telecommunications network of its own. According to leaked information, Google 'Nova' is set to launch this year after deals with US carriers Sprint and T-Mobile were agreed. While there have been rumours of this kind numerous times over the past five years, it is believed that Google is finally in a strong enough position with Android to push against the incumbent telecommunications businesses.

Details and implications

Google 'Nova' would be a Mobile Virtual Network Operator (MVNO) – much like GiffGaff, which means that the network would actually run off of an existing telecommunications providers network (hence the deals with Sprint and T-Mobile). This would reduce its costs (for physical infrastructure) but allow Google to drive voice calls (likely to be for free) through Google Hangouts.

As with its email product (Gmail), this service is likely to be run at a cost to Google (so free for consumers) in order to attract vast swathes of users. This type of behavior (eating the side dishes of the telecommunications industry, rather than the full lunch) is already exhibited by Amazon and it's free Kindle 3G service. The 'payment' for users would (as with other Google products and services) be the surrender of personal data, and allowing Google into another aspect of their lives. With Google increasingly infiltrating the 'offline' lives of consumers too, this move would allow it to combine online and offline data to provide advertisers with a much more rounded view of how people behave.

Launching its own MVNO would also give Google more control over handset discounting, as it could heavily discount Android handsets – or even sell them at a loss – with an eye to further increasing penetration of Android, and stiffening competition with Apple and Xiaomi.

From an advertiser's perspective, this would be akin to combining Google's existing consumer data with that of Weve's (a joint venture between the UK's three largest mobile network operators) - allowing for a much more detailed view of consumers, and giving advertisers greater access to those consumers across a broader number of devices.

Whether this would be allowed to launch within Europe (given the EU's continuing scrutiny over Google's approach to privacy) would be interesting, as would the reaction of consumer privacy groups. It would also, surely, begin to bring into view conversations about the increasing monopoly that Google holds over such a huge volume of people.

Summary;

Of course, you may remember when Google announced similar intentions back in 2010, and while these types of announcements are usually intended to 'prod' the telecommunications industry into behaving in a more 'Google like' manner, it was only a year after that Google Fibre was launched (and is now in nearly forty different US cities).

While Google 'Nova' would inevitably face challenges on privacy regulations, monopoly regulations, and consumer trust issues, it would be dangerous to bet against Google, as various email providers did years ago.

MINDSHARE	Twitter Capitalizes on "Off-site" Tweets	Dean Browne	21/01/2015

Background

Recently Twitter's sales team have pitched multiple new features in an effort to drum up some positive vibes and momentum, not to mention its flagging stock price, which has suffered due to concerns over a slow user growth rate. The most noteworthy of these new features is the announcement that it plans to monetize the millions of individuals who are exposed to tweets appearing on other publishers' apps and websites. In a move resembling Google's AdSense and other company's efforts to monetize "off-site", Twitter intends to sell ads against these tweets, splitting the revenue with the publishers.

Details and Implications

The above announcement isn't a surprise, given Twitter's previous announcement at its Inaugural Analyst Day last November. During this conference the social platform claimed that each month 500 million visitors across the Web see its content in a far reaching range of publications and destinations. This "broader reach" claim is further supported by extrapolating several data points, including the fact that Twitter currently handles over 1.6 billion search queries per day and in 2013 it was one of the ten most visited Web sites worldwide. Nonetheless, Twitter technically only reports 284m registered monthly active users, making Twitter's total reach impossible to quantify. As the exact composition of these 500m "tweet-viewers" across the web is indeterminable, as it seemingly contains an amalgamation of unregistered and registered users.

Therefore, the need to provide continuous and sustainable growth highlights the inevitability behind this move, as does the need to make more money from the vast number of users that are technically receiving tweet updates from alternative sources. The fact that publishers will also directly benefit, makes this development arguably a win-win situation for all involved.

Whilst presently it isn't clear exactly which publishers are on board, both ESPN's SportsCenter app and the news sharing app Flipboard have both been referenced by Twitter in recent weeks.

Summary/ POV

The proposed updates by Twitter show that they are seeking new ways to find growth. It's also a potentially positive move for the advertising industry, which is increasingly moving towards exchanges and programmatic solutions in a drive to find exact audiences, greater efficiencies, and substantial scale amongst a vast array of publishers and applications. In short, if Twitter can move just a "PR and Events" advertising vehicle to a broader reach opportunity across a broader portfolio of media inventory, it may be able to pull of the same re-positioning that Facebook has successfully completed over the last year. The reinvention of the social network continues unabated.



Mindshare Trends 2015

Extrasensory Dimensions

Cashless Payment

Everything Connects

Mass Personalisation

Picture This

Quantified Self

MINDSHARE FUTURE_ MEDIALAB

INTRODUCTION

At Mindshare, our future_medialab programme drives our ambition to invent the future of media for our clients. Throughout the year, the future_medialab teams collect new developments in the media, science and creative industries. These are used to identify the themes and issues that will shape the space where data, content and technology collide, helping us to create valuable experiences for brands.

In October last year, we fed all these manifestations into a future_medialab Trends Day. The whole agency – over 400 people, across all disciplines – was involved in brainstorms and ideation sessions to unpick anything interesting happening in media and technology. We used our collective insights to organise these manifestations into six ‘mega trends’ that we believe will shape our industry over the next 12 months and beyond.

Thereafter, our teams looked at these trends through the lenses of their specialisms to identify how they will impact on channels and platforms in 2015. These are the challenges and opportunities we’ll be facing in the coming year – here’s to working together to take full advantage of them.

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SMELL IT FEEL IT TASTE IT

Extrasensory Dimensions

WHAT IS IT?

2015 will see us craving immersive and sensory experiences, as a counterbalance to our increasingly online and frantically busy lives. Our hyper-online selves feel detatched from the physical world and so we will seek out experiences that completely absorb our fractured attention for a few moments - to inject a sense of tangibility and add a touch of the imagination/extraordinary to our days. Anything with ***Extrasensory Dimensions*** - communicating, playing, shopping - will be welcomed by consumers eager to feel real again. Services and experiences that stimulate and engage our senses will only grow in popularity as the rest of life gets busier, more online, measured and organised. Brands will seek to offer an Extrasensory Dimemsion to their comms to take advantage of this.

EVOLUTION

Sensory branding is not new. We are all pretty familiar with things like the 20th Century Fox aural fanfare or the smell of bread and chocolate being used in supermarkets to entice us to buy things. What has evolved is the sophistication of targeting consumers in this way - and how technology will play more of a part in sensory branding going forward.

WHERE NEXT?

In 2015, brands will engage a combination of sounds, smell and visuals in both the online and real-life experiences they create for their audiences. They'll also use more original and interactive ways to appeal to consumers' senses.

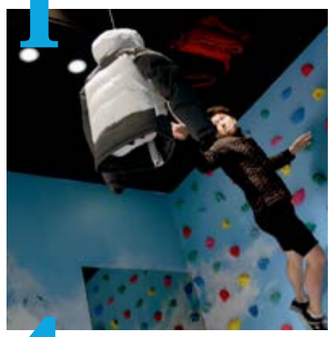
In addition, technology is opening up many new avenues to provide sensory enhancement and immersive experiences. We have already started to see this - in the gaming space for example, where gamers are getting a more physical gaming experience through vibrating armchairs and handsets. Advances in virtual reality will only add to this, providing a totally engrossing environment for consumers. Oculus Rift, due to launch in a public beta version in summer 2015, and its rivals (such as the Samsung Gear VR and Project Morpheus) will provide a whole host of new and exciting experiences for a variety of brands. This has potential way beyond the gaming space, providing Extrasensory Experiences such as immersive journalism and VRTV. Products such as Google Cardboard, which enables you to turn any Android 4.1+ phone into a virtual reality headset for less than a fiver, will also help turn virtual reality into more of a mass market reality.

IMPLICATIONS FOR BRANDS

Brands will have the opportunity to show their customers what they uniquely look, feel, sound, taste and smell like. Brand values and product specs will become more tangible and brand essence easier to communicate. By using the senses, brands will be brought to life, capturing the consumer's imagination and keeping their attention via active rather than passive means. Offering consumers more immersive experiences will enable these brands to build levels of engagement and personality and in turn relate to customers on a much more emotional level. In the longer term, as more and more marketers find ways to engage the senses, consumers' expectations will rise in line with this, until it becomes a standard part of how they expect to interact with brands.

"We are all pretty familiar with things like the 20th Century Fox aural fanfare or the smell of bread and chocolate"

SEE IT IN ACTION



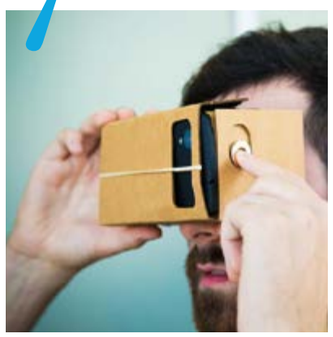




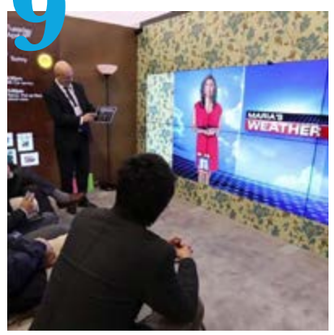












1: North Face moving floor
September 2014 saw North Face open a pop-up store with a retractable floor in Korea, as part of the US outdoor apparel brand's Never Stop Exploring campaign. As the floor disappeared, shoppers were forced to 'climb' up the walls, which featured rock-climbing holds. To escape the room, participants were forced to jump from the wall onto an inflated floor, attempting to capture a North Face jacket suspended from the ceiling in the process.

2: Nivea Print Ad
Nivea released a print ad in Brazil that can be ripped out and worn as a wristband so parents can track their kids on the beach.

3: Dunkin' Donuts Flavor Radio
A Dunkin' Donuts campaign reinvented traditional radio ads by releasing the aroma of coffee and donuts using atomisers installed on commuter buses every time their advert played the radio.

>

4: Starbucks Reserve Roastery and Tasting Room
Opened in December 2014, the site for the roasting of the brand's premium coffee line, Reserve, shows visitors how beans go from roast to brew to cup.

5: 3D Billboards
French travel agency Voyages SNCF has installed a range of billboards across Paris which feature large 3D body parts that move and generate music. Passers-by are encouraged to touch.

6: Scented advertising
The scent of Heston's Lemon Myrtle Hot Cross Buns rose off the pages of all major metro newspapers in Australia to launch the first offering from the new Heston for Coles range. The aromatic advertisement featured notes of lemon myrtle and orange with undertones of spicy ginger.

7: Google Cardboard
A DIY kit consisting of a cardboard frame, a magnet, lenses, rubber bands and velcro that allows for a virtual reality experience when paired with a smartphone.

8: Oculus Rift
Immersive virtual reality headset which tracks head movements, giving wearers the sensation that they are moving around a 3D world.

9: Cisco Fresco
Intelligent 'wallpaper' video display technology, negating the need for physical hardware to enjoy 4k video. Display size can be customised between 24-80 inches in real-time, and Fresco can connect to other household devices and apps.

If you go beyond the goods and services, you can't help but make them go wow, you can't help but turn it into a memorable event, you can't help but turn it into an experience

Joseph Pine, The Experience Economy

TV

Despite an increase in viewing via other devices, the traditional TV set is definitely not dead. We continue to demand larger screens and higher resolutions – anything that will enhance our TV viewing experience. Advancing technologies will ensure that the physical experience of watching TV will continue to win out. Ultra HD or 4K TVs are the more immediate innovation to watch out for, delivering resolutions four times as detailed as current HDTV. But manufacturers are looking beyond this to even more immersive solutions such as 8K video walls and flexible or curved TVs. Intelligent 'wallpaper' display technology such as Cisco Fresco could even eradicate the need for physical hardware completely. It could transform the TV viewing experience, showing us multiple channels at once on a huge scale – news and weather on one portion of the wall while football is viewed on the other. 3D TV has moved aside. Flexible or curved TVs will enhance our visual perception of depth, providing more of a 'wrap around' experience that immerses us deeper into what we are watching. However, visual cues alone can only provide us with so much. As we reach the limits of what the human eye can perceive, we will look to enhance other senses. This is not to say that smell-o vision is on the menu just yet, however sound is a much more logical area to improve and focus upon. Surround sound cinema style Dolby Atmos will be transported into our homes, with strategically placed speakers positioned around the room to allow sounds to be 'placed' at exact points. Virtual reality technology will also enhance our senses to provide a much more immersive TV experience. TV is set to become a whole lot more experience led and audio in particular will certainly rise up the priority list in order to make this happen.

GAMING

The gaming industry has been characterised by the emergence of competitors and key players in the blue ocean of virtual reality. This increasingly dynamic ecosystem of competing virtual reality headsets culminates in the battle between Oculus Rift and Samsung Gear VR. Both business models aim to revolutionise the gaming experience, allowing wearers a first-person perspective into a game's world. Meanwhile, Google Cardboard demonstrates the same capabilities in an affordable and resourceful way. Another

key competitor, relatively new into the ecosystem, is Sony, with Project Morpheus in prototype stage. Although not a direct competitor – looking for main applications to PC and Mobile rather than gaming – their presence enforces the market potential for VR. While it seems inevitable that VR headsets will become fully ubiquitous within the family home, it remains to be seen in the next few years if Project Morpheus has the capacity to replace the traditional handheld controller for any future video game console.

NEWS

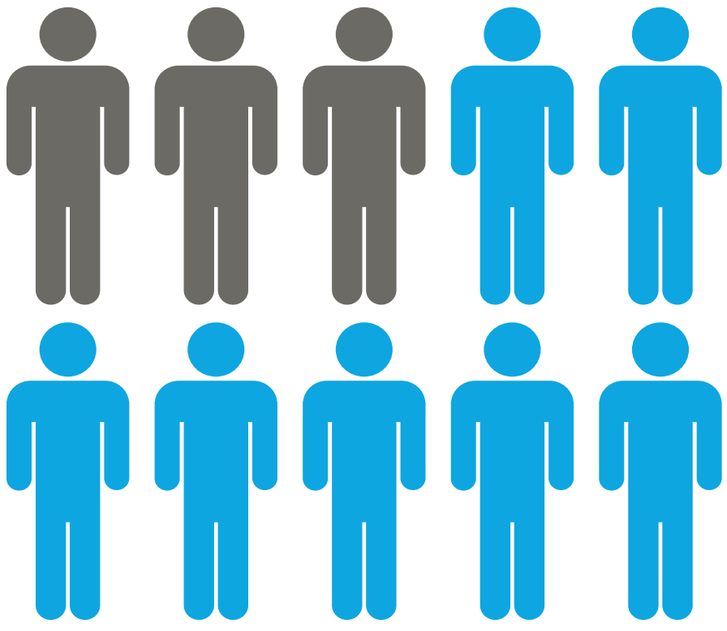
Increasingly, the reader is becoming the viewer. Time-poor audiences now demand product experiences that are unique and immersive, and news falls firmly into this category. Video-led, experiential content will increasingly help meet this demand - the Telegraph's reporting in danger zones and hard to reach locations using drones and Oculus Rift is strong evidence of this. News consumption will become much more visceral with audiences transported to the scene of the action; ultimately, the process moves from a passive to active experience.

Giving a message through sensory means…(is) a much more persuasive message… it is a more subconscious message

Dr. Aradhna Krishna (interview with JWT)

MORE THAN 7 IN 10 PEOPLE CRAVE EXPERIENCES THAT STIMULATE THEIR SENSES

JWT Intelligence





MAGIC LEAP

Backed by Google, Magic Leap is developing augmented reality technology that will essentially create 3D light sculptures in front of users' eyes.

GUARDIAN MIDLANDS GOODS SHED

The Guardian are developing a multi-faceted leisure and cultural centre, built around the newspaper's flourishing brand as "the world's leading liberal voice". There will be an open amphitheatre for festivals, live music and debate, a restaurant with a revolving rota of chefs in residence, an 'armchair cinema', a 3D printing lab, a rooftop garden, art galleries, and "a dozen atmospheric spaces hosting events in everything from photojournalism to ceramics, from breaking news to works of fiction."





IMMERSIVE JOURNALISM

The World Economic Forum commissioned an immersive journalism piece, filming scenes from war-torn Syria and using virtual reality to simulate in audiences the feeling being in the middle of the crisis. In the hopes of garnering more empathy for the suffering victims of the crisis.

Brands need to find a way to 'smash' their brand – to build brands that consumers can identify immediately through a unique and particular scent, shape, feel or taste. The more senses that are involved, he theorises, the more memorable and meaningful that connection is between brand and consumer.

Martin Lindstrom, author of Brand Sense

BATTLE OF THE BRANDED CURRENCY

Cashless Payment



WHAT IS IT?

Increasingly cold hard cash is being phased out, with cash use in the UK having dropped by 14% in the last five years. Technology is now revolutionising payment systems and solutions. With your mobile in your pocket, branded currencies to tap into, and a range of bartering options to choose from, your wallet is the last thing you'll need in 2015.

EVOLUTION

From high street banks like Barclays, through to big name payment solutions like Paypal, a range of technology solutions are now in place turning your phone into a mobile e-wallet. Whilst some of the systems have been somewhat clunky in the past, the technology is evolving making the whole experience much more seamless, secure and attractive to use.

The announcement back in September of Apple Pay has progressed the trend again. Claiming that it will "forever change the way we buy" they plan to provide an array of payment solutions using the TouchID element of the iPhone 6 to authorise payment quickly and securely. With 800 million credit cards on file via iTunes, they have potential to provide a service to an awful lot of consumers out there, potentially enabling Apple to leapfrog many of the more established mobile wallet offerings with such an intuitive and convenient service. However, whilst 2015 will be the year this offering begins to gain traction, a number of analysts are expecting it to take longer to become fully established as the default consumer way to pay.

Meanwhile the big social networks are also keen to get in on the act. Facebook and Twitter are currently investigating how to leverage sharing and conversational behaviour into conversion to purchase. They are both testing "Buy" buttons which will let users instantly pay for goods from other merchants. And Facebook is rumoured to be testing a mobile payment service via Messenger that could well end up rivalling PayPal in the future.

WHERE NEXT

With the chance to collect and capture a lot of data, as well as the opportunity to potentially increase consumer loyalty along the way, a lot of players are now jostling for a place in the cashless race. Whilst mobile wallets have led the solutions so far, a number of other approaches are also being tested out there including wearables, biometrics and emails or tweets.

As MasterCard chief emerging payments officer Ed McLaughlin recently stated: "We think every [consumer] device you have is going to be a commerce device. Our lives are moving to these intelligent connected devices, and what we do and how we interact and transact moves to them also."

Although mobile payment is getting smoother as a process, wearable technology potentially offers an even more seamless method of payment. The vision is that consumers will simply be able to hold up their Apple watch, or issue an instruction to their Google Glass to transmit the payment request. Similarly smart wristbands are also being explored as an option on a more transient level, with the Disney MagicBand already offering visitors to its parks a solution for quick contactless payments.

Biometrics is also being explored as a route to improve payment security. Fingerprints in particular have been the most commonly

We think every device you have is going to be a commerce device. Our lives are moving to these intelligent connected devices, and what we do and how we interact and transact moves to them also.

adopted route, with the iPhone 6 requiring fingerprint scans for every purchase. Vein patterns, iris scans, voice prints and facial maps are also being tested as a solutions by a range of other companies.

IMPACT FOR BRANDS

With the opportunity to increase consumer loyalty by ensuring the customer journey is as seamless and as smooth as possible, it's not surprising that a number of brands are already trying to enter into this space.

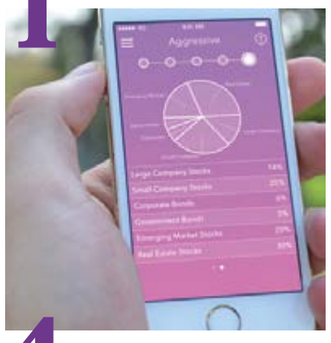
The Starbucks app for example, has nearly 12 million monthly active users in the US, and with those users already accounting for 14% of payments through the app. Starbucks have plans in place to allow advance orders to be placed via their mobile app. There are also rumours that they are looking to use its application as a digital wallet for purchases at other stores as a direct competitor to Apple Pay, potentially extending the Starbucks Rewards loyalty program.

Meanwhile the CurrentC app in the US is under test as well in a number of locations, with plans to roll out more broadly across the States in 2015. Created around a coalition of some of the biggest US retailers including Walmart, Sears and Target, they aim to create a payment functionality that can then be integrated directly into specific retailer branded apps and loyalty schemes.

So far, adoption of these types of payment services appear to have been driven by Millennials, who are significantly more open to this type of transactional technology, and willing to see the benefits of it. Any brands trying to appeal to this audience in particular would be smart to think about how they are set up to react to this trend.

SEE IT IN ACTION

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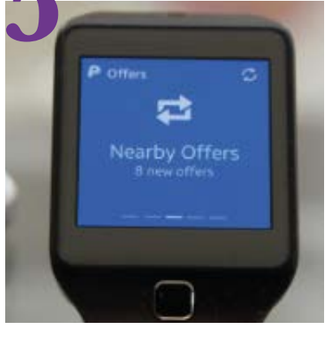
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1: Acorns Investment App
Acorns is a mobile investment application that allows users to open and maintain an investment portfolio, by automatically rounding up credit card purchases to the nearest pound and investing the change in an optimal stock portfolio.

2: MasterCard and Zwipe Fingerprint Scanner Credit Card
The Zwipe MasterCard payment card is the first fingerprint authenticated contactless payment card, integrated with a biometric sensor and authentication technology that contains the cardholder's biometric data.

3: M-Pesa, Vodafone
Vodafone's Money transfer service, M-PESA, enables those with mobile phones to pay for goods/bills, make deposits or transfer money through the service's SMS based system, without having the need for a bank account.

4: Mobile Money, T-Mobile
In partnership with Visa, T-Mobile announced prepaid card app Mobile Money in January 2014. The app allows customers to use a pre-paid Visa card in conjunction with the banking services made available within the app.

5: Samsung Gear 2 and PayPal beacon
PayPal pilots beacon-enabled payments that link Bluetooth Low Energy beacons with Samsung wearables to enable payments without the need for a bank or smartphone.

6: Lollapalooza Digital Wristbands
Lollapalooza music festival goes cashless with digital wristbands at their music festival, allowing festival-goers to pay for food and beverage by tapping their wristbands on a RFID reader and entering a PIN.

7: H&M's Superbowl Shoppable Ads
A partnership between H&M and ShopTV saw Samsung Smart TV owners being shown prompts on their screens during 2014 Super Bowl ad break, allowing them to instantly buy the apparel featured in the ad.

8: VIATAG
VIATAG enables cashless parking, enabled by a RFID chip attached to the car's windscreen and connected device at entrances and exits recording parking time at garages. The fees owed are then paid by direct debit from the user's bank account at the end of the month.

9: S-Money, Twitter
The S-Money initiative in France has enabled anyone with a bank account and Twitter handle to transfer money with a simple Tweet.

38% OF UK ADULTS BELIEVE THAT A 'CASHLESS SOCIETY' IS INEVITABLE IN THE FUTURE.

Mintel, Consumer Payment Preferences, Nov 2014

LOCAL

People now expect transactions to be seamless and easy and, increasingly, this means frictionless buying even on a small, local level. Small businesses who, only a couple of years ago, would barely accept credit cards, are having to keep up with national retailers by way of experience.

SOCIAL

With Facebook Messenger hiring the former president of Paypal earlier this year, Cashless is clearly set to be an important trend impacting on social in 2015.

A Facebook mobile payment service has long been in the making with the company first exploring this area back in 2010. From leaked screenshots it looks likely that the feature will be launching imminently, enabling users to send money to each other in the same way as they can currently send photos. It's still not clear whether Facebook will monetize the service by charging a small fee, or if they are planning to compete directly with the likes of PayPal and other peer to peer money transfer apps.

Along a similar vein both Facebook and Twitter are also testing "Buy" buttons which will let users instantly pay for goods from other merchants.

MOBILE

With the announcement of Apple Pay, Apple effectively walked into a multi-billion dollar race late and leapfrogged ahead of Paypal, Visa, Google, Square et al. – who have been promising the advent of smart wallets for years, but have never delivered.

Apple has 800 million credit cards on file with iTunes and these will be able to be used to pay for goods and services using NFC chips in the iPhone 6, 6 Plus and Apple Watch. By allowing payments to be authorised using the TouchID on the phones, the payment process is incredibly quick and secure. While the service will be rolled out in the US first it is likely that Apple pay will become a major player in Europe over time.

SEO

With mobiles being increasingly used for in store payment purposes, perceptions around retail located phone behaviours are changing fast, and becoming much more mainstream as a behaviour. As a result of this, in 2015 we believe there will be massive growth in the area of in store mobile search innovations led by the product review and offers space.

11,600,000,000

IN THE UK, 11.6BN PAYMENTS WERE MADE BY CARD IN 2013, AN INCREASE OF 42% ON 2009 FIGURES

42%

European Central Bank Payment Statistics, 2013 as cited in Future Foundation, Cashless Society

The UK payments landscape is currently in a period of considerable change, driven by the opportunities created by new technologies.

Ofcom and the Payments Systems Regulator, Nov 2014

THE TOTAL VALUE OF TRANSACTIONS MADE USING CONTACTLESS CARDS IN THE UK IN MAY 2014 WAS £126.7 MILLION A 189% INCREASE SINCE MAY 2013

189%

VISA



APPLE PAY

Apple aims to streamline the retail and online purchasing experiences of their iPhone users via Apple Pay.

Users can upload credit card details to the app, and using near-field communication technology and Secure Element (i.e. the iPhone's TouchID fingerprint reader) can carry out mobile payments at retail shops.

SNAPCASH

Snapchat's cashless solution, Snapcash, allows users to send money to friends via private messages after linking their debit card details with platform partner Square.





FACEBOOK MESSENGER

Facebook have confirmed that its Messenger App will be integrated with a payment solution.

35%

OF UK ADULTS ARE AWARE OF NFC PAYMENT TECHNOLOGY

YouGov



IT ALL JUST WORKS TOGETHER

Everything Connects

WHAT IS IT?

Everything Connects describes the growing trend for everyday objects and infrastructure to be connected to the web.

Also commonly referred to as the *Internet of Things*, this trend is based on the continued proliferation of smart sensors, cameras, software, databases, and massive data centres which collectively will lead to a global, immersive, invisible, ambient networked computing environment.

EVOLUTION

The origins of *Everything Connects* can be found in the growth of post-PC computing devices, namely the tablet and smartphone. These devices have combined traditional consumer computing functionality (i.e. email, web browsing) with new connectivity applications built around sensors such as GPS and accelerometers.

The other significant connected device to achieve mass penetration to date has been the connected TV. Unlike the tablet and smartphone, this hasn't replicated traditional PC functionality but has instead been predominantly used for on-demand video delivery.

WHERE NEXT?

Everything Connects is going to be hugely significant for consumers, businesses and government in many ways, from household management and shopping, to transport, engineering and manufacturing. We can expect to see the fastest growth in four key areas:

1) **Health Care** – the use of wearable tech to monitor fitness is already quite well established with devices like Fitbit, Jawbone and the early pioneer Nike with its Fuel band. We'll see further extensions of using data for personal well-being (the Quantified Self trend) in the form of other connected devices, for example Kolibree, the connected toothbrush, collects data to be shared with your dentist about how effective your brushing has been.

   But connected devices that monitor specific health conditions will also become more prominent, particularly given our ageing society. We've already seen devices such as Dario a blood sugar monitoring system for diabetics and even 'smart slippers' to help monitor the gait of elderly patients and alert doctors if something is wrong.

   Apple's recent announcement of the Health Kit platform should also act to spur on innovation in this area.

2) **The Home** - Google's recent acquisition of Nest, the home automation company who make connected thermostats and smoke alarms amongst other things, for $3bn has put the connected home in the spotlight. Again, the launch of Home Kit by Apple, which will allow connected devices such as alarms or locks to be certified as 'made for iPhone' should provide impetus to the development of connected home management systems. There's a commitment from the energy companies to roll out smart meters across the UK by 2020 so at the very least we can expect the use of connected devices in energy and other utilities such as water (eg home sprinkler systems such as Cyber Rain) to become much more widespread.

3) **The Car** - For some time we have seen cars become indirectly connected via smartphones, and so called 'black box' insurance telematics. Increasingly new cars will be fitted with operating standards to match smartphones, ie Android Auto or Apple CarPlay, and enable entertainment, information and other services to be delivered to the driver. Longer term, over the next 5-10 years, we can expect driverless cars to become a reality.

4) **Business & Manufacturing** - Less sexy, but perhaps more significant will be the use of connectivity in the manufacturing environment. Evrythng is an *Internet of Things* software company which works with manufacturers to connect physical products to the web. This can help improve supply chains by knowing exactly where products are being made, transported sold or used. It can help reduce counterfeits or grey markets by being able to easily identify genuine products. For industrial equipment (eg cranes, diggers), connectivity allows data about performance or the degradation of parts to generate alerts to management.

IMPLICATIONS FOR BRANDS

Everything Connects presents many challenges and opportunities for brands and marketers.

The data gleaned from connected devices will increasingly be used to hone targeting. Google's investment in Nest, Android Auto and driverless cars is at least partly predicated by the extra data it will be able to access on people.

In the retail space, connected sensors such as iBeacons will enable retailers to identify their customers on arrival and present personalised experiences (products, offers or even prices).

Marketers will also need to think about the connectivity of their physical products themselves. As the size and price of sensors continues to fall, products from clothes through to FMCG will become connected objects in their own right, gathering data on usage patterns that open up a whole new world of consumer understanding and personalisation.

THE NUMBER OF MOBILE CONNECTED DEVICES WILL EXCEED THE NUMBER OF PEOPLE LIVING ON EARTH BY THE END OF 2014 AND SHOULD REACH 10 BILLION BY 2018.

(Cisco – Visual networking Index report – 2014)

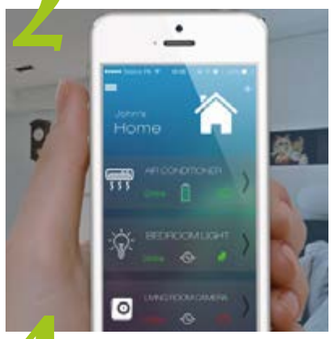
SEE IT IN ACTION

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1: Automatic
A smart driving assistant system that lets owners program their car to connect to iPhone, Android and web apps.

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2: Cielo WiGle Home network Infrastructure
Cielo WiGle's smart home automation system consists of Plug and Play hardware and software that allows users to control appliances, devices and lights directly from a single app on their smartphone.

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3: NinjaBlocks
NinjaBlocks use cloud and sensor enabled processers to give feedback about its environment. It collects data from internet-enabled household devices and recommends and alerts users on optimal settings.

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4: Nest, Google
Nest is a connected thermostat capable of learning user behaviour and working out whether a building is occupied or not, using temperature, humidity, activity and light sensors.

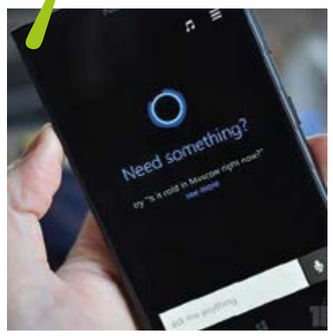
5: BA #LookUp Ad
BA's ad linked up multiple data touchpoints such as meteorological data and BA plane transponders to create a dynamic campaign in real-time.

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6: Google Self-Driving Car Project
An autonomous self-driving car launched by Google in 2014 version has neither a steering wheel nor pedals.

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7: Windows Cortana
Cortana is Microsoft's voice controlled, intelligent assistant on their Windows Phone 8.1.

Cortana's features include providing information from Bing SmartSearch to users, setting reminders and recognising natural voice.

The Internet of Things revolves around increased machine-to-machine communication; it's built on cloud computing and networks of data-gathering sensors; it's mobile, virtual, and instantaneous connection; and they say it's going to make everything in our lives from streetlights to seaports "smart".

Daniel Burrus, Wired Innovation Insights

MOBILE

The proliferation of mobile devices has led to consumers becoming "super connected". Almost 40% of UK consumers have access to multiple connected devices throughout the day, and this is only set to increase with tablet penetration growing exponentially and the wearable tech boom. However, customer journeys are not linear. Google research indicates that someone who has seen an ad on a Smartphone and then proceeds to purchase that product via digital channels, is 80% likely to make that purchase via a Tablet or PC. Similarly, 605 of those who see an ad on a tablet and continue to purchase will make the purchase via a smartphone or a PC.

As a result, it is becoming increasingly difficult to track a digital user journey from end to end. Companies have developed clever probabilistic models to solve this problem, which essentially

allow advertisers to profile audiences (i.e. link tablets, smartphones and PCs that belong to an individual) and then serve sequential messaging and measure conversion across device. These methods differ in their purported accuracy – from 60% to 80%.

2015 will see the rise of deterministic cross device modelling – i.e. media properties that hold universally identifiable data across device for example – Facebook and Twitter with account login data) – and will also likely see the acquisition of one or more of the probabilistic partners by a major media player.

DATA

As devices connect up, and certain digital players become ever more dominant, a number of serious questions arise that will need to be addressed over the next year. In particular we're predicting Privacy will come under a lot more scrutiny - how will people genuinely feel about big organisations having so much access to their data? Moreover, how will they react to their data being shared – so will they be ok with data being shared within one 'eco system' e.g. within Google products vs it being shared by multiple organisations? Will they feel better about it if they truly felt that they were getting a fair value exchange in return for the data that they were generating? And what about security, especially when it comes to people's finances? There will always be hackers trying to abuse the system, and as more and more data becomes available the repercussions could be extremely harmful dependent on what kind of data they access. How can we safeguard this from happening at all times?

Finally, there is a question over the accuracy of the data. With so many organisations collecting different bits of data no one is likely to have a totally robust view of everyone. How this will develop will be dependent on how much data is controlled by the few. The likes of Google, Amazon, Facebook and Apple are diversifying through acquisitions and new product developments to try and get as much of a 'one customer view' as possible, but how successful they will be will depend, as always, on consumer uptake of the various services and how much of a barrier some of the questions raised above become for people to feel comfortable relying on and giving so much of their data to one organisation.

Demand for the first generation of Internet of Things products (fitness bands, smart watches, and smart thermostats, for instance) will increase as component technologies evolve and their costs decline. A similar dynamic occurred with the rise of smartphone usage. Consumer demand for smartphones jumped from about 170 million devices sold per year just four or five years ago to more than a billion devices in 2014. The increase in orders coincided with a steep decline in the price of critical smartphone components.

McKinsey & Company, The Internet of Things: Sizing up the opportunity, Nov 2014



GOOGLE KNOWLEDGE GRAPH

A knowledge base that attempts to connect semantic information - facts about people, places and things – to provide complementary and structured information around a particular search topic.

SHODAN SEARCH ENGINE

Shodan is the world's first search engine for internet connected devices, allowing users to tour the world's connected webcams, finding internet-connected camera, traffic lights, medical devices, power plants, baby monitors...





FACEBOOK MESSENGER

Facebook have confirmed that its Messenger App will be integrated with a payment solution.

ANALYSTS HAVE PREDICTED THAT THE INSTALLED BASE FOR INTERNET OF THINGS DEVICES WILL GROW FROM AROUND 10 BILLION CONNECTED DEVICES TODAY TO AS MANY AS 30 BILLION DEVICES BY 2020—AN UPTICK OF ABOUT 3 BILLION NEW DEVICES PER YEAR.

FROM AROUND
10 BILLION
TO AS MANY AS
30 BILLION

McKinsey & Company, The Internet of Things: Sizing up the opportunity, Nov 2014

CUSTOMISATION IS GOING MAINSTREAM

Mass Personalisation

WHAT IS IT?

Customisation is going mainstream. 2015 will be the year of *Mass Personalisation*, when personalisation becomes the norm. From insurance policies to cars and technology, it's now becoming a standard consumer expectation that products and communication should be tailored to their individual needs and this will simply be best practice for brands who want to efficiently engage with their customers.

EVOLUTION

Personalised products and communications are clearly not new. However, the increasing volume of data available and advances in the understanding and interpretation of this data, driven by technology, have pushed personalisation into the mainstream and into the forefront of the conversation for 2015.

WHERE NEXT?

According to IBM, 90% of the data in the world that exists today was created in the last 2 years alone and this is increasing at an exponential rate. In 2015 and beyond, the increase in ecommerce channels and rise of new technologies, such as wearables, will bring us even more data that can be used to personalise offerings. Data and technology will keep working in tandem to self-propagate our ability to mass personalise.

Technology is also evolving to better decipher and analyse the array of signals that we give off to influence the points at which we touch a brand's message. The level of personalisation available will be upped at all stages of the purchase journey, whether it be via targeting that initial consumer, through communications or reflected in the final product itself. We are already starting to see how advertising can be tailored using variations of content, language and pointers, via existing technology. Tesco's facial recognition enabled self-checkouts, analyse a customer's features and determine their age and gender to beam suitable ads on screen as they checkout. Also utilising demographic information to categorise viewers, Sky AdSmart allows different ads to be shown to different households depending on which category and life-stage they belong to. iBeacons and Path Intelligence track a user's movements to recommend nearby products and optimal visual merchandising locations in store. Further along the line, advances in technology such as 3D printing will also enable us a renewed focus on personalising the finished product on a mass level.

IMPLICATIONS FOR BRANDS

Mass personalisation will evolve to encompass all facets of our interaction with brands. This will provide challenges for brands, but also many opportunities for the ones that get it right. Brands can be the facilitators that allow consumers to get things on their own terms, when and how they want them.

There will be touch-points for personalisation throughout the purchase journey. The buying process will be much more straightforward and streamlined, saving time and stress and the end product will ultimately be something the consumer deems individual to them. Customisation to this level will mean that brands will be able to develop a much more personal relationship and emotional bond with their customers. To achieve this, brands not only need to ensure that their product range recognises their customers as individuals but also must make the most of the personalised forms of targeting and communication in order to entice and retain that consumer along the way.

With this advancing concept of mass personalisation, questions are raised. There are the already apparent and obvious conversations around data privacy to be had. There is already consumer resistance to brands knowing this much about them. What will consumers expect in exchange for their data - is personalisation enough? Which companies will consumers give their data to? The select few that own the data will be the ones that own the power to personalise and this may come at a hefty price for others. The brand landscape could change dramatically. Plus, from a consumer perspective, in a world where everything is personalised, from content through to product offerings, how do we keep a broad perspective on the world and avoid looking at things from an insular point of view? Brands will need the right judgement to know when and how to offer this balance. Mass personalisation feels like a game changer for 2015 and beyond.

SEE IT IN ACTION



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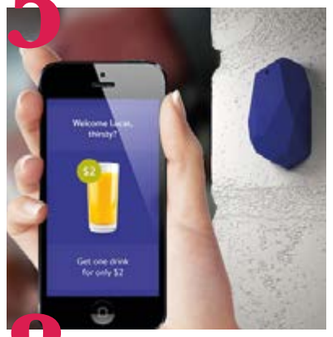
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1: Tesco Facial Recognition
The installation of video screens at Tesco's checkouts, assisted by facial recognition technology, aims to identify a customer's age and gender so that tailored advertisements can be beamed on-screen.

2: Personalised Newspapers
Paperlater is a service which allows customers to formulate their own newspaper by choosing particular articles online, which are then consolidated, printed and delivered to them.

3: Sky AdSmart
Sky AdSmart allows different adverts to be shown to different households watching the same programme through factors like age, location and life-stage, derived from a combination of Sky customer data and consumer profiler experts such as Experian.

4: Facebook Atlas
Facebook has relaunched Atlas, which gives brands the ability to track and address users via their

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Facebook user IDs, giving richer insight to cross device usage to avoid duplication.

5: iBeacon
iBeacons are transmitters that can communicate with and notify iOS devices of their presence, presenting brands with opportunities for location targeting.

6: Google Now
Google Now connects together past search activities with a user's current location, by sending out unprompted "why not buy now" nudges when in proximity to a store that stocks what you have been searching for previously.

7: Synqera
Synqera is a cashier platform for highly targeted product offering, using facial recognition technology to offer discounts and promotions based on a customer's perceived identity and current emotions.

8: Mygaze, Google
Google aims to identify and understand human emotional responses to stimuli based on bodily reactions and signals, specifically by tracking peripheral and gaze interactions.

9: Music Intelligence
Intelligence collecting company Echo Nest automatically envisages what consumers will want to listen to next in calibrating playlists and online radio stations.

Customisation has to be consumer-led. Simply giving people more preset options doesn't suffice, consumers expect to have a hand in the process.

Mintel, Make It Mine, Nov 2014

LOCAL

In the next 12 months, everything that you see or experience locally is going to start getting much more relevant and personal to you.

'Hyper-local' is the buzz word which has been at the forefront of future-gazing for local media, and it fits perfectly into this trend of mass personalisation. Technology can now pinpoint a user's location very accurately, resulting in the emergence of a whole host of hyper-local, high and low-tech solutions. For example, Stormtag is a way of getting a hyper-local weather forecast down to postcode level; similarly Trashswag shows people where there is potentially precious free booty sitting outside people's houses, no longer wanted.

Mass personalisation on a local level is also shaking up social networking. We're now moving from Facebook as the ubiquitous way of keeping in touch via social media, to networks which are increasingly tailored to age groups, location, hobbies and lifestyles and, as such, are now much more relevant to people on an individual level. A great example of this is Smilemom – an app that allows mums to keep in touch with those who have children in their immediate locale, enabling them to upload images and information about their children, to a trusted local network.

TV

With virtually limitless content available to viewers, choice paralysis is a big risk. There's just too many things to process; it's all got far too complicated for comfort. Mass personalisation TV based technology however, is creating as opportunity for consumers and brands alike to cut through today's information overload faster, and with more satisfying results. TiVo and Netflix have been at the forefront of this area for a while, with Aggregators like TankTopTV and UTelly the new opportunity for 2015.

These aggregators aim to supersede your EPG, TIVO library, broadcaster VOD libraries etc. by aggregating all your video entertainment into one space - UTelly even replaces your remote control as an app that aggregates your content and controls your TV set. Each has its own way of prioritising what content you see, their own algorithms, their own filter bubble. And by surfacing and prioritising all your content they should to be able to provide great recommendations for other things you will like.

Aggregator services such as these may well represent a watershed moment, breaking down the barriers to allow viewers to start with what they want to watch, not "what's on?" or "which service?" Enders' are predicting that linear and PVR TV will

represent 75% of total video viewing in 2020 (it was 91% in 2013 and will be 88% by the end of this year), but this may be conservative. We believe by 2020, viewers could be using aggregators to genuinely create their own schedules. Of course this trend all depends on how easy the experience is made for the user: if it's not effortless viewers will revert to the status quo, relying on broadcasters to be the aggregators, using "what's on" as a heuristic for "what's good".

NEWS AND PUBLISHING

In 2015 mass personalisation will drive news and content creation like never before, as publishers take advantage of increasingly sophisticated tools to understand and optimise consumption habits and data, and ensure that the huge array of content that is written every day is given the chance to surface. A leading proponent of this approach is The Guardian which has been using their "attention data" tool Ophan, to track rising stories and help journalists, editors and developers understand in real-time where the audience is and what they are interested in reading about – then optimising their content accordingly.

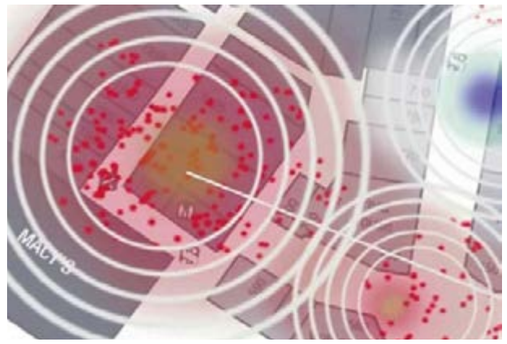
The impact of this approach is unprecedented; data changes the course of journalism and dictates the content creation business. Be it long form copy, video or other, publisher output is influenced by data insight and personalised exclusively to the user. The data insight is consumer behaviour, so rather unwittingly the user will end up dictating the content produced.

Readers can now pick and choose what they consume, only engaging with content that they have a keen interest in. Ultimately this will have a profound impact on the industry because it makes publishing a market for specialists, not generalists.

70%

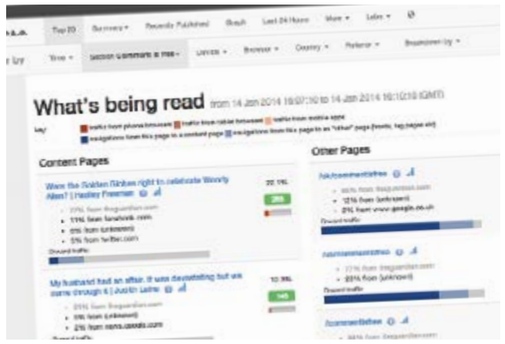
70 PERCENT OF THE LARGEST SEGMENT OF ONLINE CONSUMERS SAID THAT A PERSONALISED SHOPPING EXPERIENCE WOULD LEAD THEM TO INCREASE THEIR PURCHASES

Cisco



PATH INTELLIGENCE

Path intelligence tracks signals from shoppers phones in stores and uses this data to help companies make informed decisions, such as optimal positions to locate advertisements and anything which may be negatively effecting a customers experience.



OPHAN

Ophan is The Guardian's in-house feedback tool that tracks all of the traffic on the website, giving unprecedented, real time access to data such as how traffic through to particular articles and tweets have changed over time, or the effect of promotions.

By 2018, Gartner predicts that B2B firms with effective personalisation will outsell their competitors without this capability by 30%.

Gartner

A PICTURE SAYS A THOUSAND WORDS

Picture This

WHAT IS IT?

Vision is the most developed and utilised sense among humans with the brain capable of processing images 60,000x faster than text. The rise of a visual culture is taking over, with consumers now using their sense of sight to feel the world around them like never before. From emojis, through to Pinterest, through to data visualisations, images are the universal language that can transmit feelings and emotions fast.

EVOLUTION

The popularity of multiscreen innovations and mobile technology has accelerated the Picture This trend, driven by the real-time interactive visual content that allows for an immersive experience while on-the-go. From our leisure activities to our consumption behaviour, the digital revolution has transformed our ability to capture high-quality images and video whenever and wherever we find ourselves.

Smarter devices are allowing ever increasing opportunities for people to create and consume visual content, whilst social media is encouraging content sharing everywhere. And as we share more, as screens get smaller and the resolution gets higher, the content itself has evolved. “Blogs were one of the earliest forms of social networking where people were writing 1,000 words,” says Dr. William J. Ward, Social Media professor at Syracuse University. “When we moved to status updates on Facebook, our posts became shorter. Then micro-blogs like Twitter came along and shortened our updates to 140 characters. Now we are even skipping words altogether and moving towards more visual communication with social-sharing sites like Pinterest”.

The rise of infographics is another manifestation of the Picture This trend. Overwhelmed by the volume of data and information available people are embracing tools that create simple, intelligent visualisations. The infographic boom is rapidly becoming the language of internet and a language being spoken by developers, statisticians, scientists and everyone. Infographics are no longer the preserve of designers, it seems. We all have access to free tools that can help us create complex data visualisations simply and easily for ourselves.

WHERE NEXT?

With increasing demands on our time and concentration levels, people are seeking new, simpler, more visually led tools to help them manage and navigate the world. Expect fewer words and many more images in 2015 to help cut through clutter with speed and efficiency.

This increased focus on visual imagery is helping make digital communication in particular that bit more human. Emoticons, emoji and stickers, for example not only help us describe an emotional experience or state of mind quickly, they can also affect the actual emotions that the receiver is feeling – with this emotional contagion leading to greater social intimacy and stronger emotional response.

Increasingly sentences are going to get shorter and visual symbols will be used instead. They will fill in the gaps with a richness of communication that words simply could not achieve within the same processing time. From social networks such as Beamit which replaces text with photos, through to LevelMoney the mobile money monitoring app.

IMPACT FOR BRANDS

Brands will need to recognise that functionality is no longer enough – whether in terms of the product itself, or the way it is communicated - there will be a growing emphasis to create beautiful designs and use visual interaction wherever they can, to meet the requirements of their more aesthetically demanding customers. The look and feel of everything are now the most important factors in a brand’s expression of quality.

SEE IT IN ACTION

1



1: Tunepics
A photo app that allows you to pair a picture with music from iTunes.

2



2: Emoji and Emoticons
Widespread use of emoticons, emoji and stickers, not only help us describe an emotional experience or state of mind quickly, but can also affect the actual emotions that the receiver is feeling – with this emotional contagion leading to greater social intimacy and stronger emotional response.

3



3: Infographics
Infographics are also being used more extensively to visualise and present data, enhancing our understanding of the data by presenting them in quirky, meaningful ways.

SEARCH

As 4G and better mobile browsing establishes itself we expect video and image based content to continue to engage users and hence perform well in search. We also expect that integrated data feeds through schema and APIs will encourage various forms of data visualisations in search results especially around Google's knowledge graph.

BOOKS

Spritz took the publishing world by storm earlier on this year, revolutionising the way that we read. It took the trend of speed reading and reformatted it for reading content, one word flashing at you at a time, at your preferred speed, enabling you to process content up to 25% faster than traditional reading. With smartwatches and other wearable tech soon to become staple consumer products, developers are increasingly being challenged to design smaller and smaller interfaces, affecting how we access our content.

SOCIAL

With the likes of Instagram and Hipstamatic going all retro on us, are we going to see a full circle back to polaroid pics in 2015? Could Apple even develop technology that will allow this approach to work with tablets/iPads?

It's been in the pipeline for a couple of years, and is finally available for pre order on Amazon, Polaroid's Instagram-style camera — the Socialmatic snapper - is an early manifestation of this trend. The device can instantly create prints of your photos, just like traditional Polaroid cameras, as well as upload any images to the social network of your choice.



SPRITZ

Spritz has been designed to enhance reading speeds, allowing users to read books at 1000 words per minute. The app can interact with various operating systems and wearables.



POLAROID SOCIAMATIC CAMERA

Polaroid Socialmatic combines the nostalgic appeal of vintage Polaroid instant print cameras with the ability to share photos on social networks using the camera's built-in Wi-Fi and Android interface.

94%

VISUALS GET 94% MORE VIEWS THAN TEXT-BASED INFORMATION

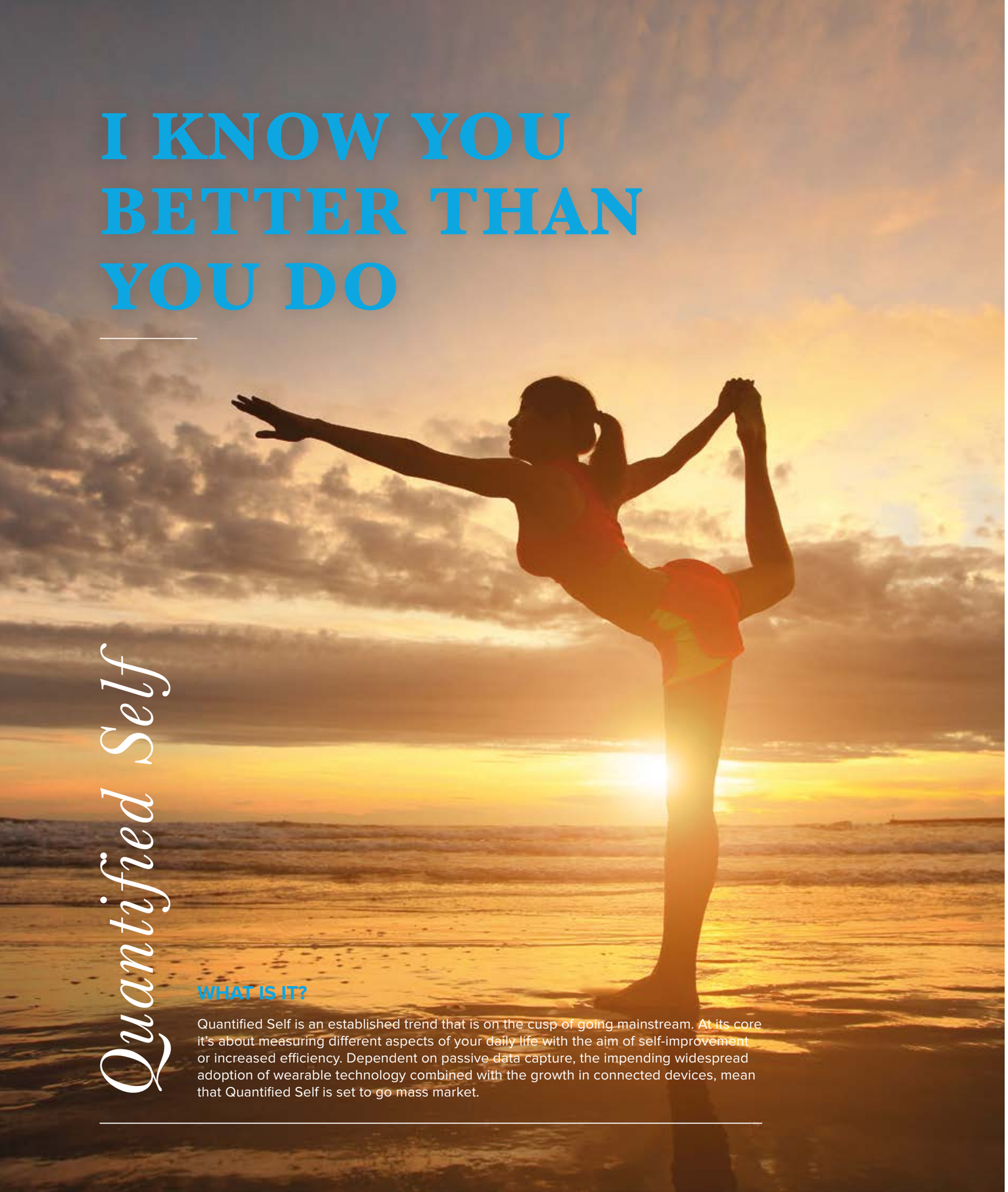
INFOGRAPHICS INCREASE WEB TRAFFIC BY AN AVERAGE OF 12%

HUMAN BRAINS PROCESS VISUAL INFORMATION 60,000X FASTER THAN TEXT

60,000x

VISUALS INCREASE RETENTION BY 42%

Ekaterina Walter, Jessica Gioglio (Authors of The Power of Visual Storytelling: How to Use Visuals, Videos, and Social Media to Market Your Brand.)



I KNOW YOU BETTER THAN YOU DO

Quantified Self

WHAT IS IT?

Quantified Self is an established trend that is on the cusp of going mainstream. At its core it's about measuring different aspects of your daily life with the aim of self-improvement or increased efficiency. Dependent on passive data capture, the impending widespread adoption of wearable technology combined with the growth in connected devices, mean that Quantified Self is set to go mass market.

EVOLUTION

While its origins can be traced back to early digital pioneers in the 70s, the Quantified Self trend has really started to grow with the advent of fitness tracking wristbands such as Nike Fuelband, Fitbit and Jawbone. To date, its focus has predominantly been on measuring exercise performance and some biometric information such as heart rates.

WHERE NEXT?

With the launch in 2014 of Android Wear and Apple Watch, the smartwatch category has started to come of age and this will expand the concept of Quantified Self beyond simply health and well being. Interaction between wearables and other connected devices from cars to thermostats (e.g. Nest) and home security systems means that the ability to monitor and measure different aspects of your life will extend beyond fitness tracking.

We will also see a range of other types of wearables appear for specific needs, from wearable fabrics that monitor sweat and heart rate to understand your mood and overall health, to connected contact lenses for diabetes sufferers, to connected jewellery that act as a mobile payments mechanism or security passes.

Currently interpretation of the captured data is largely left to the user to make their own conclusions. But the natural evolution of Quantified Self is the application of machine learning and artificial intelligence to make sense of the data collected and make recommendations to the user. In the long term, the Quantified Self trend may morph into a new trend of 'algorithmic discretion' as digital assistants powered by artificial intelligence capture personal data through wearables and make suggestions or decisions on behalf of the user.

We can also start to see a trajectory from mobile and wearable, to 'hearable' and perhaps one day 'implantable'. As smart watches bring access to digital information and connectivity closer to the user, the next step will be to strip back the physical hardware as far as possible. Responding to voice commands, we can expect a digital assistant to deliver intuitive suggestions and recommendations in-ear while delivering any visual information on accompanying screens (initially the mobile, but in the longer term a heads up display, Google Glass or perhaps connected contact lenses).

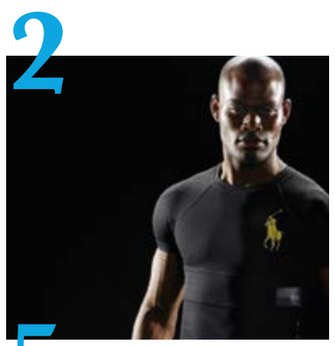
IMPLICATIONS FOR BRANDS

Some brands may be able to create their own tech hardware to fit specific need states (as we have seen with Nike Fuel band), but increasingly brands will build onto existing platforms and offer services or forms of utility that interact with a range of connected devices. These are likely to be services that either help capture new forms of data or generate value for the user through interpretation of existing data.

Finally, big opportunities will exist for brands that can access this data to gain deeper understanding of their consumers and their needs.

SEE IT IN ACTION

























1; Google Cardboard
A DIY kit consisting of a cardboard frame, a magnet, lenses, rubber bands and velcro that allows for a virtual reality experience when paired with a smartphone.

2: Ralph Lauren Polo Tech
A compression shirt that has sensors designed to monitor the wearer's heart rate, stress levels and movement. It is linked to a smartphone app which recommends optimal adjustments to the workout, such as for the user to breathe more deeply or push harder.

3: Nixe
Nixie is a quadcopter drone. Worn like a bracelet, it can be sent off at the flick of a wrist to take photographs or videos before returning.

4: Google Glass
Glass is smart eyewear that allows users to search, take photos and videos, message, receive notifications, use apps and more in the present moment.

5: T.jacket
A vest that provides deep touch pressure to wearers, T.Jacket simulates the feeling of a hug with laterally applied air pressure to calm, comfort and soothe the nerves of anyone who is stressed or anxious.

6: Tactilu
A bracelet for remote tactile communication, allowing users to transmit to each other the sense of touch.

7: Myo Motion Bracelet
A bracelet which allows gesture control by tracking both your hand and arm motions, then lets wearers use those gestures to control virtually anything on your desktop, laptop or smartphone.

8: Hooke
Bluetooth-enabled, Hooke is a pair of headphones that lets users listen to their favourite music in 3D stereo sound, also integrating with social networks via the user's smartphone.

9: Olive Stress Control Bracelet
Olive is a bracelet that gives wearers insight into and notifies them about the times users are stressed, what triggers stress and how it can be managed. It does so by tracking the user's heart rate, body motion, skin temperature and conductance.

10: Fitbit
Wireless-enabled activity trackers that measure data such as a user's weight, food intake, quality of sleep, the number of steps walked, and other personal metrics.

11: HereO, GPS Tracking Watch
The hereO watch is the smallest GPS-tracking device available, engineered to fit a child's wrist. Family members can share locations by simply running the app or broadcasting a check-in into a specific location.

12: MOTA Smart Ring
The MOTA Smart Ring allows wearers to be updated with vibrations about social media and text/call notifications in real time. Users are able to scroll from screen to screen of the various platforms and applications, such as Instagram, Facebook, Twitter, meeting notifications or text messages.

Wearable tech is not a niche play; it's a broad, industry-wide phenomenon impacting everything.

Michael Becker, Mobile Marketing Association

70% OF CONSUMERS ARE ALREADY AWARE OF "WEARABLES," AND ABOUT ONE IN SIX (15%) OF THEM CURRENTLY USE WEARABLE TECH—SUCH AS SMART WATCHES AND FITNESS BANDS—IN THEIR DAILY LIVES."

Nielsen, 2014

MOBILE

Several signs, not least a loss of developer interest, indicate that the writing might be on the wall for Google's Glass project. Despite promising early progression and deals with leading fashion retailers, the product has still failed to generate mass appeal. However, a rumoured redesign of the glass product, including a replacement of the Texas instruments chipset with tech from Intel might breathe fresh life into Glass.

The announcement of the Apple watch (and its scheduled launch in January 2015) and the successful launch of the Moto 360 have further complicated matters for Glass. These smart watches have taken the first steps towards creating fashionable wearable tech.

Developers are already working on releasing Apps for both watches, and with Facebook, Twitter and Pinterest among the list of launch partners of the Apple Watch, it's likely that advertising will come to your wrist in early 2015.

TV

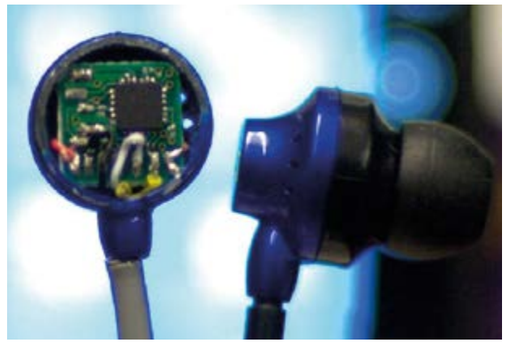
Could wearable tech be the key to the perennial TV problem of household vs individual targeting in 2015? Or will it be Kinect which makes use of facial recognition technology to know exactly who's in the room? Could wearable tech even open up more recommendation options measuring biometric indicators of mood to recommend the perfect content for you at that time?

RADIO

Modern life demands us to continuously enrich and improve our everyday health and wellness, and to do so in a non-invasive way without drastically changing our lifestyles would be ideal. Such is Septimu's ethos. Septimu, a Microsoft research project into wearables, are earbud headphones integrated with internal measurement units that can sense your mood, posture and exercise activity. This form of recombinant innovation, merging the most widely used mobile accessory with sensors to pick up on key bodily indicators, takes standard earbuds to a new level. Its main music application, Music Heart, senses the wearer's mood in real-time and recommends a song best suited to remedy the wearer's predicament – faced with a stressful commute, for example, Septimu will tailor a response to your rising heartbeat accordingly and soothe you with relaxing or calming songs.

6.1M TO HAVE WEARABLES IN 2015

YouGov



SEPTIMU HEADPHONES

Microsoft researchers are developing headphones that toggle songs depending on the user's mood by measuring their heart rate, temperature and biorhythms.

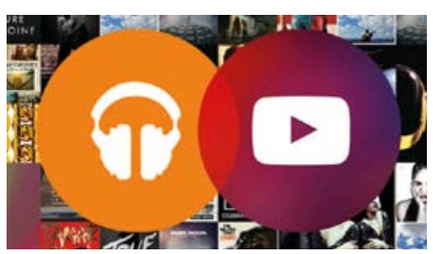
Wearable device penetration will more than double over the next year from 6% to 13%

YouGov

2015: QUICK PICKS

We'll leave you with some of our future_medialab thoughts, quick picks and predictions by channel for 2015.

MUSIC/RADIO



2015 looks like it will finally be the year of the connected listener. Listening to the radio via an app or online is in massive growth, enabling radio media owners to target ads that are specifically tailored to the individual listener. These will offer little to no wastage and a much more robust way to track engagement.

YouTube's Music Key system - currently in Beta testing - combining YouTube and Play has been described as "the most complete music offering on Planet Earth".

NEWS AND PUBLISHING



Personalisation in news & publishing is already growing and will be massive in 2015. Data will drive news and content creation like never before as publishers take advantage of ever-more sophisticated tools to understand and optimise consumption habits.

Readers can now pick and choose what they consume, only engaging with content that they have a keen interest in. This will have a profound impact on the industry making publishing a market for specialists, not generalists.

TV/VIDEO



In addition to hundreds of TV channels in most households, the online video world is seeing a huge explosion in suppliers – it's not just the big three broadcasters' VOD offerings adding to the choice of video to watch with bigger archives and longer catch up windows, it's high-quality long and short form content from the likes of ViceNews that are adding to the choice in video content available to all. All this will mean choice - and choice paralysis for the average consumer.

With virtually limitless content to select from these days, Video Aggregators are coming to the fore - aiming to supersede the EPG, TIVO library, broadcaster VOD libraries etc. by aggregating all your video entertainment into one space.

LOCAL

As local media continues to evolve at a rapid pace and begins to intrinsically underpin behaviour of brands across sectors in many channels, the ability to make communications super-personal can only grow. Data equals sophistication and it will mean that advertisers will constantly improve their understanding of what consumers expect to see. Within five years it's entirely plausible that nothing digital that we see on our daily commute, car journey or walk home will be anything other than what we've told advertisers that we want to see through the constant supply of data we're providing already.

Although iBeacons have been around for a while, uptake has up until now been slow. However a new wave of companies are now able to utilise iBeacons via an integration with Apple's Passbook. Content disseminated via a brand's owned or paid media can link to a Passbook coupon and when the customer visits a predefined location such as a shop, restaurant or stadium, the Passbook pass will interact with iBeacons and the customer can be "breadcrumbed" from location to location.

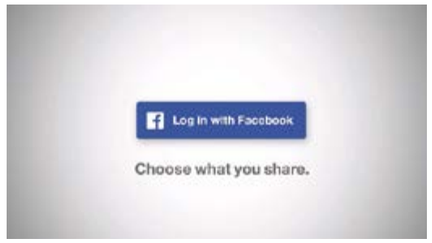
GAMING



The hype around VR headsets started in the early months of 2014 when Facebook bought the virtual reality start-up Oculus VR, with Mark Zuckerberg describing Oculus Rift as “one of the most important computing platforms”. This purchase caused other companies to create their own versions including Sony with Project Morpheus, and Samsung with Gear VR. Then of course there is Google cardboard – proving that all you need to do is, ”get it, fold it and look inside to enter the world of Cardboard.”

Virtual Reality reaches a tipping point with the arrival of VR headsets on the market, at an obtainable cost – this development has the potential to radically change how we play games in the future.

DATA



The likes of Google, Amazon, Facebook and Apple are diversifying through acquisitions and new product developments to try and get as much of a ‘one customer view’ as possible. Their success will depend, as always, on consumer uptake of the various services. How comfortable will people genuinely feel about relying on, and giving so much of their data, to one organisation?

Social logins on the rise, enabling Google and Facebook to track and target consumers across device and platform.

SEARCH



In 2015 art and science will need to work in unison to create great overall experiences. This can only be achieved if the role of searchable content is at the heart of planning and strategy – and is not considered as an afterthought.

Personalised mobile experiences, particularly relating to local search.

MOBILE



With the announcement of Apple Pay, Apple has effectively walked into a multi-billion dollar race late and leapfrogged ahead of Paypal, Visa, Google, Square et all – who have been promising the advent of smart wallets for years, but have never delivered.

Mobile devices will shape the stores of tomorrow and become the primary channel for communicating and engaging with the Agile Consumer.

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MINDSHARE	CES Conference 2015	Carlos Fitzpatrick	09/01/2015

The Consumer Electronics Show (CES) in Las Vegas is the biggest innovation show in the world. Mindshare has walked the halls to curate for you the best in show:

Everything is connected & everything is converging

If you thought the Internet of Things (IoT) was just about watches, fitness devices, and the odd fridge and washing machine, think again. Nearly every single device on show was a connected device, whether a car, phone, TV, home security system, clothing, robot, drone or pretty much anything else you can dream up. There is of course a need for standardisation as things go forward. Put simply, my LG washing machine should be able to talk to my Samsung dryer. The key question is, whether there is a need for regulation, or at least a meeting of minds amongst the competitions ecosystems (Apple, Google, Microsoft et al)? If you are interested in the IoT then check out Mindshare's Life+ unit which has been set up to explore the opportunity for brands in this space (AdAge Article)

Emergence of new sensory languages

While the mobile phone and cloud services remain at the heart of consumer experiences, there's an emergence of increasingly intuitive devices that enable all sorts of new interactions with personal data and content. It's more than just watches and trackers with touch capability; now it's gesture control, eye and face tracking and ear muscle control, to name just a few. The significance of this is hard to predict. However, think of it like this - as the world becomes more connected, consumers will adapt imaginatively with how they consume content, make choices, select and respond to communications and notifications from their life-systems, without always reaching to their pocket for their phones first. Goodbye to an 'eyes-down at screen' society.

Time for a power up

Historically, power and charging has had a lack of innovation. The elephant in the room is the need to eliminate monster power cords and develop much longer battery life across the board - even just more charging spaces would be a move forward, particularly as we switch to the mobile Internet. This year, there was certainly chat and promises surrounding the ability to charge phones in ninety seconds in the future. The automotive sector has already come on leaps and bounds with use of electric power. Watch this space as we predict welcome news in the future.

Democratization of health data set to empower medical relationships

Health, fitness and sports tracking has come of age at CES this year. But it is the sensor accuracy, data quality capture and communication that really promises consumers a reinvigorated relationship with the medical community – the combination of holistic health sensor-driven ecosystems that help your heart, lungs and any other organ live well and personal DNA capture, storage and tracking, promises the potential to predict illness before you suffer. This really is the tip of the iceberg, but also the moment consumers can begin take control and be more informed of their true wellbeing, so they can demand the best from medical services wherever they are in the world.

Audio gets HD and innovation treatment

Not so much a trend as a resurgence of an existing technology. There was a massive amount of audio related devices on show - speakers came in every shape and size, could float in the air, were connected and could be played under water. Services like Tadal and devices like PONO along with Sony debuting their hi-res music players and the world's first hi-res audio compatible TV, taking sound to the next level. The importance of audio in the marketing mix is often overlooked, but it is an area that is seeing great innovation and is why Mindshare partnered with Shazam to launch Audio+ (NYT Article)

Cars, Cars, Cars

The cars are usually confined to the North Hall at CES, where you find everyone from Audi to Volkswagen demonstrating clean, driverless concept cars. But this year, the central hall dominated by the big electronics companies like Sony, LG and Panasonic was almost as good a destination for petrol (or electricity as they might soon be know) heads. The connected, gesture controlled car is definitely here and brands should be planning how to be part of the revolution. Other car themes included automated driving, fast charging electric and hydrogen fuel powered vehicles


POV
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MINDSHARE

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MINDSHARE POV

2014 / 2015

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We've collected a whole year of Mindshare 'Point of View' articles together to give you a complete picture of how the industry has developed in 2014.

All POVs are written 'in the moment' (we start with January and go through to November) and were correct at time of writing.

You'll also find some trends to look out for in 2015 that we think will matter to your business.

TRENDS 2015

JANUARY 2014
Google+ Ads
Google Buys Nest
Facebook
Trending Articles
Facebook
Quarterly Results
Facebook Kills Sponsored Stories

FEBRUARY 2014
Facebook Paper
Google EU Antitrust Case – 3rd Proposal
Mobile Internet Becomes Dominant
Facebook Buys WhatsApp
Mobile World Congress 2014 Summary

MARCH 2014
SXSW 2014 Preview
Facebook Video Ad Units
YouTube TrueView
Ad Formats

APRIL 2014
Display Viewability
Game Developers Conference
Microsoft Goes mobile
Oculus Rift
Google Secure Search – 'Not Provided'
New Features for Google Adwords
Facebook Audience Network

MAY 2014
Amazon AND Twitter Launch #AmazonCart
Facebook Launches Audience Insights
Apple Buys Beats

JUNE 2014
Google Watch
Amazon Fire Phone
LinkedIn Upgrades Search Platform

JULY 2014
Facebook's 'Buy Now' Functionality
Google Android Everywhere
Twitter Promotes Organic Reach
Facebook's LiveRail Acquisition

AUGUST 2014
Amazon Ad Buying
Instagram Ad Program
Twitter's Objective Based Campaigns
Amazon Acquires Twitch
Facebook's Genuine Fan Policy

SEPTEMBER 2014
Facebook Bandwidth Targeting
Apple Dazzles Again
eBay Mobile Ads
Video views: Facebook vs. YouTube

OCTOBER 2014
Launch of Ello - ad free, private social network
Facebook Atlas Relaunch
Snapchat Advertising
Twitter Ad Control

NOVEMBER 2014
Web Summit
Yahoo Acquires BrightRoll
Facebook @ Work
Yahoo and Firefox Partnership

THANK YOU

TRENDS

2015

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1. Goodbye big data, hello big analytics – Most businesses now have the data and the battle is on to apply that data in meaningful ways to marketing. We will definitely see the rise of 'big analytics' and adaptive marketing in 2015.

2. iMe – The wearable technology revolution has started already, but the introduction of Apple Watch in March is set to change the paradigm for wearable tech and take it to the masses. The Third Wave of digital advertising has begun – the Internet of Things.

3. Collaborative creativity – We don't live in a binary world and the narrative of 2015 will not be data vs. creativity, but how to be creative with data. That means a new era of collaboration will emerge, with multiple agencies – media, creative, digital and PR - partnering to deliver results. Media will sit at the heart of this.

4. Brands will save the world – We have already moved from disruption advertising to engagement advertising, now enter activism advertising as brands step in to fill the gaps in public spending left by belt-tightening governments. Whether enabling communities in the developing world to improve basic services, or helping those in the first to make a difference globally, brands will be at the forefront of providing utility and platforms for change.

5. The rich go (more) ad-free and the poor bundle – Global economic pressures create a two-tier media world. The wealthy spend more of their media time in ad-free gated communities like Netflix, whilst those looking to economise bundle.

6. Amazon comes into its Prime - Amazon launched its ad network in 2014, but 2015 will see it fighting Facebook for who can better predict consumer buying behaviour.

7. Subscription rules – The subscription model moves from media into the wider world as we adapt to the idea of small continuous payment over 'pay to own' models. Sprint operates an 'iPhone for Life' plan by leasing the latest phone from the company as opposed to buying it. This model will grow and Gartner predicts that by 2015, 35% of Global 2000 companies with non-media digital products will generate up to 10% of their revenue from recurring models.

8. Altered expectations – Our expectation of speed and ease is growing and we now demand 'better and faster'. Uber is an instant cab; Tinder is an instant relationship; in France you can pre-order your McDonald's (Gomcdo.fr) and Awear solutions is inserting RFID tags into clothes to allow people to scan others and then buy their clothes. 2015 will also see the 'Uberfication' of everything.

9. Consumer-to-business and consumer-to-consumer trading – Whether data or other owned assets, privacy is shifting from being a concern to being a commodity to trade. CitizenMe is a user-controlled data-exchange based on your social platform use. FOAP allows you to sell your camera phone pictures to companies and Roost allows you to rent out unwanted space for storage to other people. New platforms are appearing all the time enabling this P2P economy.

10. There will be more than ten trends – Ten is a nice round number, but 2015 will bring more than this: Programmatic will become a storytelling medium; A big brand will finally launch something on mobile first; Contactless marketing will take off; Discount shopping will continue to thrive; Online and offline shopping will blend, with physical stores mimicking the 'no staff contact' appeal of digital; People will 'treasure' more – its not about price, its about value; Predictive assistants will begin to appear, showing you want you want before you even ask for it…But whatever 2015 brings, Mindshare will be there to help you make sense of it all and more importantly, take competitive advantage.



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GOOGLE+ ADS

ELDAD SOTNICK-YOGEV

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Background
Google+ post ads, like ads on other social networks, are a method to talk with consumers in a more personal and authentic manner. Like Facebook advertising, Google+ post ads are an attempt to build visible conversations and earned media. However, Google+ post ads have a clear difference as they do not sit within the Google+ social network itself. Instead they connect across the two million Web sites that are part of the Google Display Network.

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Implications
Toyota, Ritz Crackers and Cadbury UK (the first to gain access) are banking on the opportunity to turn their content into conversations and push it out to a wider network than just those who are part of their Google+ profile. Google is promoting this as the ability to amplify your (Google+) content across the Web. Yet, at the same time, this will keep Google+ itself advertising free.

Three things to note:
Google is trying to make Google+ more visible and relevant to the wider public as the platform hasn't achieved the user base it has desired. Google+ has 300 million users – technically the 2nd largest social network – but arguably much of this has come from Google's single registration and login model. Advertisers gain the potential of more interactions with their Google+ content. This contains an extra benefit for advertisers using social extensions in their Google Adwords in search. This extension shows the number of followers underneath the ad, thus lending a social reinforcement to the brand (and ad).

The Google+ post ads are supposedly more interactive than traditional display ads, allowing one to “engage” with them by hovering a cursor over them for a couple seconds. This then allows you to leave comments or do other things like joining a Hangout.

Summary

Those brands using Google+ will gain more exposure to their content through the Google Display Network; Google gains more awareness of Google+ and its other features and consumers gain the ability to converse with brands across the different websites that they visit. However, even with this new ad format, it’s unclear whether it will be enough to change marketers historical perceptions of Google+ as a relatively sedate and secondary option to Facebook, not to mention Twitter, Pinterest, Instagram and many others in the crowded social space.

GOOGLE BUYS NEST

CIARAN NORRIS

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Background

Hot on the heels of the CES conference where hardware manufacturers showed their latest wares, Google has paid $3.2bn in cash for Nest Labs, the start-up making connected thermostats and smoke alarms.

Implications

Two former Apple engineers, one of whom had played a large part in the launch of both the iPod and iPhone, founded Nest Labs in 2010. The first product, released in 2011, was a connected thermostat that monitors energy use and 'learns' what people are using, thereby enabling it to maximise energy efficiency. The second Nest product, a smoke and carbon monoxide detector, was released in 2013: it can send alerts to your phone, can be switched off with a wave and when connected to a Nest thermostat can turn off heating if smoke or carbon monoxide is detected. Google had already invested in two of Nest's funding rounds, and had even launched its own energy monitor itself (the service was 'retired' in 2011). But this acquisition is about much more than energy, particularly given Google's recent purchase of Waze, which tracks traffic data, and its investment in Uber, which is likely to give it access to data about driving trends. As Google looks to move beyond its core offering from a search engine that reacts to queries, to 'Google Now', which aims to predict what people will want or need, having access to companies that create and log data about two of the places people spend most time (at home and in cars) makes perfect sense. Nest has been quick to say that privacy is a major concern and that its terms of service won't be changing (meaning Google

can't just suck this up), but it seems likely that at some point this sort of data will start powering Google services. As the Internet moves ever further away from its original home of PCs, into every device and object imaginable, owning a company that can make thermostats look as desirable as an iPad, could be very useful. However, Google's track record in branching out beyond search is mixed. Its entertainment streaming device, the Nexus Q, was a notable failure, while its new Chromecast product, which makes any TV 'smart', and costs just $35, looks much more promising. Plugging Nest into this mix makes Google potential 'frenemies' with the likes of LG and Samsung, which make heavy use of Android, but are increasingly pushing their own apps and services as they look to become synonymous with the connected home. At some level, this purchase is also about Apple.

Summary

Most of the big tech companies are trying to eke out a lead in the predicted Internet of Everything; by betting big on beautiful design, intelligent use of data and smart hardware, Google has clearly shown its interest. If it can find a way of pulling its now vast array of services and products together without whipping up privacy campaigners and scaring off customers, it could well get ahead in the game.

FACEBOOK TRENDING ARTICLES

VALENTINA PACHECO

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Background

Facebook has launched Trending Articles on its desktop platform across selected countries including the US, UK, Canada, India and Australia. The feature allows users to discover what topics are most popular within their Facebook newsfeed. It is similar to Twitter's trending hashtags, where users are able to see a list of the hottest topics everyone is talking about. Facebook's Trending Articles will appear in the top right hand corner of users' newsfeeds. The 'Trending' section will show a personalised and more detailed list of topics, each with a heading and a few lines explaining why the topic is popular. When clicked on, a separate feed opens showing articles, photos, videos, status updates from friends and public pages.

Implications

People from all over the world visit Facebook every day to express their thoughts, experiences and participate in discussions. It is also a source they use find out about the latest news, whether it involves their friends or the outside world. The social platform was motivated to add this feature after seeing traffic spikes amongst authentic topics of conversation such as 'Nelson Mandela', 'Golden Globe Awards', 'Polar Vortex' and '24' and it could bring advertisers closer to their audience in a real-time conversation space around cultural events and breaking news, which is where Twitter dominates. Nevertheless, Facebook could be seen as stepping on Twitter's toes with this move and with the previous roll out of hashtags on the Facebook platform back in June 2013. The only difference is that Facebook's trending

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seems to be personalised and helpful; whereas with Twitter's trends, it is sometimes difficult to understand what a trending topic is about. Facebook's Trending Articles gives the user better context to what is trending by having a description next to the topic. An advantage for Facebook is it can rely on its vast and well organised data on what people like and who they are close to, allowing Facebook to personalise based on trending topics across Facebook worldwide, as well as what peers are interested in. At present, traffic from Facebook to media sites has increased by over 170% throughout 2013. Facebook has not yet stated whether it is planning to sell sponsored trends like Twitter does. A Facebook spokesman said that if they do, the offering is expected to be different from Twitter's promoted trends. Moreover, the social giant's Trending Articles is a beta and is only appearing in 20 percent of its 1.2 billion users' pages in handpicked countries at present.

Summary

With this new feature, users will have a separate 'trending' news section added to their feeds, giving publishers more opportunity to get readership on their content. This means publishers can increase the efficiency behind targeting specific audience groups who 'share' and 'like' relevant stories that are culturally trending.

FACEBOOK QUARTERLY RESULTS

NORM JOHNSTON

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Background

It's been a tumultuous week in Silicon Valley. First, Apple reported disappointing results amidst lower than expected iPhone sales and growing impatience over its next big product. Second, Google raised the white flag on its $12.5bn Motorola acquisition, keeping the patents (perhaps always the main reason behind the purchase) while selling the rest to Lenovo for a bargain at $3bn. Today it was Facebook's turn to announce its 2013 Q4 earnings, and it didn't disappoint. Quarterly revenues were up 63% from last year driven by strong growth in mobile advertising. Overall in 2013 Facebook chalked up $7.9bn in revenue and $1.5bn in profit.

Implications

There has been much discussion on Facebook's repositioning as a reach proposition, rather than as a pure play social network. In other words, Facebook now sells advertising primarily on its ability to use its extensive scale and data to accurately target vast numbers of people around most of the world; this is in contrast to its historical sales pitch on building fan bases, engagement via newsfeed posts, and periodic paid ad boosts. While organic reach remains, it has diminished significantly simply due to more people and more content fighting for an increasingly small space on your mobile newsfeed. So the only way to guarantee what was previously free newsfeed reach is to buy Facebook ads or to create incredibly compelling content that satisfies Facebook's secretive and constantly evolving algorithm. There also remains a debate on whether teenagers are abandoning Facebook for other largely parental-free social networks like Snapchat. According to the Global Social Media Impact Study, Facebook is essentially dead to teens. While acknowledging

some decline in usage, Facebook deny any such mass teen exodus. In reality, nobody really knows but Facebook, although recent research from Pew and others suggests the answer may lie somewhere in between. Marketers need to rethink their overall user experience architecture. Based on your target audience, do you still want to drive people to Facebook from your TV ads, or will other destinations give you greater social bounce and engagement? Should Facebook be your main online content hub, or simply another distribution destination, supported by more cost-effective and integrated content management systems? If so what type of content best resonates on Facebook? As consumers, teens evolve their usage of Facebook, how will you evolve your efforts? Ultimately it boils down to what are you really trying to achieve? What do your customers really want? And is Facebook a good place to do it?

Summary

Facebook's quarterly results indicate that it continues to grow despite recent noise around declining organic reach and disappearing teens. Facebook enters 2014 as arguably the world's largest scaled online targeting opportunity across multiple markets, particularly in the mobile space, which now makes up over half of its total advertising business.

FACEBOOK KILLS SPONSORED STORIES

HECTOR NEIL-MEE

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Background

Last Thursday, Facebook announced the end of the sponsored stories ad format by April 9th. This comes as part of an effort announced in June last year to streamline Facebook's ad functions. Previously, sponsored stories and page post ads were served separately; however, in future the best of both formats will be combined into one single unit.

Implications

Sponsored stories has proved a problem for Facebook in the past, eventually leading to a $20 million class-action lawsuit over the fact that users never consented to their names and profile pictures being featured on stories. This may have induced the cut, but officially Facebook is saying this new ad format is simply a continued streamlining of its advertising offering.

In reality, not all that much is going to change. Wherever possible, ads will continue to include social context (your friend liked/commented on the post, or 'liked' the page), the only difference being that you will no longer be able to create an ad with social context as the sole purpose; content will have to take centre stage. Furthermore, users will be given full control over who sees what activity, with the ability to unlike or delete the content at any time. In addition, there will be the option to limit when stories about social actions are paired with ads shown to friends, using the 'ads and friends' setting.

As part of these changes, Facebook has redefined its targeting functions as having four key areas: locations, demographics, interests and behaviours. This creates more

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flexibility and precision when reaching audiences in terms of the ‘and/or’ logic between groups. Historically, for example, if you selected ‘Parents’, ‘Photography’ and ‘Photo uploader’ within interests, the audience constructed was for people that are parents or interested in photography or people who upload [many] photos. However, the intended audience was: ‘Parents that are interested in photography and upload photos”. Now, the specific audience can be targeted as intended.

Summary

The purging of sponsored stories comes as part of Facebook’s attempt to make advertising on its platform more streamlined and relevant. Brands will importantly still be able to maintain social context, but marketers will have to rely increasingly on content rather than using the sole power of friend advocacy.


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FACEBOOK PAPER

BRIONY O'CONNOR

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Background
Facebook has released the Paper App on iOS in the US offering 'beautiful storytelling from friends and the world.'

Implications
Paper is the first project to come out of the new Facebook Creative Labs. The app plays upon a growing need for highly customised personal content, within attractive and user friendly 'visual stories' (also very similar looking, perhaps intentionally, to Flipboard).

Consumers can now create high quality images and video on their phone, funk it up with Instagram or similar apps and share across their networks in an instant. With all the content 'noise' there is a growing desire among consumers to weed out irrelevant information and see only that content which interests them. The rising number of apps aiding this content discovery and curation (and the popularity of them) is testament to this trend: Pinterest, Tumblr, Flipboard, Zite and Foodspotting to name just a few, and they all have one thing in common - they are extremely visually focused. And so is Paper.

So could the more visually appealing Paper eventually take out the main Facebook app altogether? The new Paper format does include the majority of the most popular site features including friend requests, messages and notifications. And given the success of Paper in the US already - rising to number 4 within the App Store only hours after its release - it is definitely one to watch. There are currently no advertising opportunities available within the app as its initial focus is on

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the native user experience. The release of the app is however an interesting move from a company that has recently repositioned its advertising focus towards reach opportunities, rather than engagement, with the app seemingly encouraging much more of the latter. If the functionality remains the same once commercial opportunities are introduced it would suggest that any brands attempting to push out content through it will have to think about content quality, and how it will cater to individual needs and interests. If anything, it will put more of a focus upon how community managers consider speaking to consumers and the content that they produce for them for this platform.

Summary

Flipboard and others will be closely monitoring any progress to gauge the threat but it appears as though there is still a thirst within the market for such an app, despite the number in existence already. Community managers should consider longer-term content creation plans for brands.

GOOGLE EU ANTITRUST CASE – 3RD PROPOSAL

OLGA NELYUDOVA / TOM HAWKINS

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Background

EU regulators have been investigating Google's search business practices since 2010, after accusations leveled at the search company that it was favouring its own services and products by displaying them more prominently in the results page. The EU Commission and Google came to a consensus after the third proposal was submitted, addressing four areas of concern:

- Google favoring its own specialist search listings over competitors
- The use of content from competing specialist search services in Google SERPs
- Exclusivity of Google advertising on publisher's websites
- Migration of AdWords accounts to competitor platforms

Under the new proposal, Google will have to display three competitor results (including logos) alongside Google results, when using a specialised search product. Google will also remove the restrictions in place when migrating Google campaigns over to competitor platforms, such as Microsoft's' Bing. The proposals have come under fire from parties protesting against the fact the exact terms of the settlement will not be made public until the deal is finalised.

Implications

Google already displays competitor links within its listings, though the impact on Google's own specialist search products is unclear. The proposal also raises the issue of which three competitors will have their results displayed alongside Google's. Presumably this will be decided algorithmically,

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but will still leave a lot of competitors out in the cold. With up to 45% of overall organic traffic being generated through specialised search services (Google Places, Images, Shopping Feed), we could see click through rate (CTR) negatively impacted on those services as users are exposed to a wider range of results from a broader spectrum of services, all offering similar results. Consequently, advertisers should place greater emphasis on optimising their listings across all these services, not just Google, in order to remain visible and not decrease overall traffic volumes. There is no change to the current algorithm that determines where advertisers are placed on the paid search results page. However, the number of competitors in the specialist search product space (e.g. Product Listing Ads – PLAs) will increase, resulting in higher cost per clicks as more advertisers compete for less space. However, advertisers will be able to opt out from appearing in Google specialist services, without it impacting their natural search rankings.

Summary

Google's third proposal has not been accepted yet, with the Commission reviewing the complainants' commentary and feedback before deciding to make it legally binding. However, if implemented, this will be the biggest change to the Google SERPS in recent times. All future launches of Google's specialist search products will be subsequently monitored by the commission's trustee.

MOBILE INTERNET BECOMES DOMINANT

CIARAN NORRIS

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Background

Recent Nielsen figures suggest that mobile devices are now the single largest access point for the Internet. According to the report, US adults now spend 34 hours on the mobile Internet versus 27 hours on desktop devices. The report is in line with recent figures from Facebook and Twitter, services that now receive the majority of their users and traffic through mobile devices, but it is a significant tipping point nonetheless.

Implications

Whilst Americans still spend an incredible amount of time watching TV, in markets such as Australia mobile is soon likely to become the largest single media device by usage, at least amongst smartphone owners (who make up more than 70% of the population and are most attractive to most advertisers). The mobile Internet is very different to the desktop web we're used to: The majority of Internet access on mobile devices is spent on apps, and a majority of that on games and then social apps, many of them ad-free. The likelihood of one-size-fits-all properties like portals emerging on the mobile Internet seems unlikely, which changes the nature of reaching people using the net dramatically. Mobiles, or at least smartphones, are almost ubiquitous in their owners' daily lives and also have much more personalised services. The existence of the address book and camera roll means that it is much easier for services to get the sort of data it took Facebook years to build up. Targeting is going to change: cookies don't work on mobile, instead the unique ID is king – whether Facebook's or Google's or the mobile operators. On top of that, there's the

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fact that mobile devices actually carry and emit a multitude of other targeting signals.

Arguments that media dollars should shift to mobile because people spend so much time with them are simplistic. As an industry there is a need to prove the value of traditional display and video formats on mobile, particularly on smart phones. In addition, the mobile environment is highly personal, so the answer might not always be ads, but often might be branded apps or using mobile as connecting devices in trans-media campaigns. But, equally, doing nothing is simply not an option any more either and the clients that get on board now will be the ones that win in the long run.

Summary

The rapid spread and evolution of the mobile Internet since the release of the iPhone in 2007 has left many publishers, advertisers and agencies gasping. But this most recent data shows that now is definitely the time for clients to embrace the challenges and opportunities that mobility brings. As the computing power and capabilities of these devices continue to increase at the same time as prices come down (in the Android world at least), this shift is only going to speed up.

FACEBOOK BUYS WHATSAPP

CIARAN NORRIS

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Background
Facebook has bought mobile messaging service WhatsApp for around $19 billion just days after rival app Viber was bought for $900 million by Japanese tech company Rakuten. Though not widely known in the US, globally WhatsApp has over 450 million active users, a number it achieved in record time. The app allows people to send unlimited messages to other users for free.

Implications
WhatsApp was founded by two former Yahoo! engineers and has been built entirely on word of mouth and under the three guiding principles of: 'No Ads, No Games, No Gimmicks', differentiating it from rival services such as Line and WeChat, which rely on advertising or gaming and in-app purchases for revenue. Instead WhatsApp charges users $1 a year after the first year, which is free.

It is apparently profitable, because it has so few employees and saves on server costs by deleting messages once they have been sent. Like other messaging apps it also makes use of the simple interface with contacts on a phone, so that users can very quickly connect with all their friends, rather than having to build up a social graph. This is a very different strategy to Facebook, which relies on monetising user data through advertising. Facebook has said that it has no plans to change WhatsApp's model, and that the company will remain independent. One of WhatsApp's founders is also going to join Facebook's board. Much of the coverage of the acquisition will focus on whether Facebook will stick to this promise: Instagram was ad free when it was acquired,

though its founders hadn't been so vocal about not running advertising.

There are other ways that Facebook could build on its new acquisition's success to date other than ads. Its penetration is greatest in many markets Facebook has yet to conquer. The fact that it allows people to communicate via Wi-Fi means it has great appeal in developing markets where data charges can be expensive. Facebook should now be able to use that global popularity to continue to drive the growth of its core services. Facebook also has much more server capacity than WhatsApp has had to date, so it will be interesting to see whether the policy of deleting sent messages from its databases will continue, or whether Facebook will look to use that data to improve targeting on its ad-funded products.

Summary

On mobile devices, consumer attention is more fragmented than ever - as analyst Ben Thompson put it: "attention is a zero sum game; every minute spent in Snapchat or LINE or WhatsApp is a minute not spent in Twitter or Facebook or Instagram". As part of its new multi-app strategy (including Instagram and Paper) Facebook obviously decided it needed access to more of those minutes.

MOBILE WORLD CONGRESS 2014 SUMMARY

JEFF MALMAD

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Background
Mobile World Congress in Barcelona is the must attend mobile event of the year. Over 75,000 people attend to learn and experience what is on the horizon. Here are a few of the big trends from this year's show.

Implications
The Internet of Things was a major theme at CES 2014 and Barcelona reinforced this with a huge array of 'connected everything'.

Although this is a 'mobile' event, the smart phone and the tablet was not centre stage at many demos. Much of the messaging was around the connected home, the connected car and the connected life. Qualcomm showcased its connected home and AT&T showcased a connected city.

Emerging markets and inexpensive smartphones mean big growth opportunities for companies such as Nokia and Firefox. Parts of the world cannot afford high-end handsets, so manufactures are looking for big growth opportunities to bring in the masses at lower price points. These smartphones range in price from $25 - $80. This, coupled with the fact Mark Zuckerberg stated during his keynote that he wants to bring inexpensive data access to the masses via Internet.org sets the scene for a connected and smartphone powered world.

It's all about the data for companies like IBM, which stated: "data is the natural resource of the 21st century". IBM, HP, Oracle, SAP and Dell were all on hand showcasing their infrastructure and how our devices and data are all working together. Accenture and Kantar were on hand helping people make sense of all that data and FitBit had a large presence

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showcasing how wearable technology and data solutions can improve your life through hardware, software and the cloud, all working together.

In mobile payments PayPal and Samsung announced a partnership to include a PayPal app on the new Galaxy 5 and a mobile wallet for your Galaxy Smartwatch. Additionally, MasterCard is helping to bring impulse buying to the world of apps by adding the ability to make purchases within a mobile app.

In Adland, Millennial Media and InMobi were facing off directly next to each other with giant booth presences; Facebook was the keynote at MWC and Yahoo had a large contingent. In fact, the Mobile Media Summit was full of clients, agencies and publishers debating the issues in mobile advertising.

Finally, as the new saying goes: 'your next mobile device is in your driveway'. Voice activated applications leveraging Ford SYNC 2 highlighted how voice commands can now help you find the best parking across Europe. Ford also stated that 79% of industry experts believe connectivity will soon be the primary decision in car purchases and 80% of cars will be 'connected' by 2020.

Summary
Whilst CES remains the place to go for product launches and the future of consumer electronics, MWC still holds the crown as the event of mobile and mobility innovation in the global calendar.



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SXSW 2014 PREVIEW

LILLIAN BROWN

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Background
The upcoming South-by-South West Interactive (SXSW) conference is known for highlighting the latest and greatest in technological and digital innovation. Thirty thousand attendees will congregate in Austin, Texas from March 7–11 for presentations, panels, keynote speakers and networking events, as well as a Gaming Expo, Trade Show and Startup Accelerator. In its 21st year, SXSW has been the launch pad for numerous successful brands: Twitter (2007), Foursquare (2009), Foodspotting and Lena Dunham/Tiny Furniture (2010) and Groupme (2011).

Implications
SXSW 2014 promises to further accelerate the emerging trends from the recent CES and MWC conferences, e.g., wearable tech, 3D printing, iTV and 4k TVs, connected cars, and the Internet of Things. However, SXSW tends to juxtapose content, particularly entertainment, with this technology. Making it arguably the best conference for illustrating how the two combine to alter the digital landscape. Some anticipated trends include:

Digital Storytelling: The intersection of content, technology, and society will be explored and will result in a larger conversation around the evolution of digital storytelling. Both hardware and software are important components of this discussion, but SXSW will likely focus on the software and intellectual property that complements hardware innovations introduced at CES. Content and its distribution will be highlighted as brands continue to move towards entertaining their audiences as a means of differentiating themselves within the marketplace. Services that capture our daily lives and turn them into something digestible and shareable will proliferate.

Democratisation of Audiences: The power of the crowd will be a central focus this year, kicking off with the addition of SXSports to the SXSW lineup. The importance of 'fandom' will be present throughout all verticals – Interactive, Film & Music – as audiences and continue to fragment and brands and marketers continue to vie for attention from consumers.

Data - Deep Learning and Privacy: The conversation around big data will continue this year, but is likely to shift towards deep learning – artificial intelligence that mimics human brain structure and behaviour in order to solve problems – and the ongoing struggle over privacy and data security. Expect the dialogue to centre on government oversight, responsible data collection, commercial data use, and the tech community's role within each.

Summary

With over 1,300 events packed into 5 days, SXSW promises to overwhelm. Will there be a clear start-up winner? Will SXSW continue to concentrate on business and marketing rather than innovations from Silicon Valley?

FACEBOOK VIDEO AD UNITS

MINDSHARE NORTH AMERICA

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Background
After nearly a year of anticipation, Facebook is finally launching its long-awaited new video ad format following limited beta testing in Q4 2013. Video ads will start appearing in the Facebook newsfeed starting in April. The ad unit's initial launch date was delayed several times due to the ad unit's apparent superiority to the native content experience. Facebook senior management, including Zuckerberg himself, was apparently reluctant to disappoint users and show any bias to the advertising community.

The new video advertising unit will automatically play without sound. Auto-play begins when the user scrolls through the newsfeed and the video comes into view. Time-length of the ad is limited to 15 seconds. Once the user clicks to play, sound is initiated. Two subsequent carousels are also available, which can house additional video creative up to 15 minutes in length. Each brand will be entitled to a maximum of three 15-second creative executions per buy. These spots are not currently permitted to be split across a portfolio but are limited to a single brand per buy.

Implications
Facebook is heavily involved in the creative process in an attempt to make the ads as non-disruptive as possible. The emphasis is on enhancing the user experience as opposed to completely disrupting it – a tough balancing act to achieve, particularly given the massive amount of mobile users. For the initial beta campaigns, video ads had to be approved at the highest level by Facebook. Facebook Creative Consultants will provide creative guidelines and be part of the asset development process initially and a video will not go live on Facebook without Facebook approval on the creative. Ad frequency is also capped at one ad per user per day; a user should not see more than one video ad in their newsfeed on any given day.

Demographic targeting is limited to broad Nielsen OCR classifications. Video ads cannot currently be targeted based on other audience factors e.g. language, interests, behaviour, etc. unlike other Facebook units. Video will not be accessible via FBX

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(Facebook Exchange). As the platform evolves we would expect to be able to buy against demographic plus interest, making the video targeting space more robust, as well as potential inclusion in FBX.

A level of scale is being offered in an area where quality video inventory has been traditionally scarce online, albeit in a social versus premium content setting. The video doesn't play until in view, which supports advertisers with objectives of increasing the percentage of viewable ad experiences for their audiences. The creative experience can be in-depth and also acts as a forum for longer form content; traditionally a tough paid format to effectively place although interaction potential is still unknown. The audience being guaranteed against OCR also gives Facebook a competitive edge over Google; YouTube has yet to fully embrace OCR.

Pricing points may be prohibitive for many advertisers; this new ad space is not cheap. Facebook will argue and seek to prove that when contrasted with a cluttered TV environment, an exclusive Facebook newsfeed emotive ad may prove to be a more impactful and effective investment.

Summary

Facebook walks a very fine line with the launch of this new ad unit. On one hand a new video unit will help it capitalise on the growing migration of TV spend to digital. However, Facebook will need to carefully monitor reaction from its users. Any backlash will further fuel rampant but largely unproven industry speculation and discussion around a user exodus, particularly amongst fickle teens. In response, Facebook will likely limit the number of campaigns and brands in the US during 2014 as testing continues.

YOUTUBE TRUEVIEW AD FORMATS

SARAH SWEETNER

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Background
Starting on April 15th, YouTube will begin streamlining its TrueView ad formats to offer richer targeting capabilities on YouTube and greater simplicity in the TrueView offering. TrueView in-search ads and TrueView in-display ads will be combined into one format, called 'TrueView in-display'. On May 15 all campaigns will automatically be transitioned to the new functionality. All historical reporting will remain intact.

Implications
It's safe to say that YouTube ad formats have always been somewhat confusing. Changes have been made over the years in order to streamline the choice that advertisers have and put more of a focus on targeting. The latest update sees a reduction from three ad formats to two. The two ad formats that will now be available will be In Stream Ads (skippable pre-rolls bought on a CPV basis dependent on the user watching at least 30 seconds of the video) and In Display Ads (thumbnail ads on the right hand side under the 'suggested videos' based on a CPV model).

New features such as demo and interest-based targeting on the YouTube Search Network are also now available. The features we are used to using for TrueView in-search won't change. Advertisers will be able to use keywords to target the YouTube search page and the format will look the same. This means targeting options now include keywords, demographics, interest, topic and re-marketing with the added option of combining targeting for campaigns in order to improve audience targets. These options should help to

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increase the relevancy of the audience and limit wastage making YouTube campaigns more cost efficient. This moves campaign focus towards quality of views, as opposed to quantity, an objective more brands should have in mind when running any campaign. As different types of audiences will be of more or less value to your business based on an array of elements, it stands to reason that a brand should not be paying the same for each of these audience groups to view your content. By having these targeting options across both In Display and In Stream we can begin to dial up or down based on the targeting performance and the purpose of the campaign.

Summary

Google is wisely moving to improve its online video offer in face of increased competition from nearly everyone, particularly Facebook's new online video product. The new targeting capability and focus on ROI will continue to build client confidence in moving more TVC budget to addressable video.



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DISPLAY VIEWABILITY

LUKE HILLS

—

Background
A group of US industry bodies today opened the gates for agencies and clients to start buying online ad-impressions based on the number of viewable impressions served. Viewability has fast become the hottest topic in digital display as the industry tackles the need to understand whom ads are being served to (in-audience) and whether those users can actually see them (in-view). Rising online budgets also means accountability is increasingly important. In response, a range of technology companies have released products to determine in-view and in-audience ratios, and 11 of these have now been audited & approved by the MRC.

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Implications
Viewability products use technology to assess whether or not a display ad is actually visible by a user, i.e. actually on the portion of the screen being viewed at any time. Associated products such as OCR and vCE also assess whether the users viewing the ads are within a target demographic. Global research from comScore has suggested that ads bought through exchanges have an average in-view rate of up to 30%; those bought directly from publishers of around 50-60%.

The MRC has now released a standard definition of what counts as in-view: 50% of pixels viewed for one second or more (two seconds for video). Reasons ads may not be in-view by a user include the user leaving the page before it loads, the user not scrolling down to an ad, or scrolling past it, or the ad may be called when a bot (a program mimicking a user) visits a page. The rise in fraudulent sites driving ‘bot traffic’ is increasing
and although there are no perfect solutions the industry is taking steps to fight them.

There is a desire for data on in-view and in-audience to be served in real-time. To that end both the main ad-servers

(Sizmek and DoubleClick) now include viewability products providing in-view data, whilst the in-audience products of comScore and Nielsen are now built into DoubleClick and Sizmek respectively. Analysing viewability in real-time will allow agencies and clients to optimise campaigns as live, improving effectiveness and efficiency.

Although the US is ahead of the world in the uptake and implementation of such practices, other markets are fast catching up. The technologies are now widely available, and generally reasonably priced, whilst there is a definite desire to see them used effectively. Whether Nielsen or comScore or Sizmek or DoubleClick products are deployed, Mindshare is determined to drive transparency, effectiveness and brand safety. Whilst some publishers are nervous about a move to only pay for in-audience and in-view ads, it is in the interests of clients and agencies to work collaboratively, not against their media partners, and there is the obvious opportunity for publishers to use high viewability scores to differentiate their offering.

Summary

In the US, where viewability is more progressed, brand-focused campaigns now account for 36% of spend. That number will continue to rise, particularly as more TVC shifts to online video, such as Facebook's new video ads, which have viewability built in. Such developments should be seen as opportunities for all parts of the industry to benefit, rather than a chance to beat publishers down on cost, and the smart clients and agencies will do exactly that.

GAME DEVELOPERS CONFERENCE

PATRICK LANE / JOE GINEX / GEOFF GREENBLATT

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Background
Founded in 1987, the Game Developers Conference (GDC) now attracts over 19,000 attendees during its annual gathering in San Francisco. Initially focusing on computer games, the conference now covers all platforms, including consoles, handheld devices, mobile, smartphone, and tablet devices, and online and PC games, which certainly reflects on the industry's evolution in the past 25 years. The overall focus of the conference is to deliver a show that highlights the ideals of the gaming industry developers and gamer's desire, rather than the industry's current state.

Implications
The GDC is the year's primary forum for anything game-developer related. Programmers, artists, producers, game designers, audio professionals, business decision makers, and others involved in the development of interactive games gather to exchange ideas and shape the future of the industry. While advertising is not discussed, it is a good place for industry insiders to learn about what is occurring in the space, and to gather insights into the game development process, current trends, and what lies ahead to apply to client needs. Key highlights from 2014 included:

In virtual reality, the second generation of the *Oculus Rift*, a virtual reality gaming headset, was made available for preorder and Sony announced its version of a virtual reality gaming headset, codenamed *Project Morpheus*. Facebook's recent purchase of the Oculus Rift (VR Headset) Technology will open new avenues for brands to advertise in the virtual reality space.

In game production, the open source Unreal Engine 4, a blockbuster gaming production software, was made available

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for $19 a month with a clause stating 5% of gross sales will be awarded to Unreal. Game Maker Studio, a popular indie developer tool, now supports Sony PlayStation 3, 4 and the PS Vita. Thanks to the advances with game production technology, the possibility of creating a branded game experience will be cheaper and at a higher production value.

And the popularity of the Free-to-Play (FTP) model continues to grow each year, with games such as *Clash of Clans* and *Candy Crush* leading the way. The growth of the Free to Play model leads to more ad space for brands. Developers cannot rely entirely on in-app purchases and will likely be looking to advertising as a way to monetise their games.

Summary

This year's GDC has shown that the gaming space is as dynamic as ever. The focus on consumer-based virtual reality headsets proves that gaming companies are taking risks to identify new ways to engage the hardcore and casual gamer alike. Risks need to be taken in order to innovate, and eventually, bring new revenue streams to life for the gaming community. Now that creating a blockbuster game title is available to the independent gaming development crowd, a more diverse range of ideas and concepts will be made available to a much larger population, bringing gaming to a wider audience and creating more opportunities for brands. This can be applied to all areas of the gaming space, from hardcore console games to casual mobile games, giving brands the opportunity to reach a very specific or very broad audience through a *play* experience.

MICROSOFT GOES MOBILE

CIARAN NORRIS

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Background

In a major effort to regain some relevance in the increasingly duopolised world of smartphones and tablets, Microsoft has recently made two major announcements. First it confirmed that its Office suite of products is to become available on iPad and secondly it said that it would be offering its mobile operating system to device manufacturers free of charge, a change to its previous strategy of insisting on payment.

Implications

The lack of Office on iPad has seemed like a major missed opportunity for some time. However, in contrast to when Bill Gates famously joined Steve Jobs on stage back in 1997 (via video link) to announce that Microsoft had committed to releasing Office for Macs, this time it feels more like Apple is doing Microsoft a favour (in 1997, Microsoft dwarfed Apple – now Apple's income from iPhones alone exceeds Microsoft's total revenues). This is essentially an admission that products like Office are not enough of a selling point for people to buy a Microsoft branded tablet and that tablets are likely to overtake laptops as the primary domestic computing device.

It has been estimated that Microsoft's share of personal computing sales (devices sold that include its software) has fallen from around 90% to less than 20% in the last 5 years. That figure also explains the other announcement, that Microsoft's mobile operating systems will now be available to device manufacturers for free (on devices with screen sizes smaller than 9"). Due to Microsoft's success in squeezing patent licensing payments out of companies that use Android, it will now make more money out of Android phones than Windows ones. It will also make Windows a cheaper option (free) than Android (not always free). At the same time it has reduced

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some of the hardware requirements for its mobile systems, making it even easier for its OS to be used on lower-cost smartphones.

In most markets, Android is winning the smart-phone battle (at least from a share point of view. Apple's profitability is much higher) though all of the Android tablets haven't really hit iPad's dominance in tablets. These two developments position Microsoft much better in both categories: making the mobile OS free means Microsoft becomes a real alternative to Android in the fastest growing device category globally, whilst Office for iPad means Microsoft could now stand to gain from Apple's continuing dominance in this area. Although traditional PC sales are declining, there can be no doubt that many businesses still rely on Office and this means that many more of them are likely to continue to buy it.

Summary

A number of Microsoft's decisions in the final days of Steve Ballmer's reign as CEO raised eyebrows (buying Nokia, previously the only real adopter of Windows Mobile was one) but these two announcements suggest that new CEO Satya Nadella may have a more pragmatic view of the company's future. Whilst the thought of having to create apps for three mobile operating systems isn't one most brands would welcome, competition is always to be welcomed. There may finally be a third horse in the mobile race.

OCULUS RIFT

MICHAEL DOWD

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Background

Facebook confounded the industry with its unexpected purchase of virtual reality startup Oculus VR for $2 billion. It stands in stark contrast to other recent technology acquisitions, such as WhatsApp and Nest. There is no obvious marketing application, no instant access to an established user base and no hidden trove of patents. Instead, Facebook is finally using its riches to help realise Mark Zuckerberg's idealised future in which people can 'experience the impossible'. And Facebook couldn't have picked a better place to start.

Implications

Facebook's IPO afforded it the luxury to make bold acquisitions such as this one. But its newfound position as a publicly traded technology titan also brought its future under scrutiny. Facebook has acted with its purchase of WhatsApp and its failed bid for Snapchat. Those moves collected headlines, but arguably lacked vision, and for some exposed some scrambling to quell concerns over its ability to maintain relevance within a fickle teenage demographic. The purchase of Oculus foreshadows a different Facebook, a more confident Facebook. One prepared to boldly move beyond its roots to deliver on Zuckerberg's vision.

It isn't clear where Facebook will go first with Oculus. Initial predictions range from monetised gaming to virtual reality 'hangouts', but both would require Facebook to develop well outside of its comfort zone. Indeed, it is folly to predict the future of Oculus, because its future does not lie in the hands of Facebook. Rather, it lies with a community of tens of thousands of developers and hardware startups who see its potential as a medium for their visions. Already, those

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visions are spectacular: simulated skydiving, tactile response and treadmills that let you physically walk in virtual worlds. Facebook is now a key part of this innovative sandbox.
In one sense, the closest parallel to the Oculus acquisition may not be a hardware startup like Nest, but instead an open community such as YouTube. In much the same way that Google receives credit for the innovation and content development that happens on YouTube, Facebook can grow its brand simply by fostering an environment that is conducive to innovation. As this community grows, Facebook gains access to more content, more data and ultimately more advertising revenue.

Summary

For advertisers, the Oculus ecosystem is a new frontier, and Facebook's acquisition heralds the start of a gold rush. The easy thing to do is to sit back and wait until Facebook identifies the quickest paths to monetisation. But realistically, traditional advertising opportunities on Oculus are years away. Forward-thinking companies should become the innovators, not wait for them. The possibilities for proprietary development are enormous: virtual showrooms, remote tours, and customisable environments. Virtual reality is the most immersive experience available to developers today and thanks to the vision of Oculus and the deep pockets of Facebook, consumers are finally ready to experience the impossible.

GOOGLE SECURE SEARCH – 'NOT PROVIDED'

ELDAD SOTNIC-YOGEV

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Background
Search marketers were thrown into a tailspin in 2013 when Google began to use secure search to remove keyword data seen in Google Analytics for organic traffic. On April 9th this year, Google announced that the same is now happening to Paid Search. While many may react with panic, the reality is that advertiser's keyword data is still available in Adwords and it is only in Google Analytics that it will become more difficult to get this information. The nucleus of the announcement is that when people using secure search click on Adwords ads, the actual words they typed into the query won't be passed onto analytics packages and third-party software.

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Implications
Secure Search was introduced by Google to provide an extra (privacy) shield for its users. When secure search for organic keywords was introduced we quickly saw that between 70-100% of organic traffic was now listed as 'not provided' in analytics reports. Clearly, this caused problems, but SEO practitioners have learned to adapt. Paid search advertisers won't be as directly impacted as keyword data is still going to be fully available via Adwords. What most people are missing is that there is a difference between search query data and keyword data. The simple definitions are: search query data is the actual keywords the searcher typed and what Google is not passing on to analytics and third-party software; keyword data is the terms an advertiser bids on. It is because of this difference that bid management tools will continue to operate as normal.

Paul Feng, Product Management Director, AdWords wrote on a blog post that: 'for generating reports or automating keyword management with query data, we suggest using the AdWords API Search Query Performance report or the

AdWords Scripts Report service.' Thus, for those wanting the data for their Analytics team it is available, but will require a different method of extraction (and possibly cleaning in order to be matched for interpretation). From Mindshare's perspective, this is a simple issue that can be remedied by the two services above. Simultaneously, it only changes how we analyse search query performance and not the keyword data itself. As many have pointed out, if you are using conversion tracking in Adwords it is viewable through the search terms report within Adwords. A more integrated approach is now required. In the past, search marketers were focused on how SEO and PPC could work together. While secure search hampered this easily happening - as the two sides couldn't compare the same visible keywords – we've learned to work together in other ways. Now it is imperative that analytic teams become a bit closer to their paid search teams; something that most good companies were already doing.

Summary

There isn't too much to fear here. The change is one that doesn't impact what is really available and with a little more interaction between organic search, paid search and analytics we're still able to guide things based on keyword data, search query data and map it back to conversions.

NEW FEATURES FOR GOOGLE ADWORDS

ELDAD SOTNIC-YOGEV

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Background
Google has announced three changes within Adwords: Innovative Ads, Insightful Reporting and Power Tools. These changes aren't revolutionary, but rather continue the evolutionary path we are seeing as digital platforms look to 'better connect with consumers at any place, any time and any device.'

Implications
Innovative Ads focus on the fact that apps are more prominent than ever and that consumers see them as a source of solutions. The new ad features allow Google advertisers to better target and connect to these opportunities. For example, a calorie counting app/website could be shown to running app users through the new in-app install ads feature. This could be joined to another new feature - app keyword suggestions - that helps uncover key app-oriented search queries to add to your inventory.

Insightful Reporting concentrates on offline measurement and the need to better link up with digital marketing and takes the form an estimated total conversions tool. The goal here is to give hyper-local information for advertisers looking to capture offline sales/conversions. This feature will allow better measurement, but doesn't look like true attribution on first view.

Power Tools give Google advertisers more benefit from the Adwords interface with bulk actions being simplified. At the same time, Automated Bidding to meet set specific goals (ROAS, CPA, Clicks) is going to be provided, enabling you to bid to maximise revenue or conversions. So, in theory an Auto OEM can target car configurators, while a retailer can go for sales. This will most likely make working within the interface the preferred method and could spell the end for Adwords

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Editor. These tools (and features) also will push Kenshoo, Marin and Adobe to advance what their 3rd party platforms offer at enterprise SEM management level.

The most impressive feature we saw was the Draft/ Experiments part of the new Power Tools, which allow you to set up an experiment that will calculate and show you the impact of your changes – without actually implementing them. This means a more accurate method of forecasting will be made available in Adwords and it sounds like if the results fit your goals, it will be easy to make the theoretical a reality in a few clicks. This tool could really assist conversations for your 'what if?' scenarios, as well as being tangible proof of what budget and bid changes can look like. Another Power Tool that will have both clients and Search teams excited is a new way to quickly use pivot table functionality within the interface and jointly build informative charts. This 'multi-dimensional analysis tool' is sure to become an addition that many will like.

Summary
Overall, the changes look very promising and we are excited to see how Google keeps advancing from last year's Enhanced Campaign that pushed location, device and time bidding. By giving advertisers more tools, reports and capabilities it continues to lead the Search advertising space and the multiple ways it can be used to connect with consumers.

FACEBOOK AUDIENCE NETWORK

JED HALLAM / JAMES CHANDLER

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Background
Later this week, at its annual F8 conference, Facebook is expected to launch Facebook Audience Network (FAN). Facebook Audience Network is a way for the platform to massively extend its advertising inventory, specifically beyond just the Facebook platform. FAN is further proof that Facebook is expanding its reach into a portfolio of directly owned, or aggregated, mobile destinations, to become the world's most powerful mobile media network.

Implications
Advertisers will be able to buy advertising across a number of new mobile media platforms, using two different types of ad format. A standard drop-down mobile banner, that layers Facebook audience data into the targeting system, and a custom-built unit that is completely tailored to the environment that it's placed in, and is likely to use a lot more of the contextual data that Facebook holds, such as location data, and interest-based data.

Facebook has been experimenting for the last two years with the drop-down mobile banner. The custom-built unit represents a big step towards owning a lot more advertising across the Internet. A key audience is performance marketing focused clients, including app developers who already rely on Facebook and its successful App Install mobile advertising. FAN also marks an expansion of Facebook's ad exchange, FBX, as it will allow advertisers to buy media from Facebook through its existing advertising platform.

However, Facebook is also chasing brand budgets. If you combine this latest announcement with the fact that the right-hand side advertising (which is usually used for performance purposes) is going to be expanded and given a more 'newsfeed' feel, you can see that Facebook is repositioning itself away from being primarily focused on performance advertising (where it competes directly with Google), and putting much more focus on brand-led advertising. With the majority of mobile advertising currently used to drive app installs and direct response-style briefs, this would massively open up the market for both Facebook

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and advertisers – and complete its transition to competing directly with television advertising.

Key to all of this is Facebook continuing to develop its suite of measurement tools. Over the last eighteen months it has become a lot more focused on demonstrating the ROI of its own advertising, but this will need to be accelerated and scaled up as it ventures more and more outside the platform itself.

Ultimately, a key motivation for this move must be around gathering even more behavioural data on consumers, which can then be used to further provide advertisers deeper insights and targeting capabilities. For example, if Facebook is delivering advertising into the Yelp app, it will then also be able to gather data from how people interact with advertising on that app and recombine it with its existing massive data set to build a more comprehensive view of that person.

Obviously this is beneficial for both Facebook and advertisers alike. However, there's a third key stakeholder in this relationship that may not be so happy to see data used across the Internet and outside of Facebook; people. Facebook has had to tread a very thin line since its IPO, balancing what's good for users with what sells for advertisers. However, the key to making FAN a more attractive proposition than other mobile networks will be the unparalleled consumer data sets that Facebook is able to layer on top of its own unique user data.

Summary
FAN marks a pivotal moment in Facebook's development. Its aim is to create the Internet's largest premium mobile media network, powered by Facebook's deep consumer data, using new ad units to offer marketers hyper-target direct response *and* brand advertising.



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AMAZON AND TWITTER LAUNCH #AMAZONCART

CIARAN NORRIS

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Background
Twitter and Amazon have announced a partnership that will allow users to add products to their Amazon basket with a simple tweet. This is seems to be another example of Twitter looking to find and build out new revenue streams, presumably to stave off detractors on Wall Street who have punished the company recently by driving its shares down. Whether this is enough to attract new Twitter users remains to be seen.

Implications
Since Twitter users created hashtags back in its early days, they have been used for any number of things, and this move to solidify their position in the purchase cycle is simply an extension of existing trends. Early in 2013 American Express launched a service to allow its cardholders to take advantage of special offers and buy products with a tweet. #AmazonCart works on a similar system, whereby shoppers simply sync their Amazon and Twitter accounts; they can then reply to tweets which include an Amazon URL with the hashtag and the item is added to their basket. The user still needs to complete the purchase by logging on to Amazon afterwards.

Allowing brands to turn their Twitter streams into shop fronts is undoubtedly one that will interest many advertisers but, as one analyst put it, this could well be ‘a solution in search of a problem’. In order for this to take off, it will need to tap into existing consumer behaviour or convince shoppers to adopt new ones. The history of fCommerce (storefronts on Facebook) would suggest that it may struggle to do either; whilst a number of brands launched commerce platforms on their Facebook profiles, many have since been shuttered.

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Twitter is trying to create new use cases for people to come and spend time on the platform, as well as creating new ways of unlocking advertiser budgets. However it is debatable whether Twitter's problem is really that people don't have enough ways to use it or whether the problem is that it is simply a product that already meets its users' needs, which unfortunately doesn't match the ambitions of Twitter's financial backers. This new feature may bring new legions of users on to the platform, but it is equally possible that if brands start incessantly tweeting 'buy now' links that existing users may look elsewhere for their real-time social needs. For Amazon however, the benefits are obvious: even if relatively few people use the service, those that do will have provided Amazon access to their social graph, with all the associated rich data that suggests. The hope is that this is simply an early iteration of brands finding new ways to make the most of Twitter's platform. O2's clever use of Twitter as a customer service platform is a great example of this and hopefully #AmazonCart will evolve into something similar.

Summary

Twitter is looking to increase user numbers and engagement, as well as opening up new revenue streams; Amazon meanwhile simply wants to give buyers every opportunity to spend their money. The current iteration of the service doesn't seem like one that will see widespread adoption, but could be a sign of tweets to come.

FACEBOOK LAUNCHES AUDIENCE INSIGHTS

DEANE BROWNE

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Background
On May 8th Facebook announced the launch of Audience Insights, a tool specifically for agencies to use to gain deeper learning of audiences across the platform. Audience Insights differs from Page Insights as it enables agencies to look at trends for current or potential audiences, rather than just specific actions occurring on a brand page.

This is an advantage, as agencies can now glean better detail on Facebook audiences of interest, whether fans or non-fans. Such detail includes country, city, age, education level, lifestyle, household income, children in household, purchase behavior and more. It is also possible to view this information for general Facebook audiences, not just audiences connected to your page.

Most importantly, the new insights will enable agencies to base future plans against *Monthly Active Users* rather than all fans, meaning better detail for campaign reach. If specific *Monthly Active Audiences* are of interest, agencies can also make and assess clusters to gather learnings before running campaigns at a later date.

Implications
So what led to this better level of insight? Facebook has used the information it already owns and worked actively with many third party partners (such as Axciom) to build this tool. Facebook is pitching Audience Insights as a *'Marketing tool that can help brands deliver increasingly meaningful messages to people'.* All Audience Insights are updated in real

time and pull directly from Facebook data. The demographic and psychographic insights gathered will be an advantage for all planners on Facebook in the future. For example, if you want to raise awareness of a particular product for men aged 18 – 24 that live around your flagship stores, it will now be possible to access information on who they are, how frequently they use Facebook and with which device. Then, this information can be overlaid with purchase behaviour and purchase methods.

Interestingly, whilst it is pitched as a tool for agencies there is much talk of this tool really being used as a bid to capture SMEs which want to better understand who their consumers are and don't have the budget to spend with agencies on in-depth audience segmentation. By offering this tool to SMEs, businesses can be encouraged to literally 'cut out the middle man' and concentrate on managing their own platforms.

Summary
Audience Insights initially rolled out across the US on May 8th. It will be really interesting to see who uses this tool the most, whether it is agencies or if there is a strong uplift in SMEs that need to cut costs. With international roll out set for the coming months it will be imperative for agencies to get to grips with this updated platform to remain experts.

APPLE BUYS BEATS

CIARAN NORRIS

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Background
Apple has bought music company Beats in a deal rumoured to be worth $3bn. Beats, which was co-founded by rapper and music producer Dr. Dre, built its success in the headphones business, where it more or less single-handedly created a new fashion sector that it dominates. More recently it bought music-streaming service Mog and re-launched it as Beats Music with a Super Bowl ad starring Ellen DeGeneres.

Implications
Since news of the potential acquisition leaked there has been a lot of commentary about why Apple would pay 'so much' for a company whose music streaming service is still very small (in terms of users/ subscribers). A very simple reason might be that the headphones part of the business was estimated to have 2013 revenues of $1.5bn: compare that to WhatsApp which has revenues in the low millions but was bought for nearly $20bn. Beats is also still growing strongly whilst Apple currently has no obvious new growth boost beyond established existing products. In analyst Ben Thompson's view: *(iPhone sales) will grow by single digits...the iPad has plateaued, the Mac is growing in a shrinking market.*

The attention on the current low base of the music streaming service also appears to be slightly short-term in its focus. Whilst Apple has come to dominate the paid download sector, creating a near-monopolistic service with iTunes, 2013 saw the first ever drop in paid for music downloads as listeners move to services like Spotify and Pandora. Whilst Apple has tried to crack this market its iTunes Radio has been far from a smash-hit.
Although Beats Music may be small at the moment, it's probably a better product. it is available on Android as well as Apple products (with Android having a much larger market share globally) and also representative of the trend of service 'unbundling' that many of the large tech companies are adopting. Whereas the Web lent itself to large, multifaceted solutions, apps are increasingly focused around

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single activities – so Facebook now has its main app, Instagram for photos, WhatsApp for messaging, etc...

With Beats, Apple also gets access to two high-ranking execs, in the shape of Dre and his co-founder and music industry veteran Jimmy Iovine. Iovine famously tried and failed to sell Steve Jobs on the notion of a music subscription service; he obviously had more success with Jobs' successor Tim Cook. It would make sense to assume that Iovine and Dre will be expected to bring their ability to manufacture and sell cool to Apple as it works to maintain its place at the pinnacle of tech and culture and looks to differentiate itself even more from the rest of the, increasingly commoditised, tech world. Dre and Iovine will be doing this alongside another recent Apple hire, Angela Ahrendts, which Apple took from her previous role as CEO of Burberry, where she re-injected cool into the fading brand, in part by tapping into music and technology.

Summary

Although it might not be as exciting as Facebook purchasing WhatsApp, it arguably makes more sense, as does Google's purchase of smart-thermostat company Nest, and gives a more interesting view of where consumers are heading. It doesn't have an immediate impact on advertisers as Beats Music doesn't have an ad-funded free version. If however the streaming service does become more popular it will be yet another avenue advertisers could potentially use to connect with people, similar to Spotify and Pandora but powered by the wider Apple ecosystem.



JUNE 2014

GOOGLE WATCH

PHILLIP OHREN

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Background
July 2014 will see the release of the Google Watch, a smart watch made in partnership with LG and released ahead of Apple's rumored iWatch. In addition to traditional smart watch capability such as call, message and email, the Google Watch will provide features like traffic alerts, travel information, flight details and weather forecasts. With the addition of the predictive Google Now software, the new device is designed to give owners information they need without having to ask for it.

Implications
The integration of Google Now is the biggest difference between the Google Watch and current smart watches on the market. Google Now's tagline is: "Just the right information at just the right time." It works by using signals from hundreds of data sources such as connected friends, your location, information found in Gmail, news or even the weather. When Google Now was first released, it was positioned as 'predictive search' and has been active on Android smartphones and iOS devices using the Google App for the past 18 months. Its success has led to its integration into the new watch. It means that if a user were to book a hotel with booking.com and the confirmation was sent to a Gmail account, Google Now would understand this and send a reminder, information on travel time from your current location or even show you when to check-in. This integrated technology negates the need for users to search Google in the first instance. This technology has not been seen on competing smart watches yet and as such could represent quite a major USP.

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Giving people what they want before they want it should reduce the number of people searching. Factual information, such as a hotel booking confirmation, typically requires a Google search which results in traffic for brands and opportunities for competitors to capture that interest based traffic. Therefore, brands will need to better integrate with applications such as Gmail to ensure that Google can both see and interpret a consistent message; therefore enabling brands to reach users Google thinks it may be relevant to. It also highlights that SEO now encapsulates much more than just web pages, but takes in maps listings, email alerts and all digitally traceable owned assets.

Summary

Google continues to organise the world's information and make it universally accessible. In this example we see information reaching us via our wrists. For advertisers, technologies such as Google Now mean giving Google more information regarding their customers, potential and actual, in order to ensure you don't lose access to them before they're even aware of it, which of course, is great for Google.

AMAZON FIRE PHONE

CIARAN NORRIS

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Background
Amazon has announced that it is to launch a smart phone to run alongside its existing hardware, the Kindle e-reader and the Kindle Fire tablet. The Fire Phone appears to be designed to drive increased revenues for Amazon both by locking people in to its Prime service, but also by making increased margins on the product itself, a change of strategy for Amazon, which has often sold its own-brand products at close to cost.

Implications
The Fire Phone is touted by Amazon as a step-change in smart phones due to its ground-breaking technological features: Dynamic Perspective gives objects on the screen a near-3D appearance whilst an image recognition function called Firefly allows a user to capture an image of something which is then added automatically to the shopping cart on Amazon. The latter appears to be tied to an Amazon acquisition from 2009.

The phone is initially only to be released in the US, exclusively on AT&T, with 32GB and 64GB models available on 2-year contracts for $199 and $299 respectively. Whilst not particularly expensive, this puts the Fire in the same sort of price category as Samsung's Galaxy S5 and lower-end versions of Apple's iPhone 5S (though Amazon is offering various initial freebies to boost the value). In comparison, the Kindle Fire retails for something like 1/3 of the price of an iPad mini.
This is a major change in strategy as Amazon has tended to almost give hardware away, and then make up the difference with increased sales of associated media. It has been quite open that it wants to get people to trial Amazon Prime, which

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results in customers spending much more on associated goods, but asking someone to pay almost the same as an iPhone for the privilege of being able to buy stuff from Amazon could be a stretch.

Analysts have suggested that this product is aimed at Amazon's most core-customers; selling to this niche audience could, due to the higher margins on the Fire Phone, generate massive revenues. But going up against the likes of Lenovo, Samsung, Google and Apple is a very big bet. Facebook tried something similar when it launched Facebook Home/HTC First but found that just because people love Facebook didn't mean they wanted Facebook to dominate their phone, and by extension, their lives. Amazon could soon find out the same thing.

Summary

Amazon has built a huge business, but almost no actual profits, by consistently ignoring margins to focus on growth. The launch of the Fire Phone suggests that it is changing that strategy in so much as it could generate massive margins and growth, if it locks people in to the Amazon ecosystem. However, Amazon faces massive challenges to differentiate from the high-end sophistication of Apple and the ruthless aggression of the major Android manufacturers, essential if it wants to achieve real scale.

LINKEDIN UPGRADES SEARCH PLATFORM

ELDAD SOTNICK-YOGEV

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Background
LinkedIn announced last week that it has upgraded the search capabilities available to its users to the new ‘Galene’ platform. Designed to offer broader searches and more relevant results ‘Galene’ will also return results faster. As search is a key component of the platform this is a key initiative to get more professionals using LinkedIn and to help the company build towards its Economic Graph goals.

Implications
While not a major statement in itself, the announcement does connect to the company’s future ambitions (announced in March 2012) to develop an Economic Graph, based on it being the leading professional network (300M+ members).

Building from the platform’s current ability to ‘tap into the value of your professional network’, the infrastructure can map relationships to the third degree. Similar to Facebook’s Social Graph, LinkedIn believes that in the future it will be able to graph ‘every economic opportunity (full-time and temporary), the skills required to obtain them, the profiles of the companies offering these opportunities and the professional knowledge/people connected to them’. A grand ambition, but the clear core driver is the requirement to get more people and companies onto the platform.

By upgrading to ‘Galene’ there is an increased likelihood that more users will join due to the ease of finding, connecting and gaining benefits from their professional networks. With the

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increased numbers of users, LinkedIn advertising is likely to become more tempting to advertisers.

At the same time, 'Galene' is seen by LinkedIn as offering 'search as a service' and is being used to drive multiple applications and products – People Search, Job Search, LinkedIn Recruiter and even customer service and advertising support. So in the next few years we expect to see some advances to LinkedIn advertising, which currently has many good features, but doesn't always give advertisers the returns they wish to see.

Summary

Upgrading its search capabilities is serving several purposes, which combined, could help LinkedIn achieve the Economic Graph it strives to develop. As Facebook remains an important player in the digital advertising space, due to its Social Graph, LinkedIn's Economic model could become an even more important one for the B2B arena. Simultaneously, with more companies and people using LinkedIn there are dual benefits to advertisers – better targeting for their advertising and the increased ability to better find and recruit talent.



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FACEBOOK'S 'BUY NOW' FUNCTIONALITY

JED HALLAM

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Background
Facebook plans to introduce a 'Buy Now' button to its brand pages and news feeds. The news follows Twitter's acquisition of CardSpring, an ecommerce platform that allows brands to integrate 'Buy Now' buttons into third party publisher content. While Twitter's acquisition is an obvious development on its sales-focused work with brands like Starbucks and American Express, Facebook's announcement is focused on small to medium size businesses, rather than global brands.

Implications
As ever with Facebook announcements, this development is going to be introduced initially in the US and with a small group of handpicked SMEs. However, if the trial is successful, we'd expect the 'Buy Now' button to be launched into further markets later this year, with a full global roll out soon after that. A few key considerations for brands looking to introduce this functionality to their pages (once they are available) should include the following.

What will the impact be on user behaviour? And also what will the overall sentiment be towards Facebook holding credit card data (remember the reaction from users when Facebook Credits was introduced – and then scrapped only 18 months later)?

Will this drive up costs? As the button will be embedded within a post, the cost will come from promoting that post, will 'Buy Now' posts be more expensive to promote? If so, how does the CPA compare to other digital channels, such as search? Facebook is currently denying that it will potentially take a percentage of any completed sales, which would suggest a new advertising product for 'Buy Now' content.

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What types of product will work best for the new ‘Buy Now’ button? What trends will emerge around the value of the products sold (low cost versus high cost).
Facebook (and other digital platforms) are increasingly trying to become more integral to user’s lives, collect more (and richer) data and begin to take on the bigger ecommerce platforms such as Amazon. If the trial is successful, and Facebook sees promising returns that are comparable to other ecommerce websites, it could be the start of a new wave of consumer behaviour.

It would also mark a large shift in the type of data available to advertisers. Facebook has said that it will not share credit card information with other advertisers, but the wording is very specific, and most advertisers would be more interested in the purchases and purchasing behaviour on users, rather than the credit or debit card data itself.

Summary
Interestingly, at a macro level, this development points towards Facebook looking to become the centre of its user’s lives. As we’ve said before, the big three have a turf war on their hands, with Amazon holding the largest volume of purchase data, Google holding the largest volume of intent data, and Facebook holding the largest volume of personal data. If this development is successful, that could viably see Facebook beginning to compete with Amazon, and then there’s only search left.

GOOGLE ANDROID EVERYWHERE

APRIL WARDY / NORM JOHNSTON

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Background
Google has made multiple announcements at its I/O conference that will shape the digital landscape, the biggest of which seems to be the ubiquitous deployment of Android. Android, which appears on 80% of today's smart phones, will now become the operating system used across wearable technology and connected devices of all kinds, including watches and automobiles. Not content with just a billion mobile Android users, Google wants to become the preferred and default operating system for everyone and everything. Its nearest competitor Apple represents around 17% of the smartphone and tablet operating systems, leaving Microsoft in a precarious position. The latest version "L" is available to developers now, with a broader public launch sometime this fall.

Implications
Various devices featuring the new Android OS were shared at the conference. Google had already announced 'Android Wear', which was featured on some sexy new connected watches from LG, Motorola, and Samsung. TV is also back on the radar; Google TV was also announced, arguably providing a new synchronised on-demand EPG of the future. Finally, Google also released Android Auto, a phone synching ability and another feature to emerge from Google's Open Automotive Alliance partnership with Ford, Honda, and others. The main competition for Android is unsurprisingly Apple. The company recently launched CarPlay, which does the same thing as Android Auto, and everyone is aware of its looming play in wearables. Nevertheless, the Google announcement is profound from several perspectives.
Firstly, Google has immense scale with Android. The I/O conference announcements suggest it sees many more places for Android to exist, notably in what most consider the post-mobile battleground: wearable, TV, and cars.

Secondly, Android was the dominant talking point during the conference, bumped up from its usual autumn slot and elevated

above the ‘moonshot’ eye candy from previous years; Glass was barely mentioned.

Thirdly, there has been a very conscious effort to equip and enable the developer community with the means to create apps and experiences that are polymorphic, effectively shape-shifting based on the device where it is seen. At the same time, Google confirmed that manufacturers will not be able to alter the user interface of the new Android operating systems appearances. The new ‘Material Design’ is a bid to create a consistent user interface across products. Google is clearly striving to balance flexibility and fuel for developers but also consistency in the experience.

Marketers should pay attention for several reasons. First, the new Google OS will enable greater cross-device distribution, synchronisation, and adaption whether you are developing an app or exploring advertising options within apps. Second, at some point Google will certainly look to extend its three key revenue sources – search, video, and display advertising – into new devices, whether into wearable technology, in your car, on your TV set, and into your home (via Nest). Finally, Google will have more consumer data than ever before, providing markets with a rich data set for targeting and messaging purposes.

Summary

Google’s I/O conference announcement marks the end of the second great wave of digital marketing. The industry’s long-mooted mobile tipping point has occurred, and while it continues to expand in many parts of the world, the industry is setting its sights on the third wave, the Internet of Things, with TV, wearable technology, the connected home, and your car up first.

TWITTER PROMOTES ORGANIC REACH

PHIL JACKSON

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Background

On the 11th July Twitter announced the roll out of an enhanced Tweet activity dashboard to provide measurable insights about how organic tweets perform. For the first time, advertisers will be able to see how many times users have viewed and engaged with organic tweets, so that they can more effectively optimise their content strategy. The tweet activity dashboard is now available to all advertisers, Twitter Card publishers, and verified users around the world.

Implications

Twitter has also released new insights from the additional research now at its disposal. Twitter announced that marketers can hit an audience equal in size to 30% of their followers in a given week with a consistent and free tweeting strategy. The key recommendations for achieving even greater organic reach is to pair consistent tweeting with engaging content, citing the examples of Wheat Thins and Trident which achieved organic reach equal to 95% and 5x greater than their follower base respectively per week.

"It's incredibly powerful for our brands to gain insights into their organic impressions on Twitter. We gain a massive amount of value in understanding how our tweets resonate with our followers," said Bonin Bough, VP of Global Media and Consumer Engagement at Mondelēz International.

On Twitter, users receive all content from every account they follow, but there is no guarantee they will see a given post before newer ones quickly overtake and push out the old. The opposite is true on Facebook, where users see posts based on an algorithm that chooses what they are most likely to be interested in. Advertisers need paid

promotion strategies for a more robust Facebook presence. Facebook says its curated News Feed is more targeted and less cluttered than the stream on Twitter. Given the recent headlines about the declining organic reach that brands are achieving on Facebook, comparisons between the two platforms are inevitable. Whatever the headlines say, brands will undoubtedly require guidance as to the benefits and challenges of delivering their content on each platform, whether organically or via promotion.

Summary

These announcements allude to the fact that, as a platform, Twitter is prioritising advertisers over users by not providing a customised content experience based on each user's respective social graph. Marketers should be aware that if they prioritise follower growth on Twitter only for the platform to eventually achieve the same scale as Facebook, there is no guarantee that they (brands) will not get their fingers burnt by the same algorithm and commercial model changes that have impacted many marketers already working with Facebook.

FACEBOOK'S LIVERAIL ACQUISITION

BRIAN LEDER / CHRIS WALLACE

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Background
Facebook has agreed to acquire LiveRail, the third largest online video advertising management platform that operates across desktop, mobile devices and IPTV (behind leaders Brightroll and Specific Media). While the transaction hasn't closed yet, the total deal size is estimated to be around $500m.

Implications
Facebook is a nascent player in the video space, having only launched Premium Video Ads and expanded video targeting capabilities within the last few months. The acquisition of LiveRail will significantly bolster Facebook in the video marketplace, positioning it as a viable competitor against the likes of Google and AOL (which acquired ad exchange company Adap.tv last year for $405m in cash and stock), by enabling Facebook to extend the purchase of video inventory to outside the walls of the Facebook environment.

Additionally, the acquisition of LiveRail gives Facebook access to technology, namely LiveRail's Real Time Buying (RTB) platform that could be leveraged more broadly as a tool internally across its social network. LiveRail's CheckPoint ad blocking technology that can help publishers to block inappropriate or competitive ads from appearing on their site could also be incorporated into Facebook's infrastructure. The motivation for the move is likely to be the desire to accelerate delivery on a video product; an area where Facebook has been slow to deliver. The acquisition of LiveRail gives Facebook an opportunity to learn about video consumption from publishers, an additional revenue stream

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off the main platform, technology advancement where it is required and a learning platform to use across its expanding product suite. Facebook's acquisitions have been focused in areas where the company lacks expertise (e.g. Atlas) and where it has looked to gain more mobile share (e.g. Whatsapp and Instagram). It could also be that Facebook is focused on gaining a larger share of TV dollars, with a video network the most immediate way for it to try to compete with YouTube.

Summary

The combination of Facebook's audience scale and LiveRail's real time buying platform and scale (delivering five billion ads a month) will make Facebook a formidable player in the video space. It will be worth watching the integration of this acquisition to see how it creates new opportunities within the scope of our existing global Facebook relationship.



AUGUST 2014

AMAZON AD BUYING

CHANDA AROLKAR

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Background
Amazon has built a self-serve tool to allow advertisers to purchase ads directly from the company in real time. The self-serve tool is for ads on Amazon owned sites and a network of third party sites served through Amazon's ad-serving platform. The tool has been in development since December 2011, although it has yet to run a campaign. According to Amazon it will gradually be extended to 'select agencies', though the exact timing has not been confirmed.

Implications
Amazon's audience consists of 126m unduplicated unique users across its properties including online, mobile, Kindle and third party sites. Automation of the media buying process on a large platform can have varied implications. In the current media buying process Amazon requires a 30-day lead-time to secure all inventories. With an automated solution, there is the potential for media inventory management and lead times on Amazon to be reduced - although just how much information will be shared and how far in advance, is still unknown. Campaign optimisation can happen in real-time based on real-time data and marketers could react mid-campaign to social media buzz that warrants a change in messaging or targeting strategies.

With large upfront commitments locked in early in the year, we have typically been able to negotiate discounted annual rates. It is unclear how this scale can be leveraged in a self-serve environment and whether these benefits would be lost.

Targeting options and reporting metrics available to advertisers are reportedly to remain unchanged, but under

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this model media teams would need to have their own Amazon experts, well versed with Amazon metrics to be able to optimise against the various targeting segments available on Amazon using this tool.

There are also a few legal and tactical issues that must be considered. Amazon insists on the right to audit agency and client systems and sites, which could be a huge hurdle and potential roadblock. The inventory available is also the same inventory we already buy. Agencies also cannot use any of the data from the tool in their DMP, which means there is no ability to connect the data to larger pools to gain additional insight. Part of an ongoing trend of the big players (Google, Facebook, Twitter and Amazon) to lock data into their own vertical ecosystems.

Summary
At first glance it looks like the self-serve tool could be beneficial to small advertisers with low spends that do not warrant dedicated sales teams. In the light of all the unknowns and lack of transparency into what data is shared, Mindshare recommends a wait and watch approach at this time as it eliminates the value of the agency/strategy work that we do to ensure maximum campaign success.

INSTAGRAM AD PROGRAM

BEN WATSON

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Background
Instagram is continuing its evolution as a social ad platform by extending its visual based ad program to three new countries (Australia, Canada and the UK). Instagram is maturing quickly. It launched in October 2010 and less than two years later was bought for a staggering $1 billion by Facebook. Fast-forward to Nov 2013 and Instagram opened advertising to a small group of advertisers and now has plans to extend this to other markets. During this time its scale has continued to increase. In April it claimed a global user base of 200 million users a month, up 50 million from six months prior. This all adds up to an exciting new scalable social ad platform.

Implications
Instagram is looking to capitalise on its growth, but not at the expense of its growing audience, with strict controls on the style of ads shown. Initial advertisers were encouraged to draw creative inspiration from the community and create ads that were engaging and felt natural in people's feeds. Advertiser attempts to date reflect this approach and overall this is a good thing. It's positive that Instagram has a strong composition (over 50% in the US) of the desirable 18-34 age group. It's also good that initial data suggests that some brands are seeing lifts in ad recall measures and this may not be unrelated to research that indicates 65% of people are visual learners.

Stylistically Instagram is aiming for a perfect native ad solution. It's likely unattainable in the long run as pressures to increase ad volume come into play, but is initially a good goal to set. Even with all advertisers currently aiming for a highly stylised look, some are struggling to make their brand relevant in this environment, as McDonald's found out to its cost this week

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when it received 1,941 comments from users in the US, many of which were negative, from individuals who were annoyed by seeing a McDonald's ad in their newsfeeds.
This leads us to identify two factors, which brands sometimes forget. First, Instagram is a highly opinionated community which can at times act like an echo chamber. And secondly, there is a difference between visual advertising and visual storytelling. Learning how your brand best operates in this type of environment is only gained by experience and tests require a significant investment.

Summary
Most brands need to better understand how they can succeed on visual advertising platforms like Instagram. We recommend focusing on three core truths: 1) Consumer to consumer communication is increasingly being done visually. 2) Social channels account for an increasing percentage of web traffic. 3) Platforms like Instagram are becomingly increasingly dominant on the mobile screen space. It's a big step for many advertisers to understand how their brands translate as a static or animated image, but it is essential in seeking to have conversations with consumers where your brand appears to be part of the Instagram environment and not an unnecessary addition.

TWITTER'S OBJECTIVE BASED CAMPAIGNS

HECTOR NEIL-MEE

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AUGUST 2014

Background

Twitter has announced the launch of Objective-Based campaigns, allowing advertisers to pay for the actions that most are aligned with their marketing objectives.

In the past, Twitter's only ad product that enabled you to pay for specific actions was the Promoted Account whereby you would pay per acquisition. Promoted Tweets were used to broadcast your message to targeted users across the platform using a cost-per-engagement pricing model. This engagement could be a click, reply, retweet or favourite, therefore if the post called on users to visit a website you would also pay for other engagements generated by that post which were not related to the core campaign objective.

Implications

Objective-Based campaigns have been designed to make creating and optimising successful marketing campaigns as simple as possible, generating the highest ROI from any campaign. Twitter's new pricing model will allow advertisers to more efficiently achieve specific objectives by only paying when users perform the desired action, for example clicking through to a website, downloading an app, or leaving their email to find out more. For example, if your goal is to drive video views on Twitter, you'll only pay on a cost per view basis via a player or video card. Similarly, an app install or engagement campaign will be charged on a cost per app click (CPAC) model using Twitter's app card. Objective-Based pricing will ensure that you only pay for results that impact on your marketing goals.

The campaign set up process will recommend the most effective solution to use and Twitter has added tools to make the creative process more streamlined including an image cropper with drag and drop functionality. A call to action can also be selected and Twitter's usual targeting, including keywords and tailored audiences will remain in place. The new functionality also includes a reporting tool that displays the metrics behind conversions, allowing for campaign optimisation.

Summary

Twitter's long awaited Objective-Based campaigns come as a welcome development and will no doubt prove incredibly valuable for both marketers and clients. The ability to tailor campaigns to specific objectives will make the process more streamlined and allow advertiser's budgets to be spent more efficiently by letting them focus it on the actions, which fit with the campaign goals. Twitter has confirmed that Objective-Based campaigns have delivered positive results in early test phases and is currently in Beta, it'll be rolled out to advertisers in the coming months.

AMAZON ACQUIRES TWITCH

JONATHAN DIMICELI

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AUGUST 2014

Background

Amazon continues to explore ways to grow its digital portfolio with its acquisition of Twitch – the world's leading streaming video platform and community for gamers. This acquisition is just one of the many pieces of the puzzle in the ongoing battle between two tech giants, Google and Amazon. Google (YouTube) was originally slated to acquire Twitch, but negotiations fell through. Wasting no time, Amazon seized the opportunity to take this chunk of the digital landscape away from its top competitor, for a cool $970 million in cash. Amazon's decision to buy goes beyond it just getting its hands on something Google couldn't, Twitch opens up an array of different highly profitable opportunities for Amazon to pursue.

Implications

At first glance, this acquisition looks like a move for Amazon to bolster its streaming footprint by combining it with Prime Instant Video and Fire TV to take on YouTube, Netflix, and set-top boxes. Although the set-top box market is cluttered, Amazon set itself up to stand out amongst the other competitors by incorporating gaming capabilities along with its previous investment in its own in-house gaming studio. Amazon eventually could take on GameStop by utilising Twitch as a one-stop-shop for all things gaming by allowing users to review content and simply make the purchase with one-click ordering.

Outside of streaming and video games, there are still more profitable avenues Amazon can capitalise upon with this acquisition. Twitch brings with it a young demographic (18-35)

of 55 million monthly unique visitors, of which 58% spend more than 20 hours per week on site. Amazon is aligning itself with a young engaging audience, which could be extremely profitable when coupled with its rich source of 1st party customer data. Recently, Amazon announced it would be releasing Amazon Sponsored Links, which is similar to Google's highly profitable AdWords. Amazon may have a long way to go to match AdWords but it has leverage over Google when it comes to its knowledge of customer preference/ behaviour along with its ever-growing inventory, which Google does not have access to.

One thing that always worries members of a community is ad overload (e.g. Instagram). Amazon will have to find a sweet spot to capitalise on this rich source of data and ad inventory without interrupting the user experience. With Amazon Prime, it could leverage its two-day shipping to intrigue gamers to sign up for Prime, along with removing ads from the user experience.

Summary
Amazon has many different ways to turn Twitch into a lucrative acquisition, especially through advertising. Combine an audience that spends a lot of time on site with its customer database and Amazon could turn Twitch into a gold mine. With the future launch of Sponsored Links and countless hours of video inventory, Amazon has set itself up nicely to compete with Google and has opened up many opportunities for advertisers.

FACEBOOK'S GENUINE FAN POLICY

WHITNEY SMITH

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Background

In an attempt to deliver more 'genuine fans', Facebook is implementing stricter guidelines that prohibit brands from forcing users to 'Like' their page in order to receive incentives. The policy will be activated in November and will further distance the company from the initial fan building frenzy it promoted during its early days. Brands can no longer require people to 'Like' a page to *receive a reward* or *gain access to an app or app-based content*. However, brands are still allowed to incentivise people to login into the brand's app, check-in somewhere or enter a promotion on its app page. The idea is to ensure you are capturing real fans, people that are more likely to continuously engage with you, rather than forcing individuals into following your brand based on a short-lived 'one-off' interaction. This change is Facebook's response to the scrutiny it receives around ensuring fan-building strategies are delivering quality followers. The change also gives consumers a better user experience on Facebook.

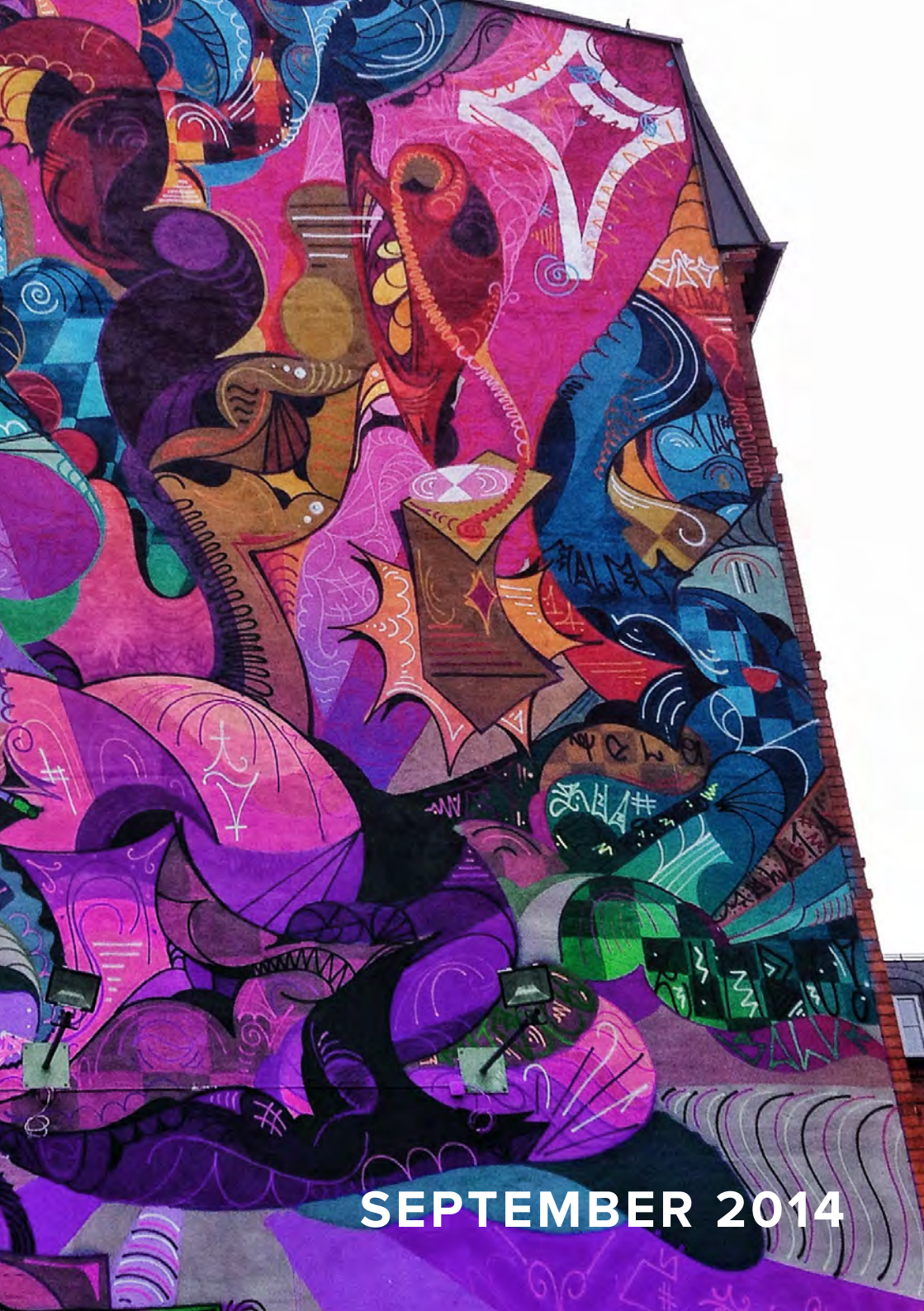
Implications

In the last year, there has been an ongoing debate around the quality of fans. While some advertisers still want to focus on buying fans outright, others have adhered to the concept of leveraging content to gain fans. This shift responds to the more demanding nature we are seeing from consumers – if you aren't providing something useful, they won't give you their time. The initial thinking about this shift seems to be positive – for both consumers and advertisers. From a consumer standpoint, you may decide to 'Like' a brand because you actually want to hear from them and engage. This in turn, will hold advertisers more accountable for creating and effectively distributing content that drives engagement as an incentive to follow.

In addition, and to the benefit of Facebook, this change will also encourage marketers to tap into advertising solutions to get to relevant audiences and true fans rather than relying on 'Like-Gating'. For example, if you are planning a social contest and were planning to use 'Like-Gating', you'll need to rethink your approach. Instead consider posting about the contest to your page and amplifying the message through a targeted Promoted Post – this will not only reach a very relevant audience but provide consumers something engaging and exciting as an incentive to follow you. Ongoing communications should follow to keep those consumers engaged and coming back for more. A big question is how this will impact a brand's ability to gain organic reach via its fan base. At the moment Facebook's algorithm decides the most relevant content to go into your newsfeed. As more users have joined Facebook and arguably more people have become brand fans, it's become increasingly hard for brands to cut through the clutter and deliver organic reach in the newsfeed: the numbers have gone from 16% of fans a few years ago to a low single digits number.

Summary

Arguably this new change will translate into more meaningful brand fan relationships, which in theory could lead to a bump in organic reach simply because these more loyal fans are more interested in the brand's content than the 'flyby' fans forced into 'Liking' for some promotional reason. In the end, the net effect maybe higher organic reach for fewer but more meaningful fans. However, whether that incremental organic reach is really that significant is doubtful given Facebook's shift to a paid reach proposition.



SEPTEMBER 2014

FACEBOOK BANDWIDTH TARGETING

BEN WATSON

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SEPTEMBER 2014

Background
Facebook's new bandwidth targeting mobile ad technology is intended to increase revenue in emerging markets, strengthen Facebook's commitment to advertisers around the visibility of ads and create a best in class example of adaptive marketing. The new feature accesses your Internet connection (when you open the Facebook Mobile App) before deciding whether to serve you heavy format ads (like video). This allows Facebook to serve you a heavy format ad only if it is sure it will download and play quickly. This optimises ad impressions for Facebook and provides a guarantee for advertisers that their ad played easily. There will be value for Facebook in the core markets of North America and Europe (where it currently generates 72% of its revenue), however the biggest opportunity is in developing countries where Internet connections can be inconsistent and feature phones (not as good at streaming) are more popular.

Implications
It's an immediate win-win for both advertisers and Facebook, and one in which advertisers aren't required to create any new ad units. Of course this doesn't mean that Facebook video advertising is the right option for your advertising, but it increases the value of this ad format. A little more broadly this also highlights the benefits for Facebook of owning both the publishing platform and the advertising network. This end-to-end view of its advertising ecosystem has enabled Facebook to gain first-mover advantage.

For advertisers it provides better ad visibility and verification. This helps in the ongoing battle for viewability with Facebook

and the wider industry working to ensure that ads served are actually being seen. Facebook's new feature will mean the ads will not only be seen, but be seen without buffering, which typically is a deterrent for consumers to engage with video advertising. This is particularly big news in the less than mature mobile video marketplace.

Much more broadly it is a smart example of Adaptive Marketing, which is all about watching the data and reapplying learnings to improve. Facebook has taken a data point that surfaces in one part of its business (app stability and user experience) and applied it to another part of its business (ad sales and delivery) to improve an existing product.

Summary

There will not be many times when Facebook will roll-out a new advertising product which will not cause an uproar amongst users and will increase revenue immediately, but it has succeeded this time. The application of Adaptive Marketing principles is an example of smart business practice in this increasingly rich data world.

APPLE DAZZLES AGAIN

JAMES CHANDLER

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Background
From its base in Cupertino, California, Apple launched two new devices, the iPhone 6 and iPhone 6 Plus; Apple Pay, its unique mobile wallet solution and the highly anticipated Apple Watch. With these came a raft of new features in its iOS8 operating system and the unveiling of two new fitness and workout apps.

Implications
Apple, in what has become its hotly tipped September event, treated the world to a range of new product launches - some of which confirmed months of rumours and others that resulted in standing ovations from the theatre crowd.

Two new bigger iPhones were expected and both came in the 4.7" iPhone 6 and 5.5" iPhone 6 Plus forms. A move from Apple to reflect the success Android and Windows Phone have enjoyed in selling larger 'phablet' devices. Both new iPhone models are faster, thinner and tougher than their predecessors, as well as having better connectivity and much improved battery life vs. iPhone 5s. Apple's 'Bigger is Bigger' slogan extends to a more advanced camera, series of intelligent sensors and a gaming device to rival the likes of Playstation and Xbox.

From the disruption of the console industry, to the disruption of our physical wallets and the introduction of Apple Pay. In talking about the many players who have attempted to solve the mobile wallet 'problem', CEO Tim Cook boldly stated that: "people have dreamed for years, but they've all failed". Apple has introduced NFC (near-field communication) into iPhone 6 and iPhone 6 Plus, enabling the devices to work with contactless payment terminals at physical points of sale. It has also debuted the integration of the Touch ID fingerprint scanner to confirm payment – replacing the need for a physical credit card and PIN number. Apple reeled off a who's who of key retailers from Macy's to McDonald's and Whole Foods to Disneyland whom with it has already integrated Apple Pay. Digitally, Apple has made paying on your mobile device even easier too – negating the need for filling in forms on the go

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and replacing this with digital cards stored in Passbook and purchases confirmed using Touch ID. Even as far as paying for your bill in a restaurant booked via OpenTable or tapping 'Ride Now' within the Uber app. The bottom line, Apple Pay is 'easy, secure, private' and Apple is 'not in the business of collecting [users'] data'

And then, Apple's 'one more thing'. Of course it was Apple Watch (not iWatch as rumoured). A new logo and typeface - more akin to luxury fashion brand than tech company - and three ranges of watch (Apple Watch, Watch Sport and Watch Edition) described by Apple's design chief Sir Jonathan Ive as: 'as simple and pure as they are functional'. Apple Watch serves as a remote to your other Apple devices (including Apple TV) and uses discreet 'taptic' technology to alert users with social network notifications, step-by-step map directions and daily calorie intake. With Apple Watch comes a fitness and workout app – suited for everyday health and more organized workouts, linking to a standalone health app on iPhone.

Summary

Apple reveled in how it had disrupted the PC, music and mobile phone businesses at today's event – before following up with a series of new disruptions in new industries that included console gaming, video cameras, wallet and payments and watches. On payments and health and fitness in particular, it has done only what Apple can do and make the potentially complex, effortlessly simple. Apple Pay makes physical and digital payments quicker, easier and safer and Apple Watch combines a must-have fashion accessory with a means of helping the world get more motivated to get healthy.

In Apple Watch, we see one of the world's best loved brands move into wearable technology and start to see how our interactions with these new devices will completely differ from what we know today through our experience with mobile phones and tablets. Mindshare's dedicated wearables unit LIFE+ has been set up to define what these new opportunities for brands will look like – almost certainly moving away from visually-led content and more likely haptic (touch), audio and emotion-based 'advertising'.

EBAY MOBILE ADS

APRIL WARDY

—

SEPTEMBER 2014

Background

eBay will reintroduce ads within its smart phone apps during Q4 2014 and tablet apps in early 2015. This comes after the introduction of mobile ads and their subsequent quick dismissal back in 2012, due to the belief that customers found them distracting. This time eBay plans to use native ads, in the hope that in contrast to the banner ads used in 2012, they will integrate seamlessly into the shopping experience. In the beginning ads will only feature on the homepage with progression to product lists occurring at a later date. eBay will also permit brands to choose how they would like their ads to be displayed, with the option for the ads to link to the brand's eBay page, to their website or prompt customers to download the brand's app. Ads initially will not be served programmatically, although eBay will gradually phase this in throughout 2015.

It is rumored that eBay is currently in talks with both technology and FMCG brands, applying careful selection criteria to those it would initially like to work with.

Implications

eBay presents a huge opportunity for brands, as its apps receive over 4.6 million visitors daily, with engaged users spending on average three times the amount of time on eBay compared to the nearest competitor.

eBay also possesses a unique selling point as an ad-targeting platform, with its users having an identifiable login across all devices and platforms. This, without the use of cookies, allows eBay to use first party data to map individual's shopping habits, including their brand preferences and purchasing intentions and interests. It also permits the direct attribution

of ads served to sales achieved across multiple devices. eBay has clearly been taking advantage of this, reportedly tracking over 290 million hours of shopping every month and building a huge database.

eBay plans to sell ad spaces based on items customers have previously bought or categories they have browsed. eBay is also taking its ad targeting one step further by offering an Audience Discovery Tool. This tool is designed to offer bespoke solutions to brands that feel that their target audience does not lie within eBay's 60 predetermined categories.

It could be argued that introducing ads could annoy potential customers, as happened in 2012. However, since eBay makes a significant amount of money through its payment service PayPal, the company seems to be in an enviable position, with the ability to make money from advertising brands other than its own, whilst still reaping the rewards from subsequent transactions.

Summary
eBay is clearly aligning itself to become a significant player in the mobile advertising market. This can only be seen as a positive move for brands, with the increasing growth of the mobile market and access to eBay's unparalleled consumer data, brands can be reassured that the ad space they are buying is not only customisable to their needs, but will reach the correct consumers. It's taken a long time for eBay to make the leap to mobile, catching up with other major online retailers such as Amazon. It's going to be fascinating to see how the two data rich ecosystems match up.

VIDEO VIEWS: FACEBOOK VS. YOUTUBE

SAUL HERNANDEZ

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Background
Ever since Facebook reached one billion video views a day it has faced comparisons with YouTube: *"In the first four hours, Facebook users watched the video 2.4 million times. On YouTube, the four-minute clip garnered just a few thousand views during that time"* quoted The New York Times.

Video ads went live in the Facebook newsfeed in April 2014, giving each brand a maximum of three 15-second creative executions per buy, limited to a single brand per buy, not across a portfolio. Since launch, Facebook has started to evolve its video experience by developing better and more detailed video analytics and view counter and auto-play and auto-pause in mobile, all in order to compete more directly with YouTube.

Implications
By using a shorter duration for measurement, and auto-play to boost video views without clicks, Facebook is now reaching a sizeable audience that is attracting attention from the top online video advertisers. Facebook counts a 'video view' after three seconds of a video playing in all formats (paid ad or user content) and its video auto-play feature starts to play videos without any action from users, boosting the amount of video views.

In comparison with Facebook's 'three second rule', YouTube counts a video as viewed after five seconds in paid pre-roll or having watched 80% of the video in paid TrueView. Meanwhile organic views are counted by a user clicking on the video's thumbnail on the search engine results page and then watching 20% of a video that is 30 second or less, or 30 seconds of a video longer than 30 seconds.

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Facebook argues its video experience is less intrusive than the pre-roll format, however, it is also having to deal with users' complaints about the increased mobile data consumption due to auto-play.

In parallel to the new ad format, Facebook has also acquired LiveRail in order to offer premium publishers the technology with which to sell video inventory across all devices. Facebook and LiveRail will integrate their data to improve targeting and serve better ads.

Facebook is also re-engineering the Atlas Advertiser Suite business purchased from Microsoft in 2013. Facebook will use Atlas to link users' ad interactions to their Facebook IDs, tracking users across devices, although on an anonymous basis.

Summary
With its new targeting capabilities and shareable features, Facebook could be the best place to spread fifteen second seeds of video content. It would be great to see YouTube and Facebook as complementary platforms for campaigns, where brands can seed snapshots of content in order to get user's attention and provoke them to extend the experience through a longer video and a detailed journey.


OCTOBER 2014

LAUNCH OF ELLO – AD FREE, PRIVATE SOCIAL NETWORK

PEDRO RAMIREZ

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OCTOBER 2014

Background

A recent outrage by some users alerted by Facebook's real name policy, several cloud hacks and Google and other tech companies being pointed out as having a business model that profits on user data, generated a window of opportunity for the public's awareness of a new social media platform model, the 'anti-data' and 'pro-privacy' social network: enter Ello. The basic premise behind the founding of Ello is to answer the public demand with an alternative to Silicon Valley's traditional business model of building a platform and then trading on the data generated by its users actions and interactions. Ello is an experiment (currently in beta) in creating a social network that does not intend to benefit from the direct monetisation of its user's actions as a main business goal.

Implications

According to Jim Edwards: 'If you're not paying for it, then you are the product," (Business Insider, Sept. 16, 2014). Ello claims: 'Your social network is owned by advertisers'. Ello claims that every action taken by users on a social network ends up being potentially used for the purpose of showing more and better targeted ads. The manifesto continues: 'You are the product that's bought and sold'. Originally built by artists and programmers as a private network it presents itself as a social networking solution coming from a higher ground of moral and ethical purity that leaves current and traditional Silicon Valley ad-supported models as lowly and mundane. As such, it speaks to an audience of the artistic and the alternative, the irreverent and the non-conventional, in a way that Google+ or any other social network never did.

In order to manage demand it was released as an invitation only network, much in the same fashion that Google+ did years ago, creating an aura of scarcity among the early adopter and digital

adventurer public. Earlier this year (Aug.2014), Ello had about 90 users, since then, it has reached a healthy 40-50,000 invite requests per hour, according to founder Paul Budnitz (also the founder of designer toy manufacturer and retailer Kidrobot).
Ello is completely free to use for its users, however, Ello does not sell ads, and it does not intend to sell data on user actions to third-party companies. “We dislike ads as much as anyone else out there… ads are tacky …they insult our intelligence …we’re better without them” claims the website.

Summary
Ello is not for everyone or every brand, but it’s time to get to know it and experiment with it in this early stage. For now there are some brands and media already starting to experiment with the platform like Netflix, *The Wall Street Journal* and *The Guardian*. It could be an environment to explore ideas (for use with brands) with informed, design conscious and opinionated audiences and it seems to be waiting for a social or politically charged movement to help it gather widespread traction.

Ello promises enhancements coming soon including: rich media commenting; re-posts; notifications; video integration with YouTube, Instagram, Vimeo and Vine and the introduction of apps (yes, there are no apps).
Beyond this basic pipeline of development features, Ello’s management also announced ‘special features’ that it will be rolling out as part of a subscription model that will support and fund the platform. Keep an eye on this.

FACEBOOK ATLAS RELAUNCH

JOHN MONTGOMERY / JOE BARONE

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Background

Facebook has re-launched Atlas, the ad serving technology it bought from Microsoft last February for a rumored $100m. Atlas has been widely viewed as a 'has-been' in the ad-serving wars. However, as part of the new re-launch, Facebook is making some bold claims for not only Atlas but also digital advertising in general. Facebook is claiming that it has made a step forward in solving a long-standing attribution problem by using the new Atlas to target and track people across media and devices.

Facebook says Atlas will deliver a 'people-based marketing' solution that will help marketers reach individuals across devices, platforms and publishers. It is a significant move away from the long-standing and fairly ubiquitous, but flawed, cookie-based model, which doesn't work on mobile (which now makes up the majority of Facebook's advertising revenue). Facebook is claiming that the entire premise of online advertising that has been established over the last twenty years now needs to rapidly evolve in order to factor in the proliferation of portable and new IP-enabled devices where cookies are obsolete. Facebook's new Atlas model, not surprisingly, leverages a singular Facebook ID, which can be used to track an actual user across devices on his or her journey. Ironically in re-launching Atlas, Facebook has implicitly undermined the historical strength and robustness of the industry and its own historical cookie-based advertising model; Facebook claim a 26% overstatement of reach, only 59% accuracy in demographic targeting, an understatement of frequency 41% and 21% of conversions not being captured. In the coming days these numbers will certainly be challenged and analysed by the collective industry to point out any flaws.

Implications

So what in practical terms has changed with Atlas? The user interface itself is a completely changed design with similar features you would expect in other platforms. Bulk processing capabilities are present and ad creative libraries exist, but are

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standard. Targeting ads has changed based on Atlas' definition of 'people' and a single tag process is supposed to reduce operational process. The global user base is of course significant – 1.3 billion users across Facebook and Instagram - and the comprehensive analytics and reporting package allows the user to analyse and compare cookies and 'people' impressions. Whilst the methodology is privacy compliant (Facebook users sign in and agree to a privacy policy), Facebook and Atlas will need to manage communications carefully to avoid any backlash from users, something that has not been their strength in previous product updates and launches, e.g. Beacon and the new Messenger.

Facebook's Atlas re-launch rightfully recognises the need to evolve the current cookie model, which has helped the industry enormously over the past twenty years but is in need of reconsideration in the second wave of digital marketing – mobile – not to mention the emerging third wave of the Internet of Things. The key challenge for the industry is improving cross-device targeting and attribution without creating a series of closed ecosystems, not too dissimilar to the early days of the Internet when companies like AOL set-up ID based walled gardens – for AOL then read Google, Facebook, Apple and Amazon etc now. Ironically, or perhaps coincidently, the Atlas re-launch comes at a time when most marketers are exploring cross-network programmatic solutions to break down the silos established in the PC Internet world via ad networks. So while some silos are disappearing, the big platform players like Google, Facebook, Amazon and Apple are setting up new silos, this time across devices.

Summary

Facebook has plucked Atlas from the grave and GroupM agencies are already engaging in conversations about testing the new platform. While marketers should applaud the effort to come up with more sophisticated cross-device targeting and attribution solution, they should also be cautious in ensuring that they are not creating another silo, particularly given all of their efforts to create a unified programmatic, tracking, tagging, data management and measurement solution. Facebook may have broken one silo – across devices – only to create another one – across platforms – as it takes on competing ecosystems by Google, Amazon et al.

SNAPCHAT ADVERTISING

RICHARD BEALE

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Background

Last week Snapchat, the mobile app enabling users to send each other pictures and videos that disappear after a few seconds, launched its advertising service with Universal Picture's latest horror flick, *Ouija*. The popular app, which famously rebuffed a $3 billion acquisition offer from Facebook last year, claims over 100 million monthly active users who send over 700 million Snaps and view over 1 billion Stories per day. Over a year ago Snapchat introduced 'Stories', a new feature that enabled users to send an image or a video to their contacts, which would remain accessible to the recipients for twenty-four hours from the time it was initially posted. Additionally, new photos and videos could be added to the stories within the twenty-four hour period, allowing for sequential story telling. This new function was intended to increase general usage, as users were now permitted to repeatedly view content at their own convenience.

In this old model, brands could post stories to their followers, similar to making a Facebook or Twitter post. The big change is that brands can now move beyond organic posts and now pay to get wider distribution beyond followers, similar to Facebook advertising or Twitter promoted tweets. Immensely popular amongst the teenage demographic thus far, Snapchat has struggled with advertisers and brands due to a somewhat questionable reputation, targeting difficulties, recent data safety concerns, and frankly the fact that most marketers simply don't use the app.

Implications

Advertisements in Snapchat will sit in the recent updates section of a user's inbox and are opt-in/user initiated, so 'no biggie' for the users as the official company statement reads. Highlighted as 'Sponsored' there is no targeting options and no publically released data on cost models (please contact

us if you are interested in learning more). Snapchat will most likely never match the targeting of Facebook and Twitter or the direct response of Google and Pinterest. However it could become a powerhouse for brand storytelling to an engaged and specific audience. User initiated advertisements is a powerful statement of intent from Snapchat and a warning shot to other social networks who are delving deeper and deeper into newsfeeds and interrupting the user's social experience. The advertisements will be non-targeted, to begin with, so will lend themselves to mass-market products targeting a younger demographic.

Summary

Whilst other platforms have better reach and targeting, the power of Snapchat is active engagement and has the complete attention of the user during the advertisement. The fact that you have to touch and hold to view the advertisement means each impression owns real attention. The product corrects the issues of over (or under) posting on Instagram, Facebook and Twitter whilst adding an element of urgency to engage with the content. Used correctly Snapchat could become a powerful and unique tool for some innovative brand storytelling. Look out for potential future enhancements to attract more advertisers, which may include better targeting and sharing capabilities to generate more earned media.

TWITTER AD CONTROL

JED HALLAM

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Background
At the beginning of September Twitter announced it was acquiring MoPub, a mobile publishing exchange that provides app developers with greater (and more simple) control over their own inventory, pricing, and placement of advertising. Twitter has recently announced that it now plans to give advertisers greater control over ad placement too – a move that plays into the current trend towards transparency in digital advertising, as well as capitalising on advertisers interests in in-stream and native advertising (as advertisers will also be able to choose the frequency and positioning of in-stream ads too).

Implications
There are a number of key parts of both the acquisition and the announcement that should appeal to advertisers. Firstly, this represents an opportunity for brands to begin layering together their own data with that of Twitter, and specific app-based data – which, depending on the application and depth of Twitter information, may become a very powerful adaptive marketing tool. The second implication will be around split-testing creative across different segments using that data, and starting to introduce creative testing into programmatic and RTB in order to begin sequential storytelling tests.

The programmatic angle is something that hasn't been mentioned by either Twitter or MoPub, but as Twitter looks to integrate MoPub's RTB technology into its own platform, we'd expect to see a programmatic angle to this offering too. When we combine this with the cross-platform elements of this deal, that then offers brands the opportunity to begin to scale

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a lot of creative and content tests, which potentially leads to increasing overall campaign performance and increased efficiency of media spend – adaptive marketing at its best, and a great combination of the Mad Men and the Math Men.

Summary

This acquisition and announcement could mean that Twitter has just acquired both a brand advertising platform and publisher side platform rolled into one – which is then fuelled by both Twitter and location-based data. This has significant implications for the use of data by advertisers using the Twitter platform, and may lead towards an integration of first (advertiser data, such as custom audiences), second (earned and social data from Twitter itself), and third party data (from third party publishers where the advertising is to appear). This integration of data, and the fact that Twitter is beginning to replicate a lot of Facebook-esque behaviours, is a strong signal that Twitter is trying to make the leap into the much-hyped advertising technology and Big Data space.



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WEB SUMMIT

GREG BROOKS

—

Background

Web Summit is only four years old, but has already grown from 400 people to 20,000 during that time and is now being spoken about as 'the SXSW of Europe'. It is focused on the start up, VC and developer community, but under the Web Summit banner you also find 'Digital Marketing Summit', 'Builders Summit', 'Enterprise Summit', 'Machine Summit', 'Music / Sport / Film Summit', 'Food Summit' and PITCH (a competition between 200 start-ups). This isn't Cannes; and it isn't CES either. This is the realm of the developer and the entrepreneurial start-up. Despite the attendee numbers, there aren't that many shiny exhibitor stands - in fact the start-ups all line up on a very basic wooden plinth by sector, with a simple cardboard poster behind them explaining who they are and what they offer, accompanied nine times out of ten by a laptop containing the product in alpha or beta mode. And the offer is broad. Social; Hardware; Big Data; Developers; Finance. You name it; you will find it. In complete contrast to the Spartan facilities for the start-ups, the vast main stage is bathed in the glow of an elaborate staging and hosts celebrities such as Eva Longoria (Actor, Producer and Philanthropist). Alongside Longoria are VCs, AI scientists, roboticists and entrepreneurs, and even the Irish Prime Minister Enda Kenney, who along with Web Summit founder Paddy Cosgrave rang the starting bell for the NASDAQ.

Implications

Over in the 'Digital Marketing Summit' the presentations came thick and fast and covered attention, the next billion and measurement, but the focus on day one was programmatic, which seemed to make it into every presentation and fireside chat. Mindshare Chief Digital Officer Norm Johnston gave a keynote and joined a panel on the topic, saying of programmatic: "it is an adaptive marketing engine that can drive your business forward; it's not just about efficiency;

efficiency is a bi-product and we shouldn't lose sight of the strategic value of programmatic.' He also challenged creative agencies to embrace the creative opportunities provided by programmatic for content, and not to dismiss it as uncreative. Responding, Sophie Kelly, CEO at The Barbarian Group said: 'Programmatic allows you to have real time insights into how people are behaving, which is another input to inspire creative thinking. We don't talk about the system or how it is done." Elsewhere Andrew Markowitz, Director, Global Digital Strategy GE was making a plea for organisations to embrace disruption, saying: 'It's not about avoiding disruption, it is about becoming the disruptor'.

Summary

There are already too many conferences, but Web Summit has tapped into something special - the intersection of marketing and tech innovation. The sheer number of Big Data start-ups is impressive and the fact that 20,000 people made the pilgrimage to Dublin (presumably not just for the Guinness – although there is a 'Night Summit' on offer) is a sure sign that this conference is a winner. Yes the Wi-Fi was rubbish (as Paddy himself remarked from the main stage), but one rumour at the end of day one was of a buy out of Web Summit by SXSW. The music maybe missing from Web Summit at the moment, although Bono is meant to turn up before the end, but I don't think it would surprise anyone if the rumour proved correct.

YAHOO ACQUIRES BRIGHTROLL

GREG BROOKS / NORM JOHNSTON

—

Background
Yahoo has acquired BrightRoll, a programmatic video advertising platform for a reported $640m. The deal will combine Yahoo's premium desktop and mobile video advertising inventory with BrightRoll's programmatic video platform and publisher relationships. BrightRoll has net revenues expected to exceed $100 million this year.

Implications
Yahoo is trying to return its display advertising revenue back to growth for the first time in two years, and this acquisition adds BrightRoll's expertise in video programmatic advertising, an area Yahoo claims is fundamental to its future. Yahoo's senior VP-advertising technology Scott Burke said: "Yahoo has had a successful video owned-and-operated business, but we have not built out our off-network and third-party and platform business in video."

For marketers, the deal will simply give them a scaled and brand safe destination to move more of their TV spend to pre-roll online video ad formats. It will also create more competition and much-needed inventory, which will hopefully keep some historical pricing anomalies in the online video space in check.

In terms of the $640m acquisition cost, the price tag makes sense given the current industry momentum behind programmatic and online video. eMarketer estimates that programmatic could make up 63% of total US display advertising by 2016, of which 70% will be mobile, 60% will be premium or direct, and 18% will be video. The deal will certainly accelerate Yahoo's programmatic growth ambitions

in at least two of those areas. However, the acquisition has a less certain impact on mobile advertising revenues as BrightRoll is weaker in this area, although Yahoo CEO Marissa Mayer will certainly seek to rapidly bolster its capabilities.

More than anything else the BrightRoll acquisition is another signal from Mayer that Yahoo simply doesn't have the time or resources to organically catch-up to its competition and find its way back to growth. In short, Yahoo will need to acquire, which it has been relentlessly doing since Mayer took control, including mobile ad network Flurry and social network Tumblr. Fortunately for Mayer, Yahoo does have cash to spend to fund this strategy after the offloading of some of its shares in Chinese giant Alibaba.com during its IPO earlier this year (netting $8.3bn in the process – even though had Yahoo waited until trading began it would have netted $3bn more for the same shares).

Summary

The BrightRoll acquisition may just be the start of a renewed and significantly larger spending spree by the long time Internet giant. With Yahoo's owned advertising inventory continuing to decline, Mayer may be looking to build out a strong mobile programmatic Yahoo network consisting of a portfolio of newly owned but non-Yahoo branded assets as well as third party inventory. Yahoo may even make a much bolder move by acquiring or merging with a suddenly struggling Twitter or make a deal with some of the highly successful Chinese Internet giants seeking to expand elsewhere. Armed with a hefty war chest, Yahoo may be a very different company in a years time.

FACEBOOK @ WORK

GREG BROOKS / CAT WILLIAMS-TRELOAR

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Background

The *Financial Times* 'broke' a story last week that Facebook is working on a new service called 'Facebook at Work' – a potential LinkedIn killer that would allow you to create a work orientated social profile on the platform. A work-related version of Facebook has been rumoured for some time; *TechCrunch* first wrote about the potential Facebook at Work in July. However, the *Financial Times* article certainly gives the rumour more weight and credibility, although Facebook has yet to publically comment.

Implications

With 1.35 Billion global active users, Facebook certainly has the customer base already in place, particularly compared to LinkedIn's 332 million users. Consequently, it would be easy for Facebook to get a large number of people to set-up a work related social graph, arguably a customer need that has been growing as peoples' networks have started to blur the lines between friends, families, and work colleagues. However, the new service is more than just a place to post updates; Facebook at Work is said to feature ways to not only communicate with colleagues and connect with other professionals, but also to collaborate on documents. Such a fully fledged 'at work' version of the social platform could also replace workplace efficiency tools such as Microsoft's Yammer and Salesforce Chatter, and possibly even Google Docs. However, this is a competitive and cluttered space. These workplace tools are an accepted part of the modern company's workflow, whereas Facebook is sometimes banned in offices. So in order for an 'at work' Facebook to succeed it needs to change its perception from a place where you waste time, to a place where you save time.

For brands such a new service may provide several opportunities. The first, and the most obvious, is that it would

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be a B2B advertising opportunity with potentially significant reach, perhaps more than LinkedIn. Secondly, some users may add or even transition brand fan relationships from their personal networks to their professional social graph. In this later scenario some brand posts may have a higher probability of organic newsfeed reach given a potentially smaller audience, at least during the early phases. Third, some brands may explore added-value utilities and work-related functionality as part of this new ecosystem.

Summary

The initial reaction to the *Financial Times* report may provide Facebook with a glimpse into how an 'at work' version of its service would be received. It certainly has the ability and scale to not just change the world of recruitment advertising and job-hunting, but the wider world of how companies collaborate and communicate.

But many questions still remain. Will it be ad free or ad supported? Would people's personal and professional profiles be linked or kept separate? Would Facebook form a closer partnership or open-source approach with Microsoft or a Salesforce to add functionality and credibility to the new service? Is this a play to create a more holistic view of an individual by getting them to offer up data (by filling in their 'at work' profile) in order to create an even more robust Facebook ID including where you work, how much you earn, what circles you move in and what companies you are thinking about joining? Time will tell.

YAHOO AND FIREFOX PARTNERSHIP

NORM JOHNSTON

—

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Background

Mozilla's popular Internet browser Firefox has announced that it is transitioning to Yahoo as its default search engine over incumbent Google. The move marks yet another deal by Firefox with alternatives to Google, including new search engine partnerships with Yandex in Russia and Baidu in China. While Firefox's share of browsers is smaller than Internet Explorer and Google's Chrome (16%, 18% and 41% respectively), the deal will enable Yahoo to claw back some much-needed share of the search market from long-dominant Google. Exactly how much is unclear.

Implications

The new deal means that Yahoo will become the new default search engine for all Firefox browser searches on PCs and mobile starting in December and lasting throughout the new five year deal. When you type a query into your Firefox browser's embedded search box you will be directed to a Yahoo search results page, which has been designed by Yahoo, but is powered by Microsoft's Bing. In other words, Microsoft provides the data and Yahoo provides the interface. That relationship is part of the on-going ten-year search partnership between Microsoft and Yahoo that started in 2010, which has so far survived sustained industry speculation over both partner's happiness and/or dissatisfaction with the results.

It remains to be seen how much incremental share Yahoo will gain from the deal. According to ComScore, Yahoo's current share of US PC searches is hovering around 10%, compared to Microsoft's 20% and Google's 67%. These data points differ significantly beyond the US market, e.g., in the UK Google has nearly 90% of the market compared to Yahoo's 3%.

Regardless of geographic differences, the key factor that may determine the success of the deal is its effectiveness beyond the

desktop as the real search battleground is mobile. According to eMarketer, US desktop paid search is set to decline by $1.4 billion as users shift to mobile devices. Unfortunately for Yahoo, Firefox's share of global mobile browsers is 0.75%. So, while this deal will hopefully add some much needed competition into the search business, it doesn't significantly help Yahoo when it comes to mobile search, the key future growth area.

Summary

For Yahoo, the Firefox deal is another smart tactical move by CEO Marissa Mayer to continue bolstering its ad revenue sources through acquisitions and partnerships. In general the industry should applaud any greater competition introduced into the search business, where Google has played a near monopolistic role, much to the increasing frustration of regulatory bodies, particularly in the European Union. However, it's unclear exactly how impactful the Firefox deal will be given the browser's limited penetration in the increasingly important mobile search space. Nonetheless, Yahoo may have another and substantially larger opportunity to gain search share on mobile. Google's partnership as Apple's default search engine is set to expire early next year, and both Yahoo and Microsoft are now heavily courting the newly invigorated Apple. Such a partnership would give either search engine a significant boost, unless of course Apple develops its own search engine, which has been strongly rumored for some time. 2015 may finally be the year when the industry sees some significant competition in the search engine business, long dominated by Google in most parts of the world, but now being shaken-up by the move to mobile, new alliances and acquisitions, and perhaps even some regulation.

THANK YOU

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—

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www.mindshareworld.com

MINDSHARE

90min

The Football Media Platform

90MiN

START ME UP

Author: Duncan McMonagle & Alex Giacon

Description

Background

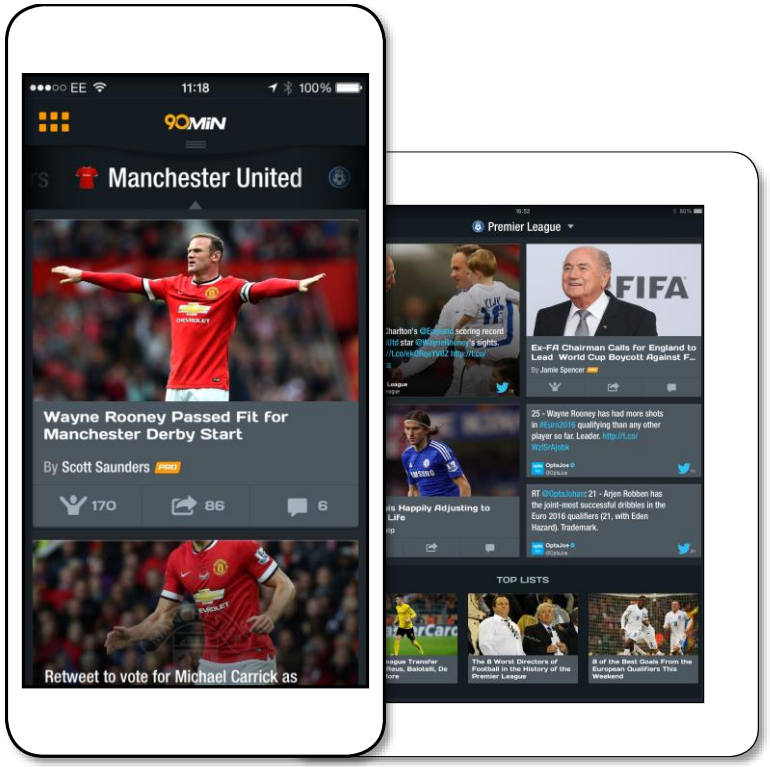
90min is a football media **platform** which allows **fans**, publishers and brands to create rich, engaging **content** that is distributed **globally** across mobile, web, and social.

AUDIENCE

- 15 Million MAUs globally (vs 3.8MM in November 2013 or 350% YoY)
- 10 mins+ time spent per user session
- **70%** of the audience coming from mobile and **40%** aged 18-24 years old.
- Authentic, localised, club by club content

CONTENT

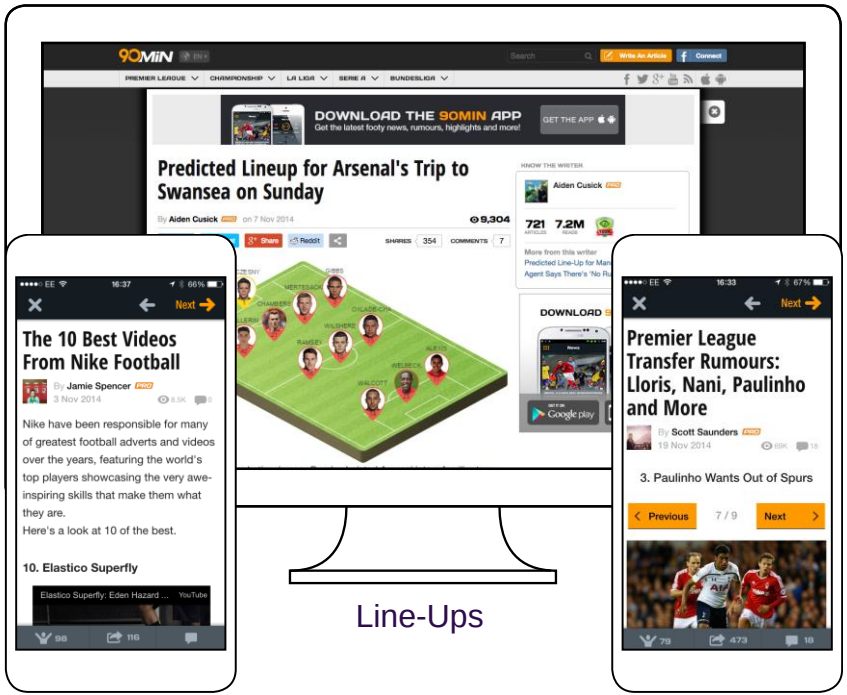
- **3,000+** journalists writing 400+ articles per day in 10 different languages
- Over **8.5 million Facebook fans**,
- Official media partner and exclusive voting platform for the Professional Footballers' Association



Platform – Next Gen Publishing Tools

How it works

- **FANS:** Fan journalists use 90min next generation tools to create social content around football, enabling them to express their passion and opinions.
- **TOOLS:** Publishing tools are continuously being developed to help reflect the demand from the fan journalists and what type of content is popular on social platforms – coming next Meme Generator
- **EDITORS:** The content created is editorially approved by our in-house experts
- **DISTRIBUTION:** at scale utilising the following platforms:
  - Across 90min channels including mobile web, tablet, app (with push notifications) and desktop
  - Via 90min social club specific team pages
  - On our network of premium publishers and social network partners



Platform – Next Gen Publishing Tools

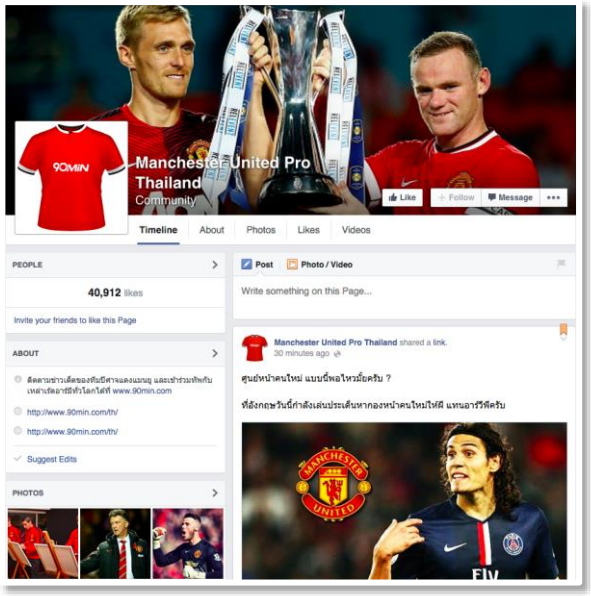


Platform – Social Reach

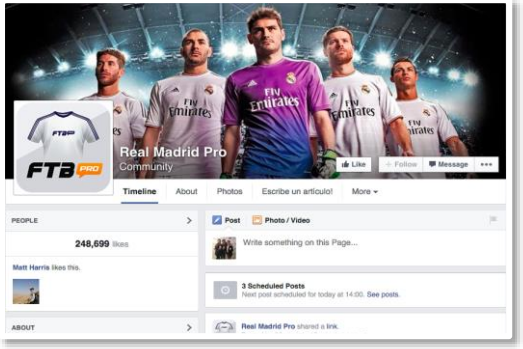
200+ SOCIAL PAGES BY TEAM & LANGUAGE = 8,500,000+ fans



Arsenal English Fan Page



Manchester United Thailand Fan Page



Real Madrid Spanish Fan Page



Bayern Munchen Twitter Page



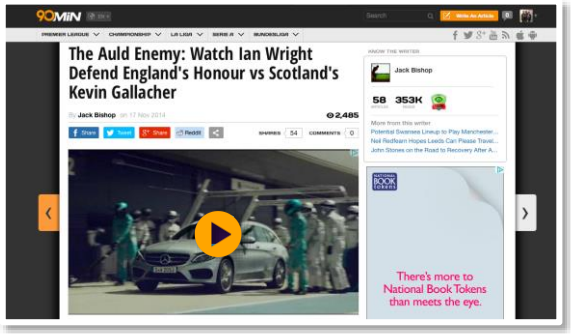
Liverpool Twitter Page

Implications

- Our 3,000+ fan journalists cover every major club in 10 languages in every market and can be leveraged by brands as **ambassadors** to deliver hyper-local, relevant content
- Our technology-first approach gives brands, as well as fans, the opportunity to make use of the latest interactive and socially empowered content templates: meme generators etc.
- Our platform is built to distribute effectively across our own channels, premium publisher partners and social networks to provide unrivalled global football distribution

A brand approach to utilising 90min:

- There are multiple ways a Brand can engage with 90min. A few key opportunities are:
    - ***Sponsored Content:*** Develop, co-create and distribute custom editorial and social content, made in partnership with a brand
    - ***Paid Distribution:*** Driving distribution and engagement of a brands existing content
    - ***Sponsorship:*** Integration with key tentpole events (e.g. PFA Player of the Month)
    - ***Premium Advertising:*** High impact and innovative creative executions across multiple platforms
    - ***Video:*** Opportunities across syndicated, licensed and original video.





Summary

90min produces authentic and localised content in 10 languages. Helping brands implement their marketing campaigns in new and engaging ways to a young audience at scale. From building brand awareness using sponsored content to building engagement through interactive advertising, 90min has the ability to deliver against Brands' key KPIs.

90MiN

Launch	2011

4 phrases

- Next gen publishing platform
- Authentic fan journalists
- Social content & distribution
- Helping brands become creators

Thank you



PL US	Facebook Newsfeed Update	Kevin Chan	17/12/2014

Background

Facebook is once again changing its newsfeed algorithm, which will alter what content users see from brand pages via organic distribution. This update will give less prominence to certain types of promotional organic page posts deemed as diluting users' newsfeeds. The change, like others, is being made in order maintain the relevancy of the newsfeed to the user.

Details and Implications

Facebook has maintained a "user experience first" approach to developing its platform. Repeat users give the social network its intrinsic value, so maintaining a high user experience is always of paramount importance. The newsfeed is a crucial component of Facebook, and its content is intended to be a mix of the best and most relevant content from the user's family, friends and brands that they follow. Many brands have a negative effect on the quality of organic newsfeed stories, with low relevance to the user and overly "promotional" tone to their message. Key examples of such organic posts include:

1. Posts that overtly sell a product or constantly ask for a download of a non-relevant app to the user.
2. Competitions and sweepstakes posts with low relevance to the user.
3. Posts that employ the same messaging used in the brand's advertising.

From 1st January 2015 Facebook will be implementing changes to its algorithm, which will see poorer quality content from brand pages being given a less "free" newsfeed distribution and more attention being given to brand pages and posts that feature creative of a more appealing nature to users. Generally brand pages have a quality score that is extrapolated from user feedback to their posts. Positive feedback indicated by good engagements such as likes, comments and shares in contrast to negative, which is denoted by complaints. Once the new algorithm is imposed, users will be exposed to significantly less organic content from brand pages, with the chosen few being of a superior caliber and of higher relevancy to the user.

Facebook's exponential growth over the last few years has brought its own set of challenges. With users being inundated with a vast sea of content, both good and bad, which could be perceived as eroding their product. This proposed update has seen Facebook taking a significant step in improving the usability of the platform from its users' perspective in order to maintain high user retention as well as reach across all demographics and its position as the premier player within social media.

Summary/ POV

The proposed changes by Facebook are certainly a sign that the platform is serious about sustaining their growth and momentum in the social media space. The impending changes seemingly follow on from the stricter guidelines imposed by Facebook in November of this year, prohibiting brands from forcing users to "like" their page to receive incentives (e.g., "like-gating"). Starting in January, brands and advertisers will face even greater pressure to create better content than ever before in order to organically enter a user's newsfeed. In fact, less but better content may be the new norm. Alternatively, marketers can simply spend more media budget with Facebook to buy their way into a newsfeed. In the end, this most recent change continues Facebook's transformation from a PC-based single-brand social media network into a multi-brand mobile application ecosystem with massive paid media reach possibilities.

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MINDSHARE	Twitter App Graph	April Wardy	09/12/2014

Background

Twitter has announced the introduction of a new opt-out service "app graph", which records the names of the apps users currently have downloaded on their devices. This data will be used by Twitter to hopefully improve ad targeting capabilities. It has already been implemented on iOS last week, with android likely to follow later this week.

Details and Implications

This new service will see Twitter looking at the apps you have downloaded to try and decipher your preferences, in order to deliver tailored advertising content. The list of apps will also be periodically updated, to account for the inevitable new additions and deletions. Although app graph will be an opt-out service, if you have previously chosen to limit ad tracking it will not be automatically activated. Also, the service is relatively easy to switch off, with both iOS and Android offering detailed instructions on how to do so.

Twitter's prerogative seems clear, it is attempting to learn more about its user base in order to sell more advertising space at a higher premium. This seems a natural progression for Twitter, as it has already been capitalizing on algorithms during the past few months, in an attempt to identify Tweets its users may like and to recommend new people to follow.

With a business model based on targeted advertising "app profiling" seems a necessary addition for Twitter, as in comparison to Facebook's copious amount of user data, Twitter is still somewhat lacking in the amount of information it can ascertain from its users. As discernibly, only certain information can be gained from users, based on who/what they tweet and the people they choose to follow.

However, exactly how much of an improvement this information will make to advertisers is debatable. As Twitter has already explicitly stated that it will only collect data regarding the names of the apps downloaded and will have no access to any additional data generated within the apps. Furthermore, it seems likely that many individuals will have the same popular apps installed on their device, which may result in many generic user profiles without enough variation for successful ad targeting. Finally, just because an app is downloaded, does not mean it is used. A trend which is likely only to become more prevalent, given the increase in storage capacity on newer devices removing the impetus to delete apps which are rendered superfluous.

Summary/PoV

For advertisers this new service should definitely be a welcome addition, as any service providing consumer insights should hopefully reap some positive results as far as ad targeting is concerned. However, successful targeting is intrinsically reliant on the identification of differences and the aggregation of patterns, thus given the superficial nature of the data Twitter will be collecting, the level of targeting possible seems dubious.

On the other hand App Graph does provide an excellent foundation for more extensive analysis in the future, such as the mapping of buying patterns and ROI predications. Especially following the introduction of the Twitter "buy now" button in September and more recently Twitter Offers a service which automatically adds offers to users' debit cards to be redeemed in physical stores.

MINDSHARE	Amazon's Video Ambitions	Saul Hernandez	12/01/2014

BACKGROUND

The New York Times and other media are reporting that Amazon is set to launch an online video service that will feature advertising in order to make it available for free to consumers. The reports suggest the new service would be de-coupled from the existing $99 Prime Instant Video offering, which doesn't include advertising. It is already being dubbed a 'Netflix killer'.

DETAILS AND IMPLICATIONS

Few details are available at this time. However, it's clear to see why Amazon would be interested in disrupting the market. According to Nielsen, streaming video subscribers aged 18-to-34 watch 20% less TV after signing up to an on-demand service, while those in the 25-to-54-bracket watch 19% less. At the same time, digital ad spend will surpass TV spend in the US by 2018, fuelled by online video networks such as YouTube and Hulu.

Amazon is appealing to two market needs. First, if the service really is free, the consumer-demand for this at a moment when Netflix has raised its subscription prices. Second, the advertising industry's need for more premium video ad inventory but with a richer data set for targeting, particularly data correlated to actual sales.

Amazon's unique pool of consumer data could help advertisers go beyond current targeting criteria such as demographics and behavioral data to more robust information such as quite simply who is actually buying, or most likely to buy, particular products. This instant connection to sales information is becoming more relevant to more marketers as Amazon moves into packaged goods and real-world delivery of groceries and other perishables. Amazon will be able to fully attribute from the online video ad you've watched on your tablet or IP-enabled TV to the end purchase, and use all of that data to reverse target to a larger pool of people who statistically would have a higher probability of buying your products, including FMCG brands who are historically big TV spenders.

However, this data-flow would work in two-ways for Amazon. Per above the first flow is to use the Amazon sales data to improve targeting. The second is to help Amazon sell more stuff to you on its own platform, as it would know not only what you have bought and browsed, but also what you have been watching – been enjoying the latest Breaking Bad series – maybe you'd like some official merchandise? All of that enhanced data will be brought to bear across the Amazon ecosystem.

Add into that Amazon's ability to tie everything back into its e-commerce platform and maybe we could be watching "TV" video ads that allow you to add products to your cart with the click of a button without interrupting the viewing experience.

SUMMARY

If confirmed, Amazon's free ad-supported video service could be a game changer. Marketers will get big benefits in terms of inventory, audiences and performance. It will be worth keeping an eye on the flow of data in this new offering. The trend is for the larger platforms to use 'signed in' services to build greater profiles of consumers, tying the data back to an individual – think Facebook ID etc. An Amazon that knows what you buy and also what you watch will be more powerful than ever. Whether the free content will be alluring enough to kill Netflix is another question. Some consumers, particularly premium, may be willing to pay for on-demand ad-free content such as House of Cards. For others, Orange may not be the New Black anymore.

Background

Mozilla's popular Internet browser Firefox announced that it is transitioning to Yahoo as its default search engine over incumbent Google. The move marks yet another deal by Firefox with alternatives to Google, including new search engine partnerships with Yandex in Russia and Baidu in China. While Firefox's share of browsers is smaller than Internet Explorer and Google's Chrome (16%, 18% and 41% respectively), the deal will enable Yahoo to claw back some much-needed share of the search market from long-dominant Google. Exactly how much is unclear.

Details and Implications

The new deal means that Yahoo will become the new default search engine for all Firefox browser searches on PCs and mobile starting in December and lasting throughout the new five year deal. When you type a query into your Firefox browser's embedded search box you will be directed to a Yahoo search results page, which has been designed by Yahoo, but is powered by Microsoft's Bing. In other words, Microsoft provides the data and Yahoo provides the interface. That relationship is part of the on-going ten-year search partnership between Microsoft and Yahoo that started in 2010, which has so far survived sustained industry speculation over both partner's happiness and/or dissatisfaction with the results.

It remains to be seen how much incremental share Yahoo will gain from the deal. According to ComScore, Yahoo's current share of US PC searches is hovering around 10%, compared to Microsoft's 20% and Google's 67%. These data points differ significantly beyond the US market, e.g., in the UK Google has nearly 90% of the market compared to Yahoo's 3%.

Regardless of geographic differences, the key factor that may determine the success of the deal is its effectiveness beyond the desktop as the real search battleground is mobile. According to eMarketer, US desktop paid search is set to decline by $1.4 billion as users shift to mobile devices. Unfortunately for Yahoo, Firefox's share of global mobile browsers is 0.75% compared to Chrome at 22% and Safari at 45%; the latter two search engines clearly having an advantage with the dominant installed mobile operating systems. In short, while this deal will hopefully add some much needed competition into the search business, it doesn't significantly help Yahoo when it comes to mobile search, the key future growth area in both consumer usage and ad billings.

Summary

For Yahoo, the Firefox deal is another smart tactical move by CEO Marissa Mayer to continue bolstering its ad revenue sources through acquisitions and partnerships. In general the industry should applaud any greater competition introduced into the search business, where Google has played a near monopolistic role, much to the increasing frustration of regulatory bodies, particularly in the European Union. However, it's unclear exactly how impactful the Firefox deal will be given the browser's limited penetration in the increasingly important mobile search space. Nonetheless, Yahoo may have another and substantially larger opportunity to gain search share on mobile. Google's partnership as Apple's default search engine is set to expire early next year, and both Yahoo and Microsoft are now heavily courting the newly invigorated Apple. Such a partnership would give either search engine a significant boost, unless of course Apple develops its own search engine, which has been strongly rumored for some time.

2015 may finally be the year when the industry sees some significant competition in the search engine business, long dominated by Google in most parts of the world, but now being shaken-up by the move to mobile, new alliances and acquisitions, and perhaps even some regulation.

MINDSHARE	Facebook @ Work	Greg Brooks & Cat Williams-Treloar	17/11/2014

Background

The *Financial Times* 'broke' a story last week that Facebook is working on a new service called "Facebook at Work" – a potential LinkedIn killer that would allow you to create a work orientated social profile on the platform.

Implications

A work-related version of Facebook has been rumoured for some time; TechCrunch first wrote about the potential Facebook at Work in July. However, the *Financial Times* article certainly gives the rumour more weight and credibility, although Facebook has yet to publically comment.

With 1.35 Billion global active users, Facebook certainly has customer base already in place, particularly compared to LinkedIn's 332 million users. Consequently, it would be easy for Facebook to get a large number of people to set-up a work related social graph, arguably a customer need that has been growing as peoples' networks have started to blur the lines between friends, families, and work colleagues.

However, the new service is more than just a place to post updates; Facebook at Work is said to feature ways to not only communicate with colleagues and connect with other professionals but also to collaborate on documents. Such a fully fledged 'at work' version of the social platform could also replace workplace efficiency tools such as Microsoft's Yammer and Salesforce Chatter, and possibly even Google Docs.

However, this is a competitive and cluttered space. These workplace tools are an accepted part of the modern company's workflow, whereas Facebook is sometimes banned in offices. So in order for an 'at work' Facebook to succeed it needs to change its perception from a place where you spend time, to a place where you save time.

For brands such a new service may provide several opportunities. First, and the most obvious is a B2B advertising opportunity with potentially significant reach, perhaps more than LinkedIn. Second, some users may add or even transition brand fan relationships from their personal networks to their professional social graph. In this later scenario some brand posts may have a higher probability of organic newsfeed reach given a potentially smaller audience, at least during the early phases. Third, some brands may explore added-value utilities and work-related functionality as part of this new ecosystem.

Summary

The initial reaction to the *Financial Times* report may provide Facebook with a glimpse into how an 'at work' version of its service would go down. It certainly has the ability and scale to not just change the world of recruitment advertising and job-hunting, but the wider world of how companies collaborate and communicate.

Many questions still remain. Will it be ad free or ad supported? Would people's personal and professional profiles be linked or kept separate? While Facebook form a closer partnership or open-source approach with Microsoft or a Salesforce to add functionality and credibility to the new service? Is this a play to create a more holistic view of an individual by getting them to offer up data (by filling in their 'at work' profile) in order to create an even more robust ID including where you work, how much you earn, what circles you move in and what companies you are thinking about joining?

Time will tell.

MINDSHARE	Web Summit	Greg Brooks	04/11/2014

Background

Web Summit is only four years old, but has already grown from 400 people to 20,000 during that time and is now being spoken about as 'the SXSW of Europe'. It is focused on the start up, VC and developer community, but under the Web Summit banner you also find 'Digital Marketing Summit', 'Builders Summit', 'Enterprise Summit', 'Machine Summit', 'Music / Sport / Film Summit', 'Food Summit' and PITCH (a competition between 200 start-ups).

Details

This isn't Cannes; and it isn't CES either. This is the realm of the technology geek, the developer and the entrepreneurial start-up. Despite the attendee numbers, there aren't that many shiny exhibitor stands - in fact the start-ups all line up on a very basic wooden plinth by sector with a simple cardboard poster behind them explaining who they are and what they offer, accompanied 9 times out of 10 by a laptop containing the product in alpha or beta mode. And the offer is broad. Social; Hardware; Big Data; Developers; Finance. You name it; you will find it. In complete contrast to the Spartan facilities for the start-ups, the vast main stage is bathed in the glow of an elaborate staging and hosted celebrities such as Eva Longoria (Actor, Producer and Philanthropist). Alongside Longoria were VCs, AI scientists, roboticists and entrepreneurs, and even the Irish Prime Minister - also know as the Taoiseach - Enda Kenney, who along with Web Summit founder Paddy Cosgrave rang the starting bell for the NASDAQ.

Over in the 'Digital Marketing Summit' the presentations came thick and fast and covered attention, the next billion and measurement, but the focus on day one was programmatic, which seemed to make it into every presentation and fireside chat. Mindshare Chief Digital Officer Norm Johnston gave a keynote and joined a panel on the topic, saying of programmatic: "it is an adaptive marketing engine that can drive your business forward; its not just about efficiency; efficiency is a bi-product and we shouldn't lose sight of the strategic value of programmatic.' He also challenged creative agencies to embrace the creative opportunities provided by programmatic for content, and not to dismiss it as uncreative. Responding, Sophie Kelly, CEO at The Barbarian Group said: 'Programmatic allows you to have real time insights into how people are behaving, which is another input to inspire creative thinking. We don't talk about the system or how it is done." Elsewhere Andrew Markowitz, Director, Global Digital Strategy GE was making a plea for organisations to embrace disruption, saying: 'It's not about avoiding disruption, it is about becoming the disruptor' and Eric Salama, CEO at Kantar Group was evangelizing about the opportunity mobile provides, especially in developing markets, citing the fact that 70% of Kenya's GDP goes through M-Pesa: "That is 70% of GDP going through one platform and we can run panels and pay people through the same device…so there is some interesting stuff going on in Africa. The world could learn a lot from looking at this…maybe Apple should just buy Kenya instead of worrying about Apple Pay!'

Summary

There are already too many conferences, but Web Summit has tapped into something special - the intersection of marketing and tech innovation. The sheer number of Big Data start-ups is impressive and the fact that 20,000 people made the pilgrimage to Dublin (presumably not just for the Guinness – although there is a 'Night Summit' on offer) is a sure sign that this conference is a winner. Yes the Wi-Fi was rubbish (as Paddy himself remarked from the main stage), but one rumour at the end of day one was of a buy out of Web Summit by SXSW. The music maybe missing from Web Summit at the moment, although Bono is meant to turn up before the end, but I don't think it would surprise anyone if the rumour proved correct.

MINDSHARE	Snapchat Advertising	Richard Beale	31/10/2014

Background

Last week Snapchat, the mobile app enabling users to send each other pictures and videos that disappear after a few seconds, launched its advertising service with Universal Picture's latest horror flick, Ouija. The popular app, which famously rebuffed a $3 billion acquisition offer from Facebook last year, claims over 100 million monthly active users who send over 700 million Snaps and view over 1 billion Stories per day.

Over a year ago Snapchat introduced "Stories", a new feature that enabled users to send an image or a video to their contacts, which would remain accessible to the recipients for twenty four hours from the time it was initially posted. Additionally, new photos and videos could be added to the stories within the twenty four hour period, allowing for sequential story telling. This new function was intended to increase general usage, as users were now permitted to repeatedly view content at their own convenience.

In this old model, brands could post stories to their followers, similar to making a Facebook or Twitter post. The big change is that brands can now move beyond organic posts and now pay to get wider distribution beyond followers, similar to Facebook advertising or Twitter promoted tweets.

Immensely popular amongst the teenage demographic thus far Snapchat has struggled with advertisers and brands due to a somewhat questionable reputation, targeting difficulties, recent data safety concerns, and frankly the fact that most marketers simply don't use the app.

Details

Advertisements in Snapchat will sit in the recent updates section of a user's inbox and are opt-in/user initiated, so 'no biggie' for the users as the official company statement reads. Highlighted as 'Sponsored' there is no targeting options and no publically released data on cost models (please contact us if you are interested in learning more).

Implications

Snapchat, will most likely never match the targeting of Facebook and Twitter or the direct response of Google and Pinterest. However it could become a powerhouse for branded storytelling to an engaged and specific audience. User initiated advertisements is a powerful statement of intent from Snapchat and a warning shot to other social networks who are delving deeper and deeper into newsfeeds and interrupting the user's social experience. The advertisements will be non-targeted, to begin with, so will lend themselves to mass market products targeting a younger demographic.

Summary/POV

Whilst other platforms have better reach and targeting the power of Snapchat is active engagement and has the complete attention of the user during the advertisement. The fact that you have to touch and hold to view the advertisement means each impression owns real attention. The product corrects the issues of over (or under) posting on Instagram, Facebook and Twitter whilst adding an element of urgency to engage with the content. Used correctly Snapchat could become a powerful and unique tool for some innovative branded storytelling. Look out for potential future enhancements to attract more advertisers, which may include better targeting and sharing capability to generate more earned media.

Background

A recent outrage by some users alerted by Facebook's real name policy, several cloud hacks and Google and other tech companies being pointed as having a business model that profits on user data, generated a window of opportunity for the public's awareness of a new social media platform model, the "anti-data" and "pro-privacy" social network: enter Ello.

The basic premise behind the founding of Ello is to answer the public demand with an alternative to Silicon Valley's traditional business model of building a platform and then trading on the data generated by its users actions and interactions. Ello is then an experiment (currently in beta) in creating a social network that does not intend to benefit from the direct monetization of its user's actions as a main business goal.

Implications

According to Jim Edwards: "If you're not paying for it, then you are the product," its the common mantra of the tech world. (Business Insider, Sept. 16, 2014)

"Your social network is owned by advertisers". -Ello manifesto

Ello claims that every action taken by users on a social network ends up being potentially used in the purpose of showing more and better targeted ads. The manifesto continues: "You are the product that's bought and sold".

Originally built by artists and programmers as a private network it presents itself as a social networking solution coming from a higher ground of moral and ethical purity that leaves current and traditional silicon valley ad supported models as lowly and mundane. As such, it speaks to an audience of the artsy and the alternative, the irreverent and the non-conventional, in a way that Google+ or any other social network ever did.

Details

In order to manage demand it was released as an invitation only network, much in the same fashion that Google+ did years ago, creating an aura of scarcity among the early adopter and digital adventurer public. Earlier this year (Aug.2014), ello had about 90 users, since then, it has reached a healthy 40-50,000 invite requests per hour, according to founder Paul Budnitz, also the founder of designer toy manufacturer and retailer: kidrobot.

Ello is completely free to use for its users, however, Ello does not sell ads, and it does not intend to sell data on user actions to third party companies. "We dislike ads as much as anyone else out there... ads are tacky ...they insult our intelligence ...we're better without them" claims the website.

Summary

- Ello is not for everyone or every brand, but it's time to get to know it and experiment with it in this early stage.

- For now there are some brands and media already starting to experiment with the platform like: Netflix, The Wall Street Journal, The Guardian.

- It could be an environment to explore ideas (for use with brands) with informed, design conscious and opinionated audiences.

- Seems to be waiting for social or politically charged movement to help it gather widespread traction worldwide.

- On the pipeline coming soon they promise rich media commenting, re-posts, notifications, video integration with YouTube, Instagram, Vimeo and Vine), apps (yes, there are no apps), among other interesting future developments with potential brand interaction use.

- Beyond this basic pipeline of basic development features, Ello's management also announced "special features" that they will be rolling out as part of a kind of subscription model that will support and fund the platform.

Background

At the beginning of September Twitter announced it was acquiring MoPub, a mobile publishing exchange that provides app developers with greater (and more simple) control over their own inventory, pricing, and placement of advertising. Twitter has recently announced that it now plans to give advertisers greater control over ad placement too – a move which plays into the current trend towards transparency in digital advertising, as well as capitalising on advertisers interests in in-stream and native advertising (as advertisers will also be able to choose the frequency and positioning of in-stream ads too).

Implications

There are a number of key parts of both the acquisition and the announcement of greater control over the location of advertising that should appeal to advertisers. Firstly, this represents an opportunity for brands to begin layering together their own data with that of Twitter data, and specific app-based data – which, depending on the application and depth of Twitter information, may become a very powerful adaptive marketing tool. The second implication will be around split testing creative across different segments using that data, and starting to introduce creative testing into programmatic and RTB in order to begin sequential storytelling tests.

The programmatic angle is something that hasn't been mentioned by either Twitter or MoPub, but as Twitter looks to integrate MoPub's RTB technology into its own platform, we'd expect to see a programmatic angle to this offering too. When we combine this with the cross-platform elements of this deal, that then offers brands the opportunity to begin to scale a lot of creative and content tests, which potentially leads to increasing overall campaign performance and increased efficiency of media spend – adaptive marketing at its best, and a great combination of the Mad Men and the Maths Men.

Summary

Effectively, this acquisition and announcement could mean that Twitter has just acquired both a brand advertising platform *and* publisher side platform rolled into one – which is then fuelled by both Twitter and location-based data. This has significant implications for the use of data by advertisers using the Twitter platform, and may lead towards an integration of first (advertiser data, such as custom audiences), second (earned and social data from Twitter itself), and third party data (from third party publishers where the advertising is to appear). This integration of data, and the fact that Twitter is beginning to replicate a lot of Facebook-esque behaviours, is a strong signal that Twitter is trying to make the leap into the much-hyped advertising technology and Big Data space.

MINDSHARE	Facebook Atlas Re-launch	John Montgomery, Joe Barone	1/10/2014

Background

Facebook has re-launched Atlas, the ad serving technology it bought from Microsoft last February for a rumored $100m. Atlas has been widely viewed as a "has-been" in the ad serving wars. However, as part of the new re-launch, Facebook are making some bold claims for not only Atlas but also regarding digital advertising in general. In short, Facebook is claiming that it has made a step forward in solving a long standing attribution problem by using the new Atlas to target and track people across media and devices.

Detail

Facebook says Atlas will deliver a 'people-based marketing' solution that will help marketers reach individuals across devices, platforms and publishers. It is a significant move away from the long-standing and fairly ubiquitous but flawed cookie-based model, which significantly doesn't work on mobile, which now makes up the majority of Facebook's advertising revenue. In effect, Facebook is claiming that the entire premise of online advertising that has been established over the last twenty years now needs to rapidly evolve in order to factor in the proliferation of portable and new IP-enabled devices where cookies are obsolete. Facebook's new Atlas model not surprisingly leverages a singular Facebook ID, which can be used to track an actual user across devices on his or her journey.

Ironically in re-launching Atlas, Facebook has implicitly undermined the historical strength and robustness of the industry and its own historical cookie-based advertising model; Facebook claim a 26% overstatement of reach, only 59% accuracy in demographic targeting, an understatement of frequency 41% and 21% of conversions not being captured. In the coming days these numbers will certainly be challenged and analyzed by the collective industry to point out any flaws.

So what in practical terms has changed with Atlas? The user interface itself is a completely changed design with similar features you would expect in other platforms. Bulk processing capabilities are present and ad creative libraries exist, but are standard. Targeting ads has changed based on Atlas' definition of 'people' and a single tag process is supposed to reduce operational process. The global user base is of course significant – 1.3 billion users across Facebook and Instagram - and the comprehensive analytics and reporting package allows the user to analyze and compare cookies and 'people' impressions. Whilst the methodology is privacy compliant (Facebook users sign in and agree to a privacy policy), Facebook and Atlas will need to manage communications carefully to avoid any backlash from users, something that has not been their strength in previous product updates and launches, e.g., Beacon and the new Messenger to name a few.

Implications

Facebook's Atlas re-launch rightfully recognizes the need to evolve the current cookie model, which has helped the industry enormously over the past twenty years but is in need of reconsideration in the second wave of digital marketing – mobile – not to mention the emerging third wave of the Internet of Things. The key challenge for the industry is improve cross-device targeting and attribution without creating a series of closed ecosystems, not too dissimilar to the early days of the Internet when companies like Prodigy and AOL set-up ID based walled gardens. Ironically, or perhaps coincidently, the Atlas re-launch comes at a time when most marketers are exploring cross-network programmatic solutions to break down the silos established in the PC Internet world via ad networks. So while some silos are disappearing, the big platform players like Google, Facebook, and Apple are setting up new silos, this time across devices.

Summary

Facebook has plucked Atlas from the grave, with GroupM agencies already engaging in conversations about testing the new platform. While marketers should applaud the effort to come up with more sophisticated cross-device targeting and attribution solution, they should also be cautious in ensuring that they are not creating another silo, particularly given all of their efforts to create a unified programmatic, tracking, tagging, data management and measurement solution. Facebook may have broken one silo – across devices – only to create another one – across platforms – as it takes on competing ecosystems by Google, Amazon et al.

MINDSHARE	Video Views: Facebook vs YouTube	Saul Hernandez	25/09/2014

Background

Ever since Facebook reached one billion video views a day it has faced comparisons with YouTube: *"In the first four hours, Facebook users watched the video 2.4 million times. On YouTube, the four-minute clip garnered just a few thousand views during that time"* quoted *The New York Times*' article Facebook's Feeds Give Videos a Boost.

Video ads went live in the Facebook newsfeed on April 2014, giving each brand a maximum of three 15 second creative executions per buy, limited to a single brand per buy, not across a portfolio. Since launch, Facebook has started to evolve its video experience by developing better and more detailed video analytics; view counter and auto-play and auto-pause in mobile, all in order to compete more directly with YouTube.

Video Views: Facebook vs YouTube

By using a shorter duration for measurement, and auto-play to boost video views without clicks, Facebook is now reaching a sizeable audience that is attracting attention from the top online video advertisers.

Facebook counts a "video view" after 3 seconds of a video playing in all formats (paid ad or user content) and its video auto-play feature starts to play videos without any action from users, boosting the amount of video views.

In comparison with Facebook's "3 second rule", YouTube counts a video as viewed after 5 seconds in paid pre-roll or having watched 80% of the video in paid true view. Meanwhile organic views are counted by a user clicking on the video's thumbnail on the search engine results page and then watching 20% of a video that is 30 second or less, or 30 seconds of a video longer than 30 seconds.

Facebook argues its video experience is less intrusive than the pre-roll format, however, it is also having to deal with users' complaints about the increased mobile data consumption due to auto-play.

Targeting

In parallel to the new ad format Facebook has also acquired LiveRail in order to offer premium publishers the technology with which to sell video inventory across all devices. Facebook and LiveRail will integrate their data to improve targeting and serve better ads.

Facebook is also re-engineering the Atlas Advertiser Suite business purchased from Microsoft in 2013. Facebook will use Atlas to link users' ad interactions to their Facebook accounts, tracking users across devices, although on an anonymous basis.

Summary

"YouTube is still the big gorilla of online video" according to *The New York Times*, but with its new targeting capabilities and shareable features, Facebook could be the best place to spread 15 second seeds of video content.

It would be great to see YouTube and Facebook as complementary platforms for campaigns, where brands can seed snapshots of content in order to get user's attention and provoke them to extend the experience through a longer video and a detailed journey.



Microsoft

Microsoft Beta / Innovation Opportunities

September 2014

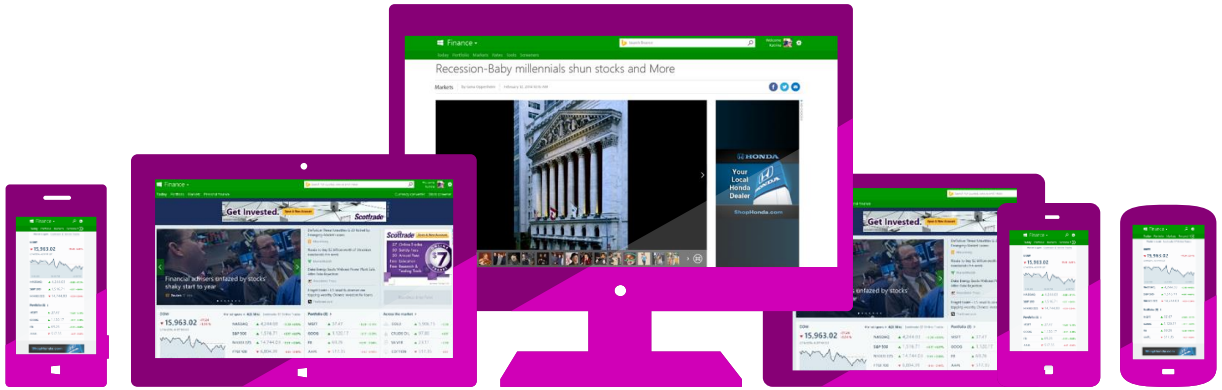
September Beta / Innovation Opportunities

- Latest Opportunities:
  - MSN
  - AiA/Mobile
  - Skype
  - Xbox
  - Interactive Content & Experiences
  - Research & Analytics


msn

Reimagining MSN

msn + bing



Empowering customers to do more,
wherever they are, on whatever screen they use.

Know more
With best-in-class content

Do more
With productivity tools

Uniquely yours
With content for you

Anytime, anywhere
Synchronized across devices



Windows 8

AiA and mobile

Mobile and Windows 8

Improved targeting on mobile including BT! (CPM buys)

Mobile

- App Network
- PRIME

3rd party ad serving of ads

Windows 8

XBOX 360

RON inventory expansion

Windows 8

XBOX 360



3rd party ad serving



Today: static ads

Extend web campaigns into apps on Windows 8 and Xbox 360

Windows 8 XBOX 360

Robust vendor ecosystem

atlas+ double click POINTROLL Sizmek flashtalking

Coming soon: rich media

Extend mobile rich media campaigns (MRAID v1.0) onto Microsoft's in-app assets across platforms

Windows 8 Windows Phone

Many global and key local vendors in certification queue

celtra crisp flashtalking MEDIALETS Sizmek adMOTION



Skype calling corridors

Overview

Conversation corridors is a **new and differentiated targeting capability** that will allow advertisers to target creative units to Skype users who are engaging in conversations between geographic regions

(i.e. US <-> Brazil, South Africa <-> Russia, China <->Australia)

There are 2 flavors of calling corridors we plan to enable

Dynamic

Targeting creative units to users who are in **active**, real-time conversations between geographic locations

Historical

Targeting creative units to users who **previously** had conversations between geographic regions


XBOX

Xbox – Major League Games App Sponsorship
Xbox 360

Markets: US, CA

Monthly Sponsorship Details:
- Co-branded Xbox Media
- Co-branded Landing Experience
- One Week App Unlock
- Sweepstakes (Download/Watch)
- In-app Video Pre-roll Inventory
- Unlock MLG Avatar Items (up to 1000)
- Supporting Media across MLG.TV
- Potential for Social Media Support



Reach Gamers 18-34 years
The Major League Gaming (MLG) App is the ultimate way to watch MLG.tv's professionally-produced, premium competitive gaming content including MLG's news program "eSports Report," the world's best players and teams, and premier competitions including MLG Pro Circuit tournaments.

Requirements
- Required spend with Xbox and with MLG
- Separate IO negotiated by MLG
- 6-8 weeks pending branded Landing Experience
- IOs within 45 days at latest (assuming simple Landing Experience)

Xbox – Node Upload One-Time Sponsorship
Xbox 360 & Xbox One

Markets: US, CA

Advertising Elements:
- One time sponsor
- Landing Experience
- Branded Background on Node Sponsored Page
- Sponsor Logo treatment on thumbnail image (On Upload Home
- Pre-roll video ads leading into the content



What is Upload?
#1 Entertainment Gaming app on Xbox One
Created for Gamers by Gamers

Need to know:
- Seamless integration with Xbox One Game DVR
- The go-to hub for user created and exciting gaming content
- Free to Xbox One users
- Audience core gamers & entertainment enthusiasts

Exceptions
- **No beverage** companies except for Monster Energy Drink as they are a sponsor of Node
- **No Game publishers**
- The content will include multiple different game titles including M rated
- The Upload App is unrated therefore the Sponsor should be aligned with adult/unrated content
- Note: Upload does monitor their content and makes sure it meets Xbox standards of conduct
- Pitch pending publisher approval

Lead Times:
- Timing – Need 6 weeks once IO is signed to execute
- Development time 6 weeks
- LE lead time from when assets are received 6 weeks
- Length of Sponsorship - 12 weeks

Xbox – Whistle App Monthly Sponsorship
Xbox 360

Markets: US

Reach Sports Enthusiasts

12,000 short form sports entertainment videos including Whistle original programming, professional league content and channel creator videos



Advertising on Xbox:

- Co-branded Xbox Media
- Co-branded Landing Experience
- Sweepstakes (Download/Watch)
- Co-branded Sports Themed Avatar Item

Advertising on The Whistle

- In-app Video Pre-roll Inventory
- Supporting Media across The Whistle

2 Packages Available ad different price point

Exceptions

- Spend required on Xbox and on Whistle app
- No Alcohol
- QSR: healthy option campaigns only
- CPG: No candy or energy drinks (Sports Drinks are OK)
- Lead time: 6-8 weeks pending branded landing experience

Game Chat



Game Chat is a new Xbox original series created by and starring Will Arnett, best know for his standout performances in Arrested Development, 30 Rock, The Lego Movie and Teen Age Mutant Ninja Turtles.

Will and his celebrity/comedian friends sit down at the Microsoft Experience in Venice, CA to play the latest Xbox games and add a comedic spin on the game play. Episodes range from 4-7 minutes

Potential* Game Chat Celebrity Guests:

John Krasinski



David Cross



Justin Theroux



Jason Bateman



JB Smoove



John Mulaney



Mitch Hurwitz



*Game Chat guests may vary due to availability



Why Xbox LIVE is Excited About Game Chat:

Video series that speaks directly to our core

- Spotlights our top Games
- Presents fans with content featuring celebrities they love, who are major gamers, and already a part of the LIVE community

Cross-Xbox support means more exposure for brands

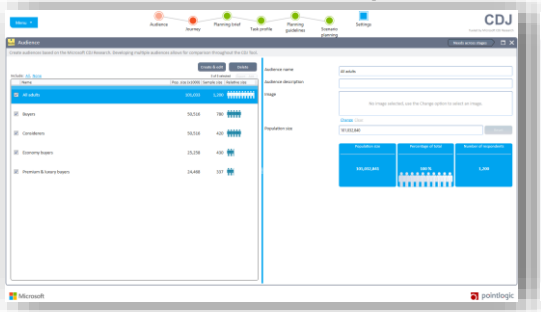
- Xbox PR support through Major Nelson & Xbox Wire
- Massive bonus editorial dash impressions across both Xbox 360 and Xbox One

Research & Analytics

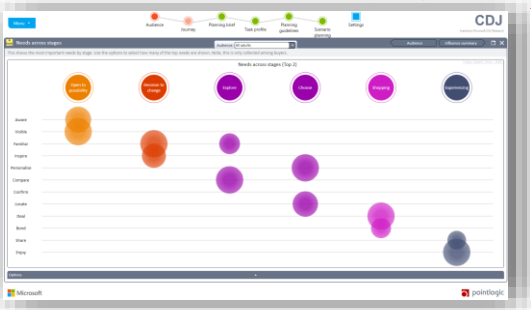
CDJ Autos – Mindshare Tool: The Deliverables

- Russia included in Microsoft's Autos study (qual & quant) and a panel boost of 500 Ford Considerers/Buyers
- Mindshare had first view of the results (US, Germany & Russia)
- Scoped and built CDJ visualisation tool on the Russian autos market to compliment Mindshare's existing planning tools
  - Includes creating bespoke auto buyer audiences and viewing the consumer needs, touchpoints & influencers based on Microsoft's proprietary data from the autos study
  - Tool provide channel rankings, costs and reach curves based on campaign objectives
  - Data can be exported into alternative tools for further analysis
  - **Project value$700K**

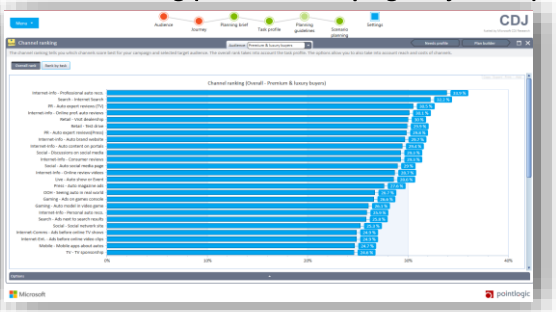
Audience Creation Manager



Audience Needs Across Journey Stages



Channel Ranking (based on campaign objectives)



<u>Currently in discussion – A potential partnership exploring whether we can assess and measure the consumers needs programmatic advertising can deliver to optimise outcomes.</u>



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Background

eBay will reintroduce ads within its smartphone apps during Q4 2014 and tablet apps in early 2015. This comes after the introduction of mobile ads and their subsequent quick dismissal back in 2012, due to the belief that customers found them distracting.

Details

This time eBay plans to use native ads, in the hope that in contrast to the banner ads used in 2012 they will integrate seamlessly into the shopping experience. In the beginning ads will only feature on the homepage with progression to product lists occurring at a later date. eBay will also permit brands to choose how they would like their ads to be displayed, with the option for the ads to link to the brand's eBay page, to their website or prompt customers to download the brand's app. Ads initially will not be served programmatically, although eBay will gradually phase this in throughout 2015.

It is rumored that eBay is currently in talks with both technology and FMCG brands, applying careful selection criteria to those it would initially like to work with.

Implications

eBay presents a huge opportunity for brands, as its apps receive over 4.6 million visitors daily, with engaged users spending on average 3 times the amount of time on eBay compared to the nearest competitor.

eBay also possesses a unique selling point as an ad-targeting platform, with its users having an identifiable login across all devices and platforms. This, without the use of cookies, allows eBay to use first party data to map individual's shopping habits, including their brand preferences and purchasing intentions and interests. It also permits the direct attribution of ads served to sales achieved across multiple devices. eBay has clearly been taking advantage of this, reportedly tracking over 290 million hours of shopping every month and building a huge database.

eBay plans to sell ad spaces based on items customers have previously bought or categories they have browsed. eBay is also taking its ad targeting one step further by offering an Audience Discovery Tool. This tool is designed to offer bespoke solutions to brands that feel that their target audience does not lie within eBay's 60 predetermined categories.

It could be argued that introducing ads could annoy potential customers, as happened in 2012. However, since eBay makes a significant amount of money through its payment service PayPal, the company seems to be in an enviable position, with the ability to make money from advertising brands other than its own, whilst still reaping the rewards from subsequent transactions.

Summary/POV

eBay is clearly aligning itself to become a significant player in the mobile advertising market. This can only be seen as a positive move for brands, with the increasing growth of the mobile market and access to eBay's unparalleled consumer data, brands can be reassured that the ad space they are buying is not only customizable to their needs, but will reach the correct consumers.

It's taken a long time for eBay to make the leap to mobile, catching up with other major online retailers such as Amazon. It's going to be fascinating to see how the two data rich ecosystems match up.

groupm	**iPhone 6, Apple Pay & Apple Watch launch**	**James Chandler, Global Mobile Director**	**9 September 2014, Amsterdam, NL**

Background

From its base in Cupertino, California, Apple launched 2 new devices – iPhone 6 and iPhone 6 Plus; Apple Pay – its unique mobile wallet solution and the highly anticipated Apple Watch. With these came a raft of new features in its iOS8 operating system and the unveiling of two new fitness and workout apps.

Details

Apple, in what has become its hotly tipped September event, treated the world to a range of new product launches - some of which confirmed months of rumours and others that resulted in standing ovations from the theatre crowd.

Two new bigger iPhones were expected and both came in the 4.7" iPhone 6 and 5.5" iPhone 6 Plus forms. A move from Apple to reflect the success Android and Windows Phone have enjoyed in selling larger 'phablet' devices. In a nutshell, both new iPhone models are faster, thinner and tougher than their predecessors, as well as having better connectivity and much improved battery life vs. iPhone 5s. Apple's '*Bigger is Bigger'* slogan extends to a more advanced camera, series of intelligent sensors and a gaming device to rival the likes of Playstation and Xbox.

From the disruption of the console industry, to the disruption of our physical wallets and the introduction of Apple Pay. In talking about the many players who have attempted to solve the mobile wallet 'problem', CEO Tim Cook boldly stated that: "people have dreamed for years, but they've all failed". Apple's means to succeed has meant the introduction of NFC (near-field communication) into iPhone 6 and iPhone 6 Plus, enabling the devices to work with contactless payment terminals at physical points of sale. Plus, the integration of the Touch ID fingerprint scanner to confirm payment – replacing the need for a physical credit card and PIN number. Apple reeled off a who's who of key retailers from Macy's to McDonald's and Whole Foods to Disneyland whom with it has already integrated Apple Pay.

Digitally, Apple has made paying on your mobile device even easier too – negating the need for filling in forms on the go and replacing this with digital cards stored in Passbook and purchases confirmed using Touch ID. Even as far as paying for your bill in a restaurant booked via OpenTable or tapping 'Ride Now' within the Uber app. The bottom line, Apple Pay is 'easy, secure, private' and Apple is 'not in the business of collecting [users'] data'

And then, Apple's '*one more thing'*. Of course it was Apple Watch (not iWatch as rumoured). A new logo and typeface - more akin to luxury fashion brand than tech company - and three ranges of watch (Apple Watch, Watch Sport and Watch Edition) described by Apple's design chief Sir Johnathan Ive as: 'as simple and pure as they are functional'. Apple Watch serves as a remote to your other Apple devices (including Apple TV) and uses discreet 'taptic' technology to alert users with social network notifications, step-by-step map directions and daily calorie intake. With Apple Watch comes a fitness and workout app – suited for everyday health and more organized workouts, linking to a standalone health app on iPhone.

Implications

Apple reveled in how it had disrupted the PC, music and mobile phone businesses at today's event – before following up with a series of new disruptions in new industries that included console gaming, video cameras, wallet and payments and watches. On payments and health and fitness in particular, it has done only what Apple can do and make the potentially complex, effortlessly simple. Apple Pay makes physical and digital payments quicker, easier and safer and Apple Watch combines a must-have fashion accessory with a means of helping the world get more motivated to get healthy.

In Apple Watch, we see one of the world's best loved brands move into wearable technology and start to see how our interactions with these new devices will completely differ from what we know today through our experience with mobile phones and tablets. Mindshare's dedicated wearables unit LIFE+ has been set up to define what these new opportunities for brands will look like – almost certainly moving away from visually-led content and more likely haptic (touch), audio and emotion-based 'advertising'.

Today's launch had the usual Apple swagger about it: 'the world's most advanced operating system', 'the most popular phone in the world' and 'a redefinition of what people will expect from a watch' – but not without a host of incredible product innovations to back it up. Just as it did with the introduction of the clickwheel on iPod and touchscreen on iPhone – Apple looks set to redefine how we purchase goods and services on the high street and 'normalise' health and fitness tracking, making it accessible to everyone, not just the early adopting few.

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MINDSHARE	Facebook 'bandwidth targeting'	Ben Watson	03/09/2014

Background

Facebook's new bandwidth targeting mobile ad technology is intended to increase revenue in emerging markets, strengthen its commitment to advertisers around the visibility of ads and create a best in class example of adaptive marketing.

Details

The new feature accesses your Internet connection (when you open the Facebook Mobile App) before deciding whether to serve you heavy format ads (like video). This allows Facebook to serve you a heavy format ad only if it is sure it will download and play quickly. This optimizes ad impressions for Facebook and provides a guarantee for advertisers that their ad played easily.

There will be value for Facebook in the core markets of North America and Europe (where it currently generates 72% of its revenue), however the biggest opportunity is in developing countries where Internet connections can be inconsistent and feature phones (not as good at streaming) are more popular.

Implications

It's an immediate win-win for both advertisers and Facebook, and one in which advertisers aren't required to create any new ad units. Of course this doesn't mean that Facebook video advertising is the right option for your advertising, but it increases the value of this ad format.

A little more broadly this also highlights the benefits for Facebook of owning both the publishing platform and the advertising network. This end-to-end view of its advertising ecosystem has enabled Facebook to gain first-mover advantage.

For advertisers it provides better ad visibility and verification. This helps in the ongoing battle for viewability with Facebook and the wider industry working to ensure that ads served are actually being seen. Facebook's new feature will mean the ads will not only be seen, but be seen without buffering, which typically is a deterrent for consumers to engage with video advertising. This is particularly big news in the less than mature mobile video marketplace.

Much more broadly it is a smart example of Adaptive Marketing, which is all about watching the data and reapplying learnings to improve. Facebook has taken a data point that surfaces in one part of its business (app stability and user experience) and applied it to another part of its business (ad sales & delivery) to improve an existing product.

Mindshare POV

There will not be many times when Facebook will roll-out a new advertising product which will not cause an uproar amongst users and will increase revenue immediately, but it has succeeded this time.

The application of Adaptive Marketing principles is an example of smart business practice in this increasingly rich data world.

MINDSHARE

Bustle

Revolutionizing women's publishing

BUSTLE

START ME UP

Author: Ryan Chambers

Background

What is Bustle?

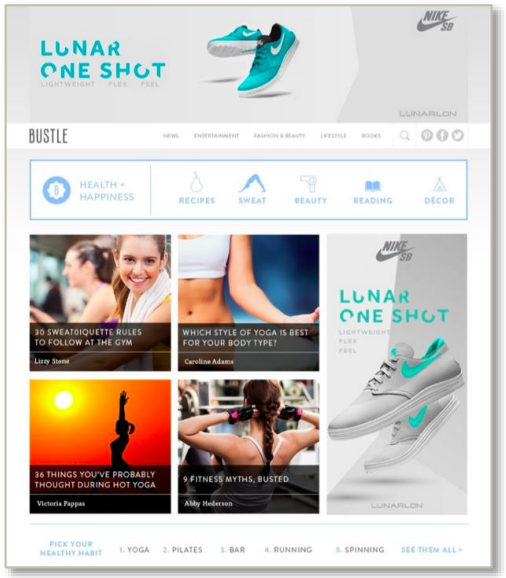
- Content site aimed at young women
- Launched August 2013 by the team behind Bleacher Report and funded by Time Warner Investments and Social Capital.
- Seeking to be the largest women's publisher in the world.
- Reached 14M women in July while averaging 40% monthly growth rate since launch.
- In-House Editorial team produces almost 200 pieces of content every day that appeal to women across a variety of interests and passion points - everything from news, to entertainment, to fashion and beauty, to lifestyle.



Bustle and Brands

What makes Bustle different?

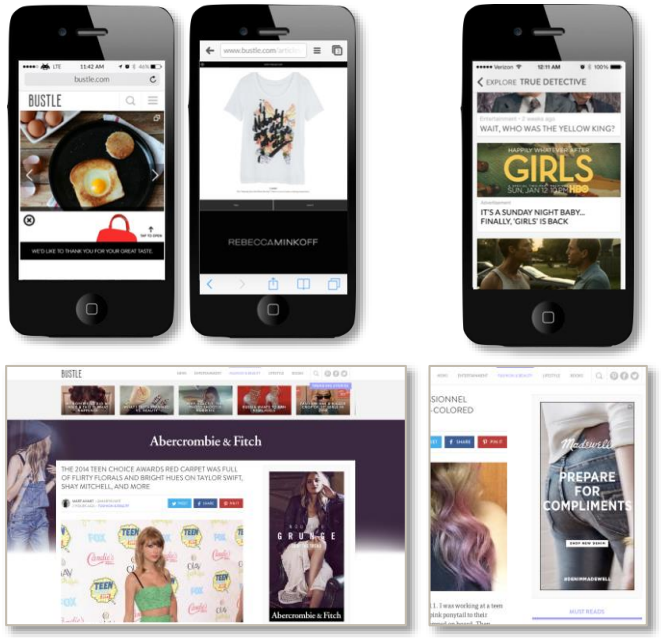
- The Bustle engineers built the CMS from scratch, meaning that Bustle is highly optimized for the latest in search, social and mobile. Bustle has the fastest creation and delivery of content in the industry.
- Bustle is competing with huge brands, such as Conde Nast and Time Inc . However, Bustle has a distinct advantage in the digital space, as they are digital natives, with a team who are experts in creating, publishing and distributing digital content.
- Bustle is taking a new approach to publishing content for women. With a belief that women online today want to consume all categories of content in one place – from a news article about Gaza, right next to a nostalgic article about Full House, right next to an article describing the summer nail art trends.
- Bustle publishes around 200 pieces of diverse content every day. In the 11 months since Bustle launched, it's clear the strategy resonates with women, with Bustle becoming the fastest growing online women's publication ever.



Bustle and Brands

What can Bustle do for brands?

- Bustle has a media offering ranging from standard IAB banners, to high-impact takeovers, to custom units.
- Bustle offers custom branded content produced by its editorial team, along with native placements on the site.
- Bustle's social audience is the most engaged in the industry by a margin of 5x (per Shareablee). Platforms like Facebook reward that engagement by considerably amplifying our reach. Brands can piggyback on Bustle's social to seed content and drive interest with our exceptionally engaged audience.
- Almost 70% of Bustle's traffic is on Mobile Web. Having developed first-to-market mobile solutions with high-impact media, native content placements and custom interactive units.
- Understanding the Bustle audience is imperative. Bustle has built proprietary system allowing it to map user interests and target against them. In addition, Q1 2015 Bustle will on-board a DMP and take its "programmatic premium" product to market.



MINDSHARE

Summary

Bustle is a fast growing content site for smart, young women. Bustle enables brands to engage with the desirable, but hard to reach millennial woman. Through a mix of high-impact media and collaborative, native content - all powered by social distribution - Bustle gets women talking about, and with, your brand.

BUSTLE

Launch	2013

6 Words:
Amazing Growth; Fun, Smart Content; Reach

Competitive Landscape



Strengths

- Bustle's team of creative Editors create the best digital content for other young women.
- Bustle's home-grown tech platform and CMS have allowed for incredible growth to almost 15MM uniques in less than a year.
- Bustle has a highly engaged social audience across Facebook, Instagram, Pinterest, and Twitter that Brands can leverage to amplify their messaging.

Weaknesses

- The women's category is a crowded space.
- Social followings are highly engaged, but still have room to grow.

Opportunities

- Brands can create highly custom, scalable and efficient digital campaigns to connect with hard-to-reach millennials.
- Brands can be category firsts and have category exclusivity.

Threats

- Women's content is highly fragmented space and will see consolidation.

Thank you

MINDSHARE	Amazon Acquires Twitch	Jonathan DiMiceli	08/28/2014

Background

Amazon continues to explore ways to grow its digital portfolio with its acquisition of Twitch – the world's leading streaming video platform and community for gamers. This acquisition is just one of the many pieces of the puzzle in the ongoing battle between two tech giants, Google and Amazon.

Details

Google (YouTube) was originally slated to acquire Twitch, but negotiations fell through. Wasting no time, Amazon seized the opportunity to take this chunk of the digital landscape away from its top competitor, for a cool $970 million in cash. Amazon's decision to buy goes beyond it just getting its hands on something Google couldn't, Twitch opens up an array of different highly profitable opportunities for Amazon to pursue.

Implications

At first glance, this acquisition looks like a move for Amazon to bolster its streaming footprint by combining it with Prime Instant Video and Fire TV to take on YouTube, Netflix, and set-top boxes. Although the set-top box market is cluttered, Amazon set itself up to stand out amongst the other competitors by incorporating gaming capabilities along with its previous investment in its own in-house gaming studio. Amazon eventually could take on GameStop by utilizing Twitch as a one stop shop for all things gaming by allowing users to review content and simply make the purchase with one-click ordering.

Outside of streaming and video games, there are still more profitable avenues Amazon can capitalize on with this acquisition. Twitch brings with it a young demographic (18-35) of 55 million monthly unique visitors, of which 58% spend more than 20 hours per week on site. Amazon is aligning itself with a young engaging audience, which could be extremely profitable when coupled with its rich source of 1st party customer data.

Recently, Amazon announced it would soon be releasing Amazon Sponsored Links, which is similar to Google's highly profitable AdWords. Amazon may have a long way to go to match AdWords but it has leverage over Google when it comes to its knowledge of customer preference/behavior along with its ever-growing inventory, which Google does not have access to.

One thing that always worries members of a community is ad overload (e.g. Instagram). Amazon will have to find a sweet spot to capitalize on this rich source of data and ad inventory without interrupting the user experience. With Amazon Prime, it could leverage its two-day shipping to intrigue gamers to sign up for Prime, along with removing ads from the user experience.

Summary

Amazon has many different ways to turn Twitch into a lucrative acquisition, especially through advertising. Combine an audience that spends a lot of time on site with its customer database and Amazon could turn Twitch into a gold mine. With the future launch of Sponsored Links and countless hours of video inventory, Amazon has set itself up nicely to compete with Google and has opened up many opportunities for advertisers.

Background

Twitter has announced the launch of Objective-Based campaigns, allowing advertisers to pay for the actions that most are aligned with their marketing objectives.

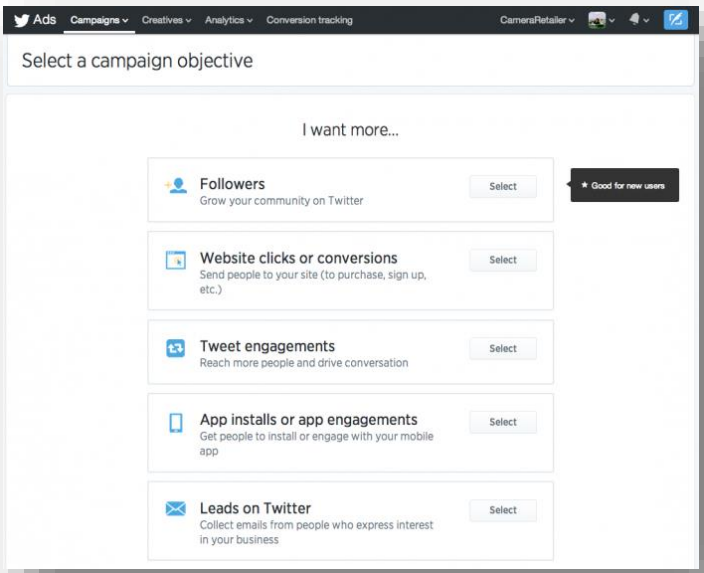
Details

In the past, Twitter's only ad product that enabled you to pay for specific actions was the Promoted Account whereby you would pay per acquisition. Promoted Tweets were used to broadcast your message to targeted users across the platform using a cost-per-engagement pricing model. This engagement could be a click, reply, retweet or favourite, therefore if the post called on users to visit a website you would also pay for other engagements generated by that post which were not related to the core campaign objective.

Implications

Objective-Based campaigns have been designed to make creating and optimizing successful marketing campaigns as simple as possible, generating the highest ROI from any campaign. Twitter's new pricing model will allow advertisers to more efficiently achieve specific objectives by only paying when users perform the desired action, for example clicking through to a website, downloading an app, or leaving their email to find out more. For example, if your goal is to drive video views on Twitter, you'll only pay on a cost per view basis via a player or video card. Similarly, an app install or engagement campaign will be charged on a cost-per-app-click (CPAC) model using Twitter's app card. Objective-based pricing will ensure that you only pay for results that impact on your marketing goals.

As seen in the image, the campaign set up process will recommend the most effective solution to use and Twitter have added tools to make the creative process more streamlined including an image cropper with drag and drop functionality. From there a call to action can be selected and Twitter's usual targeting, including keywords and tailored audiences will remain in place. The new functionality also includes a reporting tool which displays the metrics behind conversions, allowing for effective campaign optimization.



Summary/POV

Twitter's long awaited Objective-Based campaigns come as a welcome development and will no doubt prove incredibly valuable for both marketers and clients. The ability to tailor campaigns to specific objectives will make the process more streamlined and allow advertiser's budgets to be spent more efficiently by letting them focus it on the actions which fit with the campaign goals. Twitter has confirmed that Objective-based campaigns have delivered positive results in early test phases and are currently in Beta, they'll be rolled out to advertisers in the coming months.

MINDSHARE	Facebook's Genuine Fan Policy	Whitney Smith	8/13/2014

Background

In an attempt to deliver more "genuine fans", Facebook is implementing stricter guidelines that prohibit brands from forcing users to "Like" their page in order to receive incentives. The policy will be activate in November of this year, and will further distance the company from the initial fan-building frenzy it promoted during its early days.

Details

In short, brands can no longer require people to "Like" a page to receive a *reward* or *gain access to an app or app-based content*. However, brands are still allowed to incentivize people to login into the brand's app, check-in somewhere or enter a promotion on their app's page. The idea is to ensure you are capturing real fans, people that are more likely to continuously engage with you, rather than forcing individuals into following your brand based on a short-lived "one-off" interaction.

This change is Facebook's response to the scrutiny they receive around ensuring fan building strategies are delivering quality followers. The change also gives consumers a better user experience on Facebook.

Implications

In the last year, there has been an ongoing debate around the quality of fans. While some advertisers still want to focus on buying fans outright, others have adhered to the concept of leveraging their content to gain fans. This shift responds to the more demanding nature we are seeing from consumers – if you aren't providing something useful, they won't give you their time.

The initial thinking about this shift seems to be positive – for both consumers and advertisers. From a consumer standpoint, you may decide to "Like" a brand because you actually want to hear from them and engage. This in turn, will hold advertisers more accountable for creating and effectively distributing content that drives engagement as an incentive to follow. In addition, and to the benefit of Facebook, this change will also encourage marketers to tap into advertising solutions to get to relevant audiences and true fans rather than relying on "Like-Gating". For example, if you are planning a social contest and were planning to use Like-Gating, you'll need to rethink your approach. Instead consider posting about the contest to your page and amplifying the message through a targeted Promoted Post – this will not only reach a very relevant audience but provide consumers something engaging and exciting as an incentive to follow you. Ongoing communications should follow to keep those consumers engaged and coming back for more.

A big question is how this will impact a brand's ability to gain organic reach via its fan base. At the moment Facebook's algorithm decides the most relevant content to go into your newsfeed. As more users have joined Facebook and arguably more people have become brand fans, it's become increasingly harder for brands to cut through the clutter and deliver organic reach in the newsfeed: the numbers have gone from 16% of fans a few years ago to in general low single digits.

Summary

Arguably this new change will translate into more meaningful brand fan relationships, which in theory could lead to a bump in organic reach simply because these more loyal fans are more interested in the brand's content then the "flyby" fans forced into "Liking" for some promotional reason. In the end, the net effect maybe higher organic reach for fewer but more meaningful fans. However, whether that incremental organic reach is really that significant is doubtful given Facebook's shift to and a focus on a paid reach proposition.

MINDSHARE

Znaptag

Bringing online images to life



START ME UP

Description

How it works

- Znaptag transforms static images on publisher websites into interactive marketing properties.
- Znaptag has built technology that makes online photos a richer opportunity for marketing messages and editorial content.
- Countless studies have show that the human eye is drawn to visual cues and Znaptag helps advertisers to live in the native environment of the picture with increased levels of viewability.



Why it works

- The human mind processes visuals up to 10 times quicker than the written word – when in conflict our brains will always respond to visual cues first*.
- Znaptag's partner, Getty Images, say that powerful images evoke greater emotions. These led to greater engagement – this is where Znaptag comes in.
- Advertising in images is more effective and has greater viewability. The IAB (US) has shown that ads served in an image are seen 42% more than standard display, and are 3 times more effective at brand building than the industry average.*

*Source: Paul MacLean, Neuroscientist, IAB In-Image Advertising Primer, April 2014

Znaptag and Brands

Introducing in-image advertising

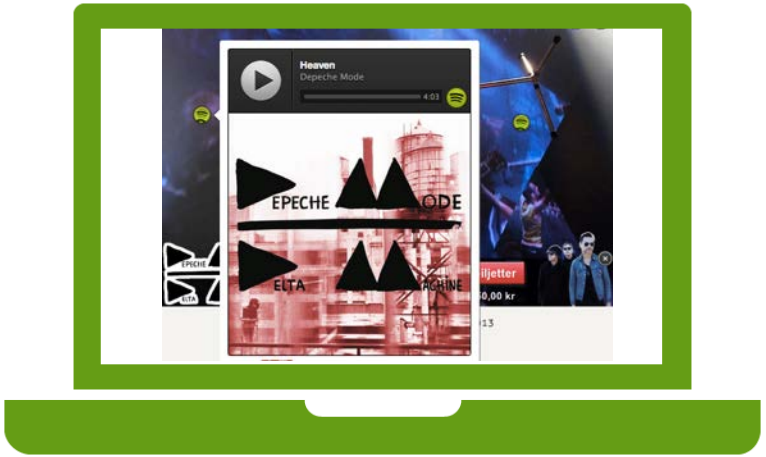
- In-image ads live in the photographs and pictures owned by the publisher – Znaptag's software simply puts them in the most relevant environment.
- These ads can range from a simple display banner through to a more involved animated creative that 'takes over' the image. They work on any device.
- All of Znaptag's in-image ads will only ever load when the picture is on the screen – guaranteeing 100% viewability and no missed impressions below the fold.
- To see clips of in-image ads live in situ, visit Znaptag's YouTube page: www.youtube.com/user/znaptag



Znaptag and Brands

Znaptag's unique interactive Hot Spots

- Znaptag has created Hot Spots to allow advertisers and editorial teams to enhance pictures with additional content.
- Imagine your brand has a global pop star as an ambassador. Not only can Znaptag target ads to pictures of that celebrity, but they can also place unique Hot Spots in the image.
- Hot Spots allow users to interact with other third party services. So for example, a Spotify Hot Spot can play music tracks directly from the picture. The same can be done with YouTube, Wikipedia etc. but most importantly it can also do this with advertiser-owned content.



Summary

Znaptag is a unique platform for brands to take advantage of premium positions within publisher websites. An easy implementation means that brands can quickly take advantage of the growing number of sites implementing the technology. Znaptag also helps brands overcome the challenge of banner blindness – consumers love pictures online and this makes the most of that experience. One of the other biggest challenges in digital marketing is overcome as we know that Znaptag impressions are only ever served when the picture is on screen. Finally, Znaptag offers a new take on native distribution, with the ability to serve branded content, in pictures, via exclusive Hot Spots.

znaptag

Launch	2014

6 words
In-image, multi-platform, viewability, brand-building, impact, pictures

Znaptag's partners

- Znaptag is currently engaging with all media agencies and publishers in the UK, and this is replicated across the US and Nordics.
- In particular, Znaptag is talking to agencies about the opportunities that exist for advertisers with in-image advertising.
- Znaptag's publisher network is being built to meet client demand and it is its aim to have a number of quality verticals for relevant brand advertising (e.g. sport, entertainment, technology etc.)

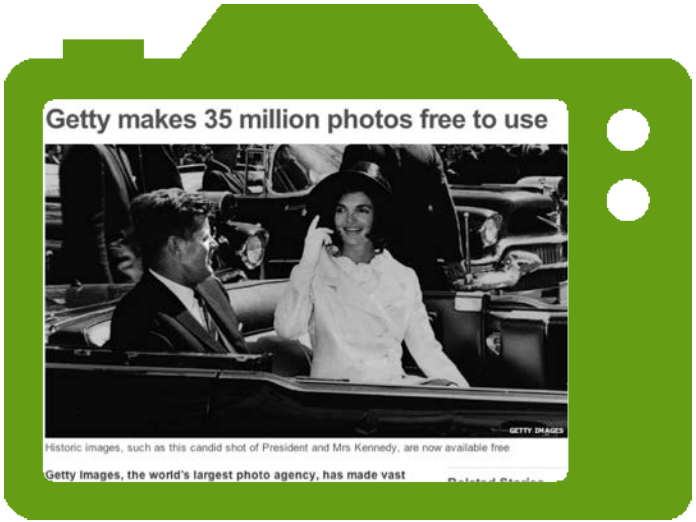




Znaptag's partners

- Znaptag works with image suppliers to help them make the most of this burgeoning market.
- In October 2013, Znaptag announced a global collaboration with Getty Images to use the metadata behind pictures to provide superior targeting of advertising campaigns.
- In March 2014, Getty announced that it would be making 35 million photos free for use – offering more opportunities to expand the Znaptag partnership through contextual ad campaigns.
- Znaptag continues to work in tandem with the rest of the stock imagery industry to find new ways to monetize their assets.

gettyimages®



Znaptag's competitors

- Znaptag's focus is 100% on pictures. It believes that the power of the static image can be hugely enhanced with technology for both brand and content owners.
- With its in-image ad solutions and unique Hot Spots, Znaptag believes that no-else is in the frame when it comes to pictures.

VIBRANT

- Offer a variety of in-content solutions
- Operate across text, image, display and takeovers
- Represented in the UK

www.vibrantmedia.co.uk

gumgum

- Offer two core in-content solutions
- Operate across in-image and in-screen
- 3rd party representation in UK

www.gumgum.com

	znaptag	VIBRANT	gumgum
In-image advertising	✓	✓	✓
HotSpot suite - Advertising campaign Hot Spot - Editorial (commercial/non) Hot Spot - E-commerce HotSpot - Lead generation HotSpot	✓	✗	✗
100% device agnostic	✓	✗	✗
Image targeting - Including image partner metadata - Contextual-based page targeting	✓	✗	✗

Thank you

MINDSHARE	Instagram Ad Program	Ben Watson	06/08/2014

Background

Instagram is continuing its evolution as a social ad platform by extending its visual based ad program to three new countries (Australia, Canada and the UK).

Details

Instagram is maturing quickly. It launched in Oct 2010 and less than two years later (April 2012) was bought for a staggering $1 billion by Facebook. Fast forward to Nov 2013 and Instagram opened advertising to a small group of advertisers and now has plans to extend this to other markets. During this time its scale has continued to increase. In April it claimed a global user base of 200 million users a month, up 50 million from six months prior. This all adds up to an exciting new scalable social ad platform.

Implications

Instagram is looking to capitalise on its growth, but not at the expense of its growing audience, with strict controls on the style of ads shown. Initial advertisers were encouraged to draw creative inspiration from the community and create ads that were engaging and felt natural in people's feeds. Advertiser attempts to date reflect this approach and overall this is a good thing. It's positive that Instagram has a strong composition (over 50% in the US) of the desirable 18-34 age group*. It's also good that initial data suggests that some brands are seeing lifts in ad recall measures** and this may not be unrelated to research which indicates 65% of people are visual learners***.

Still there are some factors to be aware of. Stylistically Instagram is aiming for a perfect native ad solution. It's likely unattainable in the long run as pressures to increase ad volume come into play but is initially a good goal to set. Even with all advertisers currently aiming for a highly stylized look, some are struggling to make their brand relevant in this environment, as McDonald's found out to their cost this week when they received 1,941 comments from users in the US, many of which were negative from individuals who were annoyed by seeing a McDonald's ad in their newsfeeds.

This leads us to identify two factors which brands sometimes forget. Instagram is a highly opinionated community which can at times act like an echo chamber. And secondly there is a difference between visual advertising and visual storytelling. Learning how your brand best operates in this type of environment is only gained by experience and active learning. Additionally tests require a significant investment.

Mindshare POV

Most brands need to better understand how they can succeed on visual advertising platforms like Instagram. Three core reasons lead us to recommend action: 1) Consumer to consumer communication is increasingly being done visually. 2) Social channels account for a higher and higher percentage of web traffic. 3) Platforms like Instagram are becomingly increasingly dominant on the mobile screen space.

It's a big step for many advertisers to understand how their brands translate as a static or animated image, but it is essential in seeking to have conversations with consumers where your brand appears to be part of the Instagram environment and not an unnecessary addition.

*Source: eMarketer, March 2014
**Source: Instragram blog, January 2014 - http://blog.business.instagram.com/post/70498340316/first-look-measuring-the-effectiveness-of-brand)
***Source: http://www4.ncsu.edu/unity/lockers/users/f/felder/public/ILSdir/styles.htm

MINDSHARE	Amazon Ad Buying	Chanda Arolkar	04/08/2014

Background

Amazon has built a self-serve tool to allow advertisers to purchase ads directly from the company in real time.

Details

The self-serve tool is for ads on Amazon owned sites and a network of third party sites served through Amazon's ad-serving platform. The tool has been in development since December 2011, although it has yet to run a campaign. According to Amazon it will gradually be extended to 'select agencies', though the exact timing has not been confirmed.

Implications

Amazon's audience consists of 126MM* unduplicated unique users across its properties including online, mobile, Kindle and third party sites.

Automation of the media buying process on a large platform can have varied implications. In the current media buying process, Amazon requires a 30-day lead-time to secure all inventories. With an automated solution, there is the potential for media inventory management and lead times on Amazon to be reduced - although just how much information will be shared and how far in advance, is still unknown. Campaign optimization can happen in real time based on real time data and marketers could react mid-campaign to social media buzz that warrants a change in messaging or targeting strategies.

With large upfront commitments locked in early in the year, we have typically been able to negotiate discounted annual rates. It is unclear how this scale can be leveraged in a self-serve environment and whether these benefits would be lost.

Targeting options and reporting metrics available to advertisers are reportedly to remain unchanged, but under this model media teams would need to have their own Amazon experts well versed with Amazon metrics of consideration rates etc. to be able to optimize against the various targeting segments available on Amazon using this tool.

There are also a few legal and tactical issues that must be considered. Amazon insists on the right to audit agency and client systems and sites, which could be a huge hurdle and potential roadblock. The inventory available is also the same inventory we already buy. Agencies also cannot use any of the data from the tool in their DMP, which means there is no ability to connect the data to larger pools to gain additional insight.

Mindshare POV

At first glance it looks like the self-serve tool could be beneficial to small advertisers with low spends that do not warrant dedicated sales teams. In the light of all the unknowns and lack of transparency into what data is shared, Mindshare recommends a wait and watch approach at this time as it eliminates the value of the agency/strategy work that we do to ensure maximum campaign success.

*Source: comScore, January 2014
Ref: http://adage.com/article/digital/amazon-make-easier-buy-ads-serve-tool/294243/

MINDSHARE	Twitter Promotes Organic Reach	Phil Jackson	16/07/2014

Background

On the 11th of July Twitter announced the roll out of an enhanced Tweet activity dashboard to provide measurable insights about how Organic Tweets perform. For the first time, advertisers will be able to see how many times users have viewed and engaged with organic Tweets, so that they can more effectively optimize their content strategy. The Tweet activity dashboard is now available to all advertisers, Twitter Card publishers, and verified users around the world.



Details/Implications

Twitter have also released new insights from the additional research now at their disposal. They announced that marketers can hit an audience equal in size to 30% of their followers in a given week with a consistent and free tweeting strategy. The key recommendations for achieving even greater organic reach is to pair consistent tweeting with engaging content, citing the examples of Wheat Thins and Trident who achieved organic reach equal to 95% and 5x greater than their follower base respectively per week.

"It's incredibly powerful for our brands to gain insights into their organic impressions on Twitter. We gain a massive amount of value in understanding how our Tweets resonate with our followers," said Bonin Bough, VP of Global Media and Consumer Engagement at Mondelēz International.

On Twitter, users receive all content from every account they follow, but there is no guarantee they will see a given post before newer ones quickly overtake and push out the old. The opposite is true on Facebook, where users see posts based on an algorithm that chooses what they are most likely to be interested in. Advertisers need paid promotion strategies for a more robust Facebook presence. Facebook says its curated News Feed is more targeted and less cluttered than the stream on Twitter.

Given the recent headlines about the declining organic reach that brands are achieving on Facebook, comparisons between the two platforms are inevitable (see image above). Whatever the headlines say, brands will undoubtedly require guidance as to the benefits and challenges of delivering their content on each platform, whether organically or via promotion.

Summary/POV

These new insights and 'promises' from Twitter, whilst certainly appearing on the face of it like a quick win for marketers, should be interpreted with caution. In reality the reason behind marketer's ability to be able to access their followers feeds so readily is due to Twitter's lack of scale vis-à-vis their main competitors. With less content being produced and shared within the Twitter ecosystem, there is obviously greater opportunity to be seen by consumers. These announcements also elude to the fact that, as a platform, Twitter is prioritizing advertisers over their users by not providing a customised content experience based on each users respective social graph. Marketers should be aware that if they prioritize follower growth on Twitter only for them to eventually achieve the same scale as Facebook, they have no guarantees that they will not get their fingers burnt by the same algorithm and commercial model changes that have impacted many marketers already working with Facebook.

MINDSHARE	Facebook's LiveRail Acquisition	Brian Leder, Chris Wallace	10 July 2014

Background

On July 2nd, Facebook agreed to acquire LiveRail, the 3rd largest online video advertising management platform that operates across desktop, mobile devices and IPTV (behind leaders Brightroll and Specific Media). While the transaction hasn't closed yet, the total deal size is estimated to be around $500m.

Details/Implications

Facebook's is a nascent player in the video space, having only launched Premium Video Ads and expanded video targeting capabilities within the last few months.

The acquisition of LiveRail will significantly bolster Facebook in the video marketplace, positioning it as a viable competitor against the likes of Google and AOL (which acquired ad exchange company Adap.tv last year for $405m in cash and stock), by enabling Facebook to extend the purchase of video inventory to outside the walls of the Facebook environment.

Additionally, the acquisition of LiveRail gives Facebook access to technology, namely LiveRail's Real Time Buying (RTB) platform that could be leveraged more broadly as a tool internally across its social network. LiveRail's CheckPoint ad blocking technology that can help publishers to block inappropriate or competitive ads from appearing on their site could also be incorporated into Facebook's infrastructure.

The motivation for the move is likely to be the desire to accelerate delivery on a video product; an area where Facebook has been slow to deliver. The acquisition of LiveRail gives Facebook an opportunity to learn about video consumption from publishers, an additional revenue stream off the main platform, technology advancement where it is required and a learning platform to use across its expanding product suite. Facebook's acquisitions have been focused in areas where the company lacks expertise (e.g. Atlas - what Facebook will do here still remains to be seen) and where it has looked to gain more mobile share (e.g. Whatsapp and Instagram). It could also be that Facebook is focused on gaining a larger share of TV dollars, with a video network the most immediate way for it to try to compete with YouTube.

Summary

The combination of Facebook's audience scale and LiveRail's real time buying platform and scale (delivering five billion ads a month) will make Facebook a formidable leader in the video space. It will be worth watching the integration of this acquisition to see how it creates new opportunities within the scope of our existing global Facebook relationship.

MINDSHARE	Google Android Everywhere	April Wardy, Norm Johnston	7 July 2014

Background

Google has made multiple announcements at its I/O conference that will shape the digital landscape, the biggest of which seems to be the ubiquitous deployment of Android.

Details/Implications

Android, which appears on 80% of today's smartphones, will now become the operating system used across wearable technology and connected devices of all kinds, including watches and automobiles. Not content with just a billion mobile Android users, Google wants to become the preferred and default operating system for everyone and everything. Its nearest competitor Apple represents around 17% of the smartphone and tablet operating systems, leaving Microsoft in a precarious position. The latest version "L" is available to developers now, with a broader public launch sometime this fall.

Various devices featuring the new Android OS were shared at the conference. Google had already announced "Android Wear", which was featured on some sexy new connected watches from LG, Motorola, and Samsung. TV is also back on the radar; Google TV was also announced, arguably providing a new synchronized on-demand EPG of the future. Finally, Google also released Android Auto, a phone synching ability and another feature to emerge from their Open Automotive Alliance partnership with Ford, Honda, and others.

The main competition for Android is unsurprisingly Apple. The company recently launched CarPlay, which essentially does the same thing as Android Auto, and everyone is aware of its looming play in wearables. Nevertheless, the Google announcement is profound from several perspectives. First, Google has immense scale with Android. The I/O conference announcements suggest it sees many more places for Android to exist, notably in what most consider the post-mobile battleground: wearable, TV, and cars. Second, Android was the dominate talking point during the conference, bumped up from its usual autumn slot and elevated above the "moonshot" eye candy from previous years; Glass was barely mentioned. Third, there has been a very conscious effort to equip and enable the developer community with the means to create apps and experiences that are polymorphic, effectively shape-shifting based on the device where it is seen. At the same time, Google confirmed that manufacturers will not be able to alter the user interface of the new Android operating systems appearances. The new "Material Design" is a bid to create a consistent user interface across products. Google is clearly striving to balance flexibility and fuel for developers but also consistency in the experience.

Marketers should pay attention for several reasons. First, the new Google OS will enable greater cross-device distribution, synchronization, and adaption whether you are developing an app or exploring advertising options within apps. Second, at some point Google will certainly look to extend its three key revenue sources – search, video, and display advertising – into new devices, whether into wearable technology, in your car, on your TV set, and into your home (via Nest). Finally, Google will have more consumer data than ever before, providing markets with a rich data set for targeting and messaging purposes.

Summary

Google's I/O conference announcement marks the end of the second great wave of digital marketing. The industry's long-mooted mobile tipping point has occurred, and while it continues to expand in many parts of the world, the industry is setting its sights on the third wave, the Internet of Things, with TV, wearable technology, the connected home, and your car up first.

MINDSHARE	Amazon Fire Phone	Ciaran Norris	June 2014

Background

Amazon has announced that it is to launch a smartphone to run alongside its existing hardware, the Kindle e-reader and the Kindle Fire tablet. The Fire Phone appears to be designed to drive increased revenues for Amazon both by locking people in to its Prime service, but also by making increased margins on the product itself, a change of strategy for Amazon, which has often sold its own-brand products at close to cost.

Details/Implications

The Fire Phone was touted by Amazon as a step-change in smartphones due to its ground-breaking technological features: Dynamic Perspective gives objects on the screen a near-3D appearance whilst an image recognition function called Firefly allows a user to capture an image of something which is then added automatically to the shopping cart on Amazon. The latter appears to be tied to an Amazon acquisition made in 2009.

The phone is initially only to be released in the US, exclusively on AT&T, with 32GB & 64GB models available on 2 year contracts for $199 & $299 respectively. Whilst not particularly expensive, this puts the Fire in the same sort of price category as Samsung's Galaxy S5 and lower-end versions of Apple's iPhone 5S (though Amazon is offering various initial freebies to boost the value). In comparison, the Kindle Fire retails for something like 1/3 the price of an iPad mini.

This is a major change in strategy as Amazon has tended to almost give hardware away, and then make up the difference with increased sales of associated media. They have been quite open that they want to get people to trial Amazon Prime, which results in customers spending much more on associated goods, but asking someone to pay almost the same as an iPhone for the privilege of being able to buy stuff from Amazon could be a stretch.

Analysts have suggested that this product is aimed at Amazon's most core-customers; selling to this niche audience could, due to the higher margins on the Fire Phone, generate massive revenues. But going up against the likes of Lenovo, Samsung, Google and Apple is a very big bet. Facebook tried something similar when it launched Facebook Home/HTC First but, as Ben Thompson pointed out "*that proved that just because people love Facebook didn't mean they wanted Facebook to dominate their phone, and by extension, their lives*". Amazon could soon find out the same thing.

Summary

Amazon has built a huge business, but almost no actual profits, by consistently ignoring margins to focus on growth. The launch of the Fire Phone suggests that it is changing that strategy in so much as it could generate massive margins *and* growth, if it locks people in to the Amazon ecosystem. However, Amazon face massive challenges to differentiate from the high-end sophistication of Apple and the ruthless aggression of the major Android manufacturers, essential if it wants to achieve real scale.

MINDSHARE	LinkedIn Upgrades its Search Platform	Eldad Sotnick-Yogev	20 June 2014

Background

LinkedIn announced last week that it has upgraded the search capabilities available to its users to the new “Galene” platform. Designed to offer broader searches and more relevant results Galene will also return results faster. As Search is a key component that many use on the platform this is a key initiative to get more professionals using LinkedIn and to help the company build towards its Economic Graph goals.

Details/Implications

While not a major statement in itself the announcement does connect to the company’s future ambitions (announced in March 2012) to develop an Economic Graph, based on it being the leading professional network (300M+ members).

Building from the platform’s current ability to “tap into the value of your professional network” the infrastructure can map relationships to the third degree. Similar to Facebook’s Social Graph, LinkedIn believe that in the future they will be able to graph “every economic opportunity (full-time and temporary), the skills required to obtain them, the profiles of the companies offering these opportunities and the professional knowledge/people” connected to them.” A grand ambition, but the clear core driver is the requirement to get more people and companies onto the platform.

By upgrading to Galene there is an increased likelihood that more users will join due to the ease of finding, connecting and gaining benefits from their professional networks. With the increased numbers LinkedIn advertising is likely to become more tempting to advertisers.

At the same time, Galene is seen by LinkedIn as offering “Search as a service” and is being used to drive multiple applications and products – People Search, Job Search, LinkedIn Recruiter and even customer service and advertising support. So in the next few years we expect to see some advances to LinkedIn advertising which currently has many good features but doesn’t always give advertisers the returns they wish to see.

Summary

Clearly, upgrading its Search capabilities is serving several purposes which combined could help LinkedIn achieve the Economic Graph they strive to develop. As Facebook remain an important player in the digital advertising space due to their Social Graph, LinkedIn’s Economic model could become an even more important one for the B2B arena. Simultaneously, with more companies and people using LinkedIn there are dual benefits to advertisers – better targeting for their advertising and the increased ability to better find and recruit talent.

Sources:
https://www.linkedin.com/today/post/article/20121210053039-22330283-the-future-of-linkedin-and-the-economic-graph

Background

July 2014 will see the release of the Google Watch, a smartwatch made in partnership with LG, ahead of Apple's release of a rumored iWatch. In addition to traditional smartwatch capability such as call, message and email the Google Watch will provide features like traffic alerts, travel information, flight details and weather forecasts. With the addition of the predictive Google Now software the new device is designed to give owners information they need without having to ask for it.

Details/Implications

The integration of Google Now is the biggest difference between the Google Watch and current smartwatches on the market; Google Now's tagline is; "Just the right information at just the right time." It works by using signals from hundreds of data sources such as connected friends, your location, information found in Gmail, news or even the weather.

When Google Now was first released, it was positioned as 'predictive search' and has been active on Android smartphones and iOs devices using the Google App for the past 18 months. Its success has led to its integration into the new watch. Its usage case means that if a user were to book a hotel with booking.com and the confirmation was sent to a Gmail account, Google Now would *understand* this and send a reminder, information on travel time from your current location or even show you when to check-in. Essentially, this integrated technology negates the need for users to search Google in the first instance. This technology has not been seen on competing smartwatches to-date and as such could represent quite a major USP.

Giving people 'what they want before they want it' will essentially reduce the number of people searching.

Factual information, such as a hotel booking confirmation, typically requires a Google search which results in traffic for brands and opportunities for competitors to capture that interest based traffic. Therefore, brands will need to better integrate with applications such as Gmail to ensure that Google can both see and interpret a consistent message, therefore enabling brands to reach users Google thinks it may be relevant to. It also highlights that SEO now encapsulates much more than just web-pages, but takes in Maps listings, email alerts and all digitally traceable owned assets.

Summary

Google continues to organise the world's information and make it universally accessible. In this example we see information reaching us via our wrists. For advertisers, technologies such as Google Now mean they need to ensure they give Google as much information regarding their customers, potential and actual, as possible in order to ensure they don't lose access to them before they're even aware of it.

2014 Look Ahead

MINDSHARE

By: Kristopher Makuch & Geoffrey Greenblatt

Console Gaming

Video, Video, Video

Mobile Madness

Technology Abound

PS4

XBOX ONE

Games Games Games.

The kinks have been overcome and the adjustments have been made - the second generation of next-gen titles is here for Xbox One and PS4! With new, eye-popping titles, players will get deeper stories, richer graphics, and first-of-their-kind interactive experiences. But there's more: Classics such as *Halo* are being revamped to retell their original story on a brand new platform, and gorgeous graphics will make players feel like they are playing them for the very first time all over again. With new titles attracting more first-time players, and potentially-ported games bringing back people that may have not played for a while, the reach that games provides will continue to expand.

Oculus

More Oculus Rift & More Tech

After experiencing it once, you will become a believer. With Oculus Rift hype growing after the Facebook purchase, and rumors of Sony jumping into the space as well; virtual reality interest has finally crossed over into the mainstream. With Xbox LIVE evolving, and even Nintendo implementing new technologies such as NFC, tech integrations with gaming just continue to grow. The possibilities are endless... And quite exciting.

twitch

Where Does e-Sports and Video Go Next:

With over 2.4B e-Sports followers in 2013 and the Twitch sale to YouTube topping $1B, e-sports is bigger than ever. As we head into E3, we will look to see how video and gaming continue to evolve.

$12.2 BN Industry

Mobile represents a $12.2 BN industry expected to rise to $23.9BN by 2016

DON'T FORGET MOBILE

What will we see from studios? More titles? More innovative ways to incorporate the second screen into a console-based experience? How will the reveals evolve the mobile space? We can't wait to find out.

IMPACT FOR ADVERTISERS

All of the game and technology reveals at E3 mean a lot of considerations for brands. For starters, the quality of the games announcements conincides with the ever growing potential of the games audience - and this is especially true of E3 2014. Excitement around the new generation of next-gen titles will mean continued reach expansion for brands that leverage the gaming space. More social video and gameplay features means more communities for brands to leverage. Add in new looks at technologies such as virtual reality, online platforms such as Xbox LIVE, NFC, and new mobile integrations/stand-alones, and brands come away with a new look at new ways to engage consumers.

MINDSHARE	Facebook Launces Audience Insights	Deane Browne	19 May 2014

Details

On May 8th Facebook announced the launch of Audience Insights, a tool specifically for Agencies to gain deeper learning of audiences across the platform. Audience Insights differs from Page Insights as it enables agencies to look at trends for current or potential audiences, rather than just specific actions occurring on a brand page.

This is an advantage, as agencies can now glean better detail on the Facebook audiences of interest, whether fans or non-fans. Such detail includes country, city, age, education level, lifestyle, household income, children in household and purchase behaviour (among others). It is also possible to view this information for general Facebook audiences not just audiences connected to your page or event.

Most importantly, the new insights will enable agencies to base future plans against *Monthly Active Users* rather than all fans, meaning better detail for campaign reach. If specific *Monthly Active Audiences* are of interest, agencies can also make and assess clusters to gather learnings before running campaigns at a later date.

Implications

So what led to this better level of Insight?

Facebook have used the information they already own and worked actively with many third party partners (such as Axicom) to build this tool. They're currently pitching Audience Insights as a *'Marketing tool that can help brands deliver increasingly meaningful messages to people'.*

All Audience Insights are updated in real time and pull directly from Facebook data. The demographic and psychographic insights gathered will be an advantage for all planners on Facebook in the future. For example, if you want to raise awareness of a particular product for men aged 18 – 24 that live around your flagship stores, it will now be possible to access information on who they are, how frequently they use Facebook and with which device. Then, this information can be overlaid with purchase behaviour and purchase methods.

Facebook released further details of this launch on their blog on May 8th. Interestingly and perhaps more importantly, whilst it is pitched as a tool for agencies there is much talk of this tool really being used as a bid to capture SME's who want to better understand who their consumers are and don't have the budget to spend with agencies on in-depth audience segmentation. By offering this tool to SME's, businesses can be encouraged to literally 'cut out the middle man' and concentrate on managing their own platforms.

Summary

Audience Insights initially rolled out across the US on May 8th. It will be really interesting to see who uses this tool the most, whether it is agencies or if there is a strong uplift in SME's that need to cut costs.

With International roll out set to occur over the coming months it will be imperative for agencies to get to grips with this updated platform and remain complete experts across our client audiences, especially if working to develop small/medium clients.

MINDSHARE	Apple Buys Beats	Ciaran Norris	May 29, 2014

Background

Apple has bought music company Beats in a deal rumoured to be worth $3bn. Beats, which was co-founded by rapper and music producer Dr Dre, built its success in the headphones business, where it more or less single-handedly created a new fashion sector that they dominate. More recently they bought music streaming service Mog and re-launched it as Beats Music with a Super Bowl ad starring Ellen DeGeneres.

Details/Implications

Since news of the potential acquisition leaked there has been a lot of commentary about why Apple would pay 'so much' for a company whose music streaming service is still very small (in terms of users/subscribers). A very simple reason might be that the headphones part of the business was estimated to have 2013 revenues of $1.5bn: compare that to WhatsApp which has revenues in the low millions but was bought for nearly $20bn. Beats is also still growing strongly whilst Apple currently has no obvious new growth boost beyond established existing products. In analyst Ben Thompson's view: *(iPhone sales) will grow by single digits…the iPad has plateaued, the Mac is growing in a shrinking market*.

The attention on the current low base of the music streaming service also appears to be slightly short-term in its focus. Whilst Apple has come to dominate the paid download sector, essentially creating a near-monopolistic service with iTunes, 2013 saw the first ever drop in paid for music downloads as listeners move to services like Spotify & Pandora. Whilst Apple has tried to crack this market its iTunes Radio has been far from a smash-hit.

Although Beats may be small at the moment, it's probably a better product: it is available on Android as well as Apple products (with Android having a much larger market share globally) and also, importantly, is a move towards a trend that many of the large tech companies are adopting, of effectively unbundling their services. Whereas the Web lent itself to large, multifaceted solutions, apps are increasingly focused around single activities – so Facebook now has its main app, Instagram for photos, WhatsApp for messaging, etc…

With Beats Apple also gets access to two high ranking execs, in the shape of Dre and his co-founder and music industry veteran Jimmy Iovine. Iovine famously tried and failed to sell Steve Jobs on the notion of a music subscription service; he obviously had more success with Jobs' successor Tim Cook. It would make sense to assume that Iovine and Dre will be expected to bring their ability to manufacture and sell cool to Apple, as they work to maintain their place at the pinnacle of tech & culture as Apple looks to differentiate itself even more from the rest of the, increasingly commoditized, tech world. They will be doing this alongside another recent Apple hire, Angela Ahrendts, who Apple took from her previous role as CEO of Burberry, where she re-injected cool into the fading brand, in part by tapping into music and technology.

Summary

Although the buy might not be as 'exciting' as Facebook purchasing WhatsApp it, like Google's purchase of smart-thermostat company Nest, arguably makes more sense and gives a more interesting view of where consumers are heading. It doesn't have an immediate impact on advertisers as Beats Music doesn't have an ad-funded free version. If however the streaming service does become more popular it will be yet another avenue advertisers could potentially use to connect with people, similar to Spotify and Pandora but powered by the wider Apple ecosystem.

MINDSHARE	Amazon & Twitter Launch #AmazonCart	Ciaran Norris	09 May 2014

Background

Twitter and Amazon have announced a partnership that will allow users to add products to their Amazon basket with a simple tweet. This is seems to be another example of Twitter looking to find and build out new revenue streams, presumably to stave off detractors on Wall Street who have punished the company recently by driving their shares down almost 50% since their high of 70%. Whether this is enough to attract new Twitter users remains to be seen.

Details/Implications

Since hashtags were created by Twitter users back in its early days, they have been used for any number of things, and this move to solidify their position in the purchase cycle is simply an extension of existing trends. Early in 2013 American Express launched a service to allow its card holders to take advantage of special offers and buy products with a tweet. #AmazonCart works on a similar system, whereby shoppers simply sync their Amazon & Twitter accounts; they can then reply to tweets which include an Amazon URL with the hashtag and the item is added to their basket. The user still needs to complete the purchase by logging on to Amazon afterwards.

Allowing brands to turn their Twitter streams into shop fronts is undoubtedly one that will interest many advertisers but, as one analyst put it, this could well be "a solution in search of a problem". In order for this to take off, it will need to tap into existing consumer behavior or be such a boon that it convinces shoppers to adopt new ones. The history of fCommerce (storefronts on Facebook) would suggest that it may struggle to do either; whilst a number of brands launched commerce platforms on their Facebook profiles, many have since been shuttered.

Twitter is trying to create new use cases for people to come and spend time on the platform, as well as creating new ways of unlocking advertiser budgets. However it is debatable whether Twitter's problem is really that people don't have enough ways to use it or whether the problem is that it is simply a product that already meets its users' needs, which unfortunately don't match the ambitions of Twitter's financial backers. This new feature may bring new legions of users on to the platform, but it is equally possible that if brands start incessantly tweeting buy now links that existing users may look elsewhere for their real-time social needs. For Amazon however, the benefits are obvious: even if relatively few people use the service, those that do will have provided Amazon access to their social graph, with all the associated rich seams of data that suggests. The hope is that this is simply an early iteration of brands finding new ways to make the most of Twitter's platform. O2's clever use of Twitter as a customer service platform is a great example of this and hopefully #AmazonCart will evolve into something similar.

Summary

Twitter is looking to increase user numbers and engagement, as well as opening up new revenue streams; Amazon meanwhile simply wants to give buyers every opportunity to spend their money. The current iteration of the service doesn't seem like one that will see widespread adoption, but could be a sign of tweets to come.

Announcements at f8: What they mean to advertisers

F8 is Facebook's Developer Conference. The content and announcements are geared for a developer audience, however, we want our advertisers to be aware of what was announced and what they mean. Key announcements include:

Audience Network

What it is

Advertisers can use the Audience Network to easily extend their Facebook campaigns into other mobile apps. The Audience Network leverages Facebook's powerful targeting, ad units, and reporting in a seamless experience for advertisers looking to reach more people on mobile. As of April 30th, we will be expanding testing of the Audience Network to beta.

What this means for advertisers

Some mobile app install advertisers are opted into the Audience Network, but can opt out if they prefer. If you are interested in driving more installs and engagement for your mobile app and are interested in participating in the beta program, please contact your Client Partner for more information.

Enhancements to mobile app ads

What it is

New enhancements to mobile app ads will allow advertisers to reach more of the right people and to drive the right actions. Included in these enhancements are more accurate targeting to exclude existing app users from install ads, better segmentation based on actions taken—or not taken—within an app, and new call-to-action options for mobile app install ads.

What this means for advertisers

These updates are designed to provide mobile app advertisers more targeting segmentation to drive the right action for their apps.

New Facebook Login

What it is

To address people's concerns about sharing information with apps, the new Facebook Login lets people deselect individual permissions. We've also made changes to friend permissions that makes friend list a separate permission from public profile and can be deselected by people logging into your app, and friend list will provide a list of a person's friends who are already using your app. We're introducing new APIs for use cases to gain access to additional friend permissions. In addition to our existing review process, we are also introducing Login Review to help ensure apps provide great login experiences.

What this means for advertisers

Because people can now opt-out of certain permissions with the new Facebook Login, it is important for marketers to educate people as to why they need certain information (like email addresses). All apps that request permissions beyond what is available on a public profile (name, profile, etc.), friends, and email will now go through Login Review. Apps that require access to photos, likes, current city, relationship status, etc. will go through review to help ensure apps are only requesting and using permissions based on specific needs.

Graph API 2.0 and App-Scoped IDs

What it is

In order to provide developers with stability, we are introducing a two-year reliability guarantee into our core APIs and adding versioning to the Graph API. As part of this new API, in order to help protect people's information, we will now be issuing individual app-scoped user IDs for new users rather than leveraging the same global user ID across Facebook apps.

What this means for advertisers

Advertisers who operate multiple apps (gaming in particular) who want to better understand what people are doing across those apps will need to set up Business Manager and claim ownership of the apps they operate in order to map a user's ID across their apps. Please note that this will only apply to apps that are created on or after April 30th. Existing apps will not be immediately affected as they have one year to migrate to the new Graph API 2.0.

FbStart

What is it?

A new program designed to help mobile startups at different stages in their lifecycle quickly build and grow their Facebook apps. This will be a program developed in partnership with PMDs and call center teams.

What this means for advertisers

This program will help new mobile businesses (particularly those who are early in their lifestyle) develop their apps on Facebook.

Updated App Insights

What is it?

New enhancements to App Insights allow advertisers and developers to learn more about the people who use their app. With the enhancements to App Insights, marketers and developers will have access to more information around their app usage, demographics, and device characteristics to inform their product roadmap and marketing efforts.

What this means for advertisers

We are making it easier for marketers to segment their App Insights by user demographics, OS, device model, and SDK version used. In addition, now App Insights allows businesses to identify what share of customers are driving the majority of actions in app. This makes it easier for advertisers to identify their most engaged customers and learn how best to drive their business.

App Links

What is it?

App Links is an open source partnership with other companies across the industry to provide a cross-platform solution for app-to-app linking. App Links lets developers map their web content to their mobile content. This means if someone opens up a link to a website that uses App Links on their mobile device, instead of being directed to the mobile web browser, they will be directed to the matching mobile app experience instead.

What this means for advertisers

App Links will not impact Facebook ads at this time. Marketers should follow current best practices for driving mobile traffic; we recommend using Page post link ads for driving to a website (desktop or mobile) and leveraging mobile app ads to direct people to a mobile app.

New Facebook SDK

What it is

To support these various updates such as the new Facebook Login and Audience Network, we are upgrading our SDK. Developers who want to take advantage of most of the new announcements from f8 will have to update to the latest Facebook SDK.

What this means for advertisers

This program will help new mobile businesses (particularly those who are early in their lifestyle) develop their apps on Facebook.

Parse Updates: Pricing, Data Store & Improved Analytics

Parse is a cloud-based platform that provides scalable cross-platform services and tools and simplifies the process of building apps. At f8 Parse announced:

- **Reduced pricing:** Customers will now get more for less. The pricing model will also easier be to understand.
- **Local data store:** With this local data store, it will be easier to build apps that work all the time, including in areas with limited connectivity (specifically for Android now, iOS in the coming months)
- **Improved analytics:** Developers can now view and manipulate powerful app data about their active users without any additional development work.

What this means for advertisers

Unless you are working with Parse, this will not affect advertisers or the way you build apps on Facebook. However, developers may find Parse to be a useful platform for them to build upon, particularly given the new pricing model and improved analytics.

Additional Updates

Some additional announcements at f8 will include:

- **Mobile Like button:** Let people post content from your app to Facebook in one simple step. This will be available as a developer preview, with expected general availability later in the year.
- **Message Dialog:** People can now share your content directly with others using Facebook Messenger. It's simple to integrate and doesn't require Facebook Login.

What this means for advertisers

These are additional enhancements to mobile apps that will not affect advertisers

MINDSHARE	Facebook Audience Network	Jed Hallam, James Chandler	29/04/2014

Introduction

Later this week, at its annual F8 conference, Facebook is expected to launch Facebook Audience Network (FAN). Facebook Audience Network is a way for the platform to massively extend its advertising inventory, specifically beyond just the Facebook platform. FAN is further proof that Facebook is expanding its reach into a portfolio of directly owned, or aggregated, mobile destinations, to become the world's most powerful mobile media network.

Details & Implications

Advertisers will be able to buy advertising across a number of new mobile media platforms, using two different types of ad format. A standard drop-down mobile banner, that layers Facebook audience data into the targeting system, and a custom-built unit that is completely tailored to the environment that it's placed in, and is likely to use a lot more of the contextual data that Facebook holds, such as location data, and interest-based data.

Facebook has been experimenting for the last two years with the drop-down mobile banner. The custom-built unit represents a big step towards owning a lot more advertising across the Internet. A key audience is performance marketing focused clients, including app developers who already rely on Facebook and its successful App Install mobile advertising. FAN also marks an expansion of Facebook's ad exchange, FBX, as it will allow advertisers to buy media from Facebook through its existing advertising platform.

However, Facebook is also chasing brand budgets. If you combine this latest announcement with the fact that the right-hand side advertising (which is usually used for performance purposes) is going to be expanded and given a more 'newsfeed' feel, you can see that Facebook is repositioning itself away from being primarily focused on performance advertising (where it competes directly with Google), and putting much more focus on brand-led advertising. With the majority of mobile advertising currently used to drive app installs and direct response-style briefs, this would massively open up the market for both Facebook and advertisers – and complete its transition to competing directly with television advertising.

Key to all of this is Facebook continuing to develop its suite of measurement tools. Over the last eighteen months it has become a lot more focused on demonstrating the ROI of its own advertising, but this will need to be accelerated and scaled up as it ventures more and more outside of the platform itself.

Ultimately, a key motivation for this move must be around gathering even more behavioural data on consumers, which can then be used to further provide advertisers deeper insights and targeting capabilities. For example, if Facebook is delivering advertising into the Yelp app, it will then also be able to gather data from how people interact with advertising on that app and recombine it with its existing massive data set to build a more comprehensive view of that person.

Obviously this is beneficial for both Facebook and advertisers alike. However, there's a third key stakeholder in this relationship that may not be so happy to see data used across the Internet and outside of Facebook; people. Facebook has had to tread a very thin line since it IPO'd, balancing out what's good for users with what sells for advertisers. However, the key to making FAN a more attractive proposition than other mobile networks will be the unparalleled consumer data sets that Facebook is able to layer on top of its own unique user data.

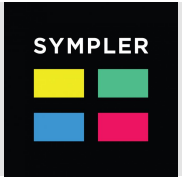
Summary

FAN marks a pivotal moment in Facebook's development. Its aim is to create the Internet's largest premium mobile media network, powered by Facebook's deep consumer data , using new ad units to offer marketers hyper-target direct response *and* brand advertising.

MINDSHARE

Sympler

Video Mixing App



START ME UP

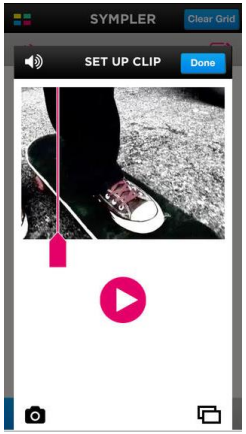
Author: Nira Dejust

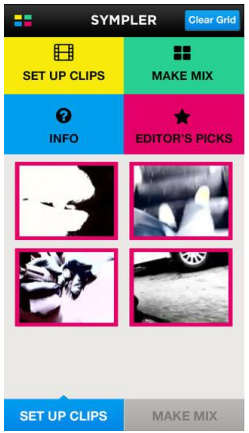
Background

The Company Sympler found a way to combine music and short videos over a video mixing app. According to its philosophy – ‘If you can tap out a beat you can tap out a video’.

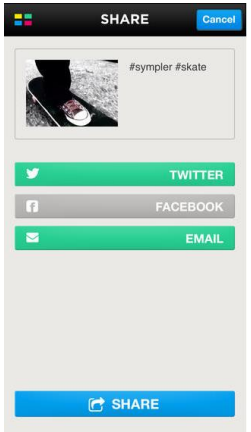
Sympler plans to monetize their app with a premium version and to connect content owners such as record labels and the media industry to their audiences.











Description

How It works

The App is free and simple to use however it is only available for iPhone and iTouch. It consists of a video mixing software.

Users can:

- Import up to six images, videos and sound clips from either their collection saved on their phone;
- Import videos from Vine and Instagram;
- Record a new video form within the app.

The user can then select a backing track that is provided by Sympler or a song from their personal music library.

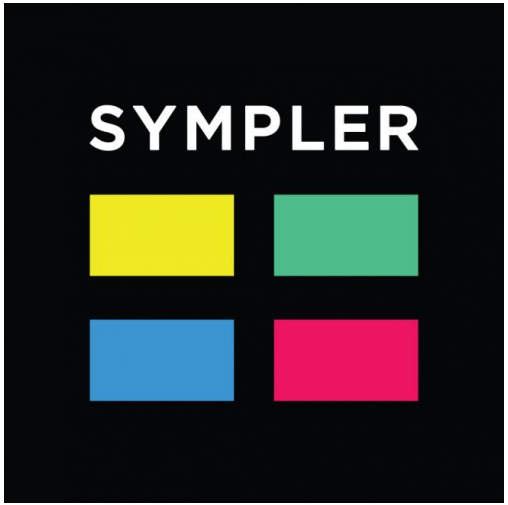
Each of the six clips are put in a grid on the screen where users can mix their 20 second video by tapping on the grids in time to the music.

Once the video has been created the app automatically exports it to the iOS camera roll - the quality of the video is 480-360 mega pixels.

Users can finally share it on social media platforms such as Facebook and Twitter.



Click to play video



Launch	2013
Audience	70k users

6 words
Videos, Music, iOS, Mixing, Vine, Instagram

Contact: alex@thepublicpicture.com

Thank you

SYMPLER



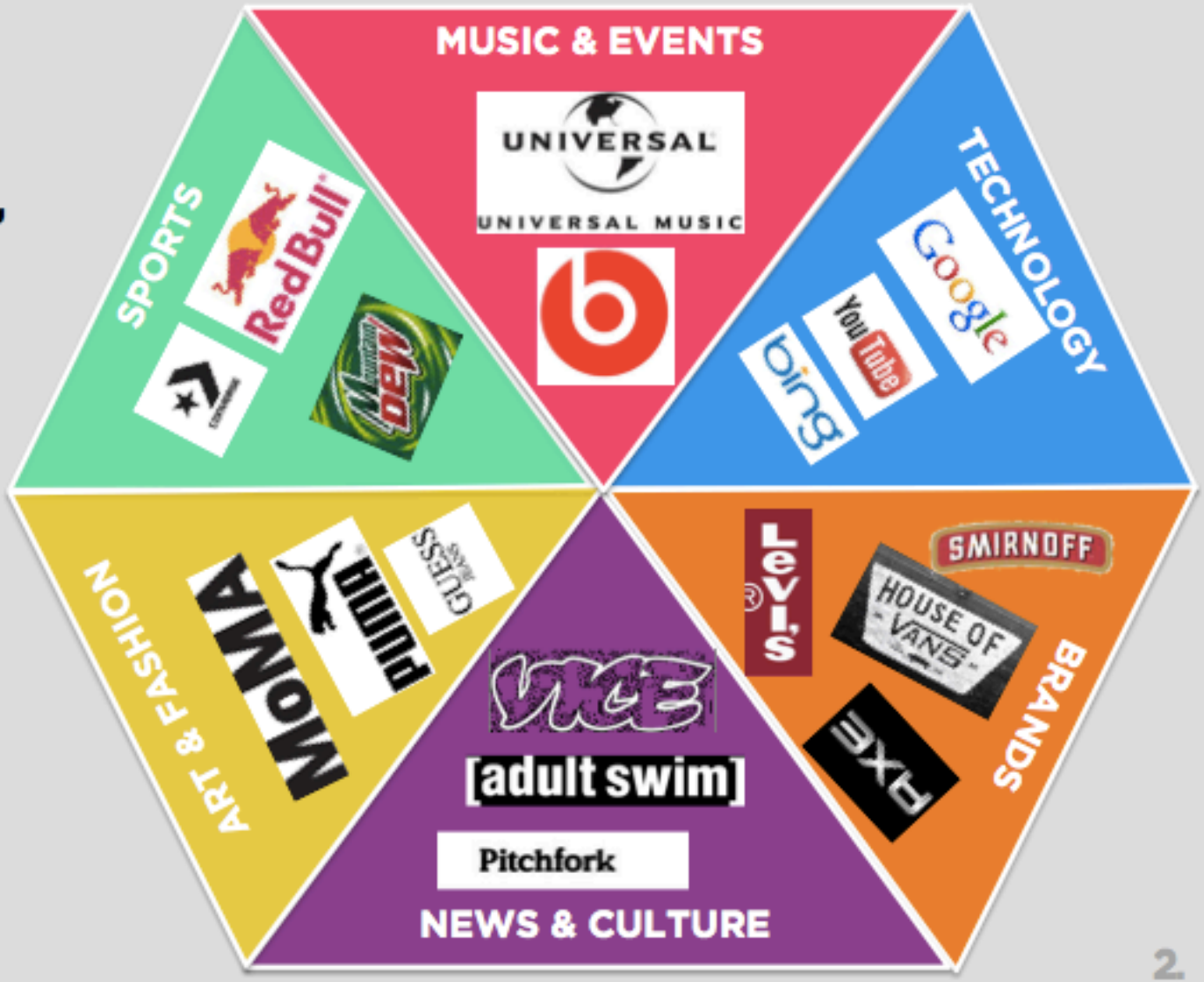
Remix everything

ben@sympler.co

We have 30 combined years experience in youth culture

Having built brands, marketing & experiences for youth, we've dedicated our careers to studying their motivations

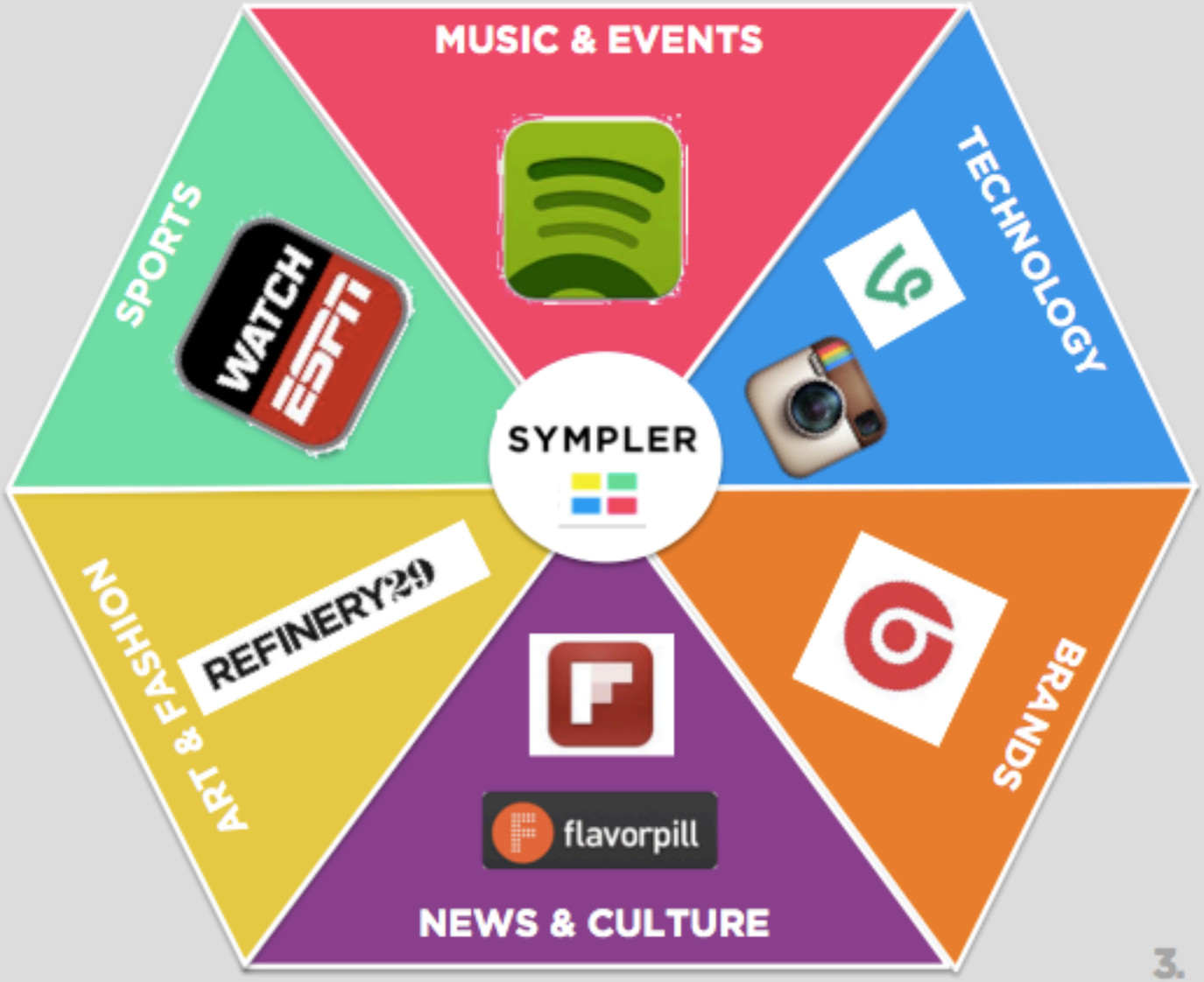
So we know what they want...



SYMPLER allows you to remix culture to your own specs

Remix culture is why Pinterest, Tumblr & Facebook are successful

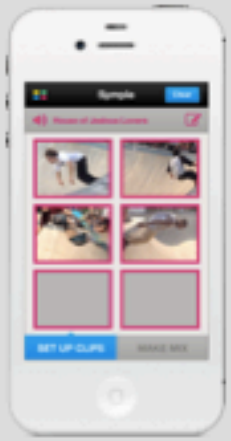
All culture is now on the phone



It lets you you mix it like a music sampler

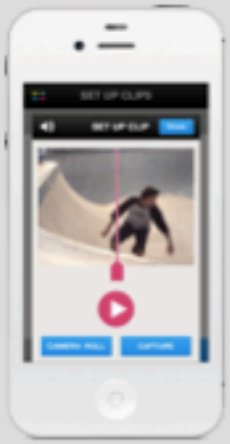
If you can tap out a *beat* you can tap out a SYMPLER

1.



Shoot or choose content from phone, Instagram, Vine or wherever

2.



Adjust content & select music

3.



Tap out a mix in time with the music & share

Click www.sympler.co/demo for demo

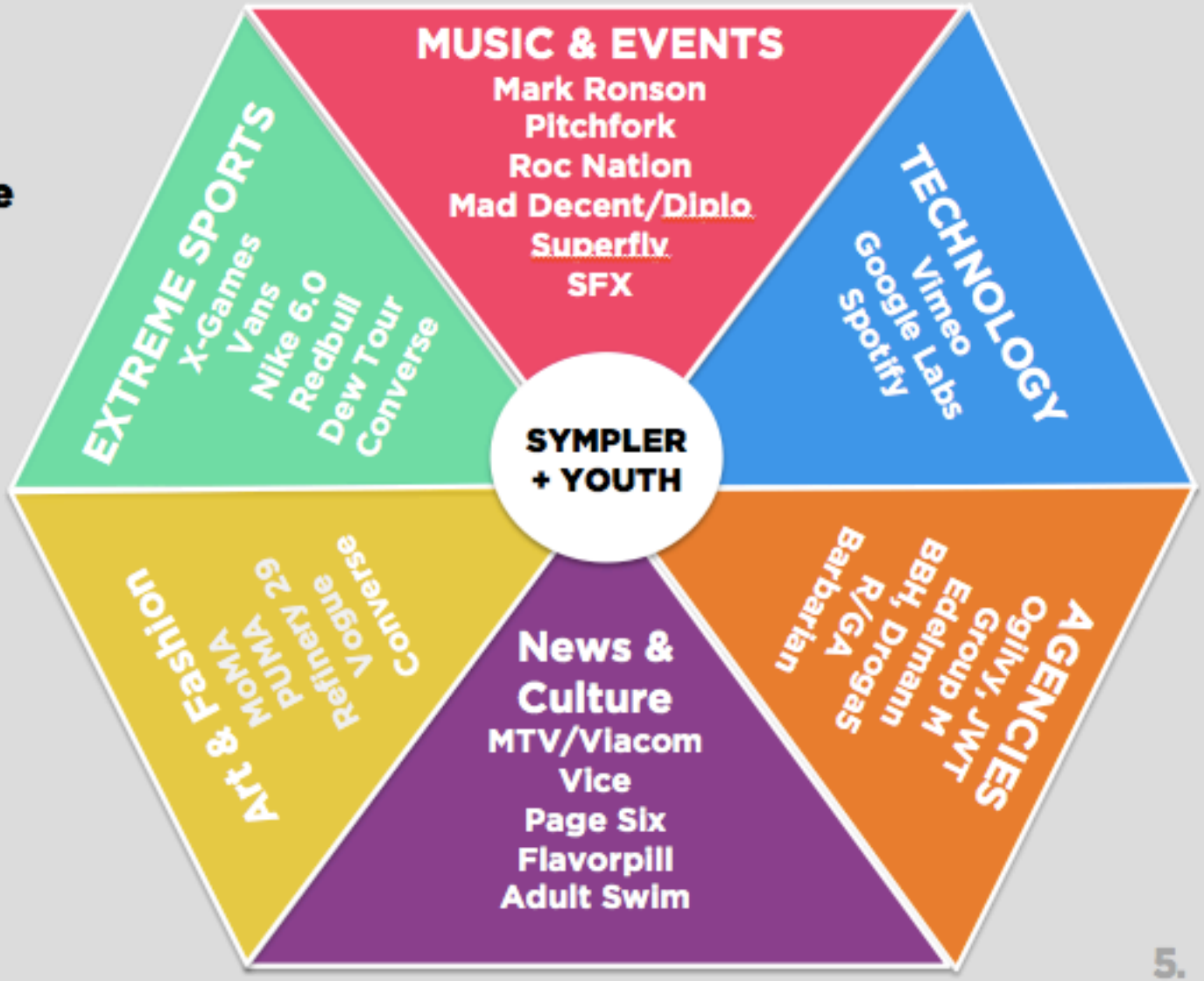
It invigorates today's ecosystem between 'creators' & 'consumers'

The Sympler team sits at the intersection of these worlds

The Sympler product helps keep publishers and audiences 'in the mix'

In this ecosystem everyone is a potential collaborator

** A few examples of current conversations*



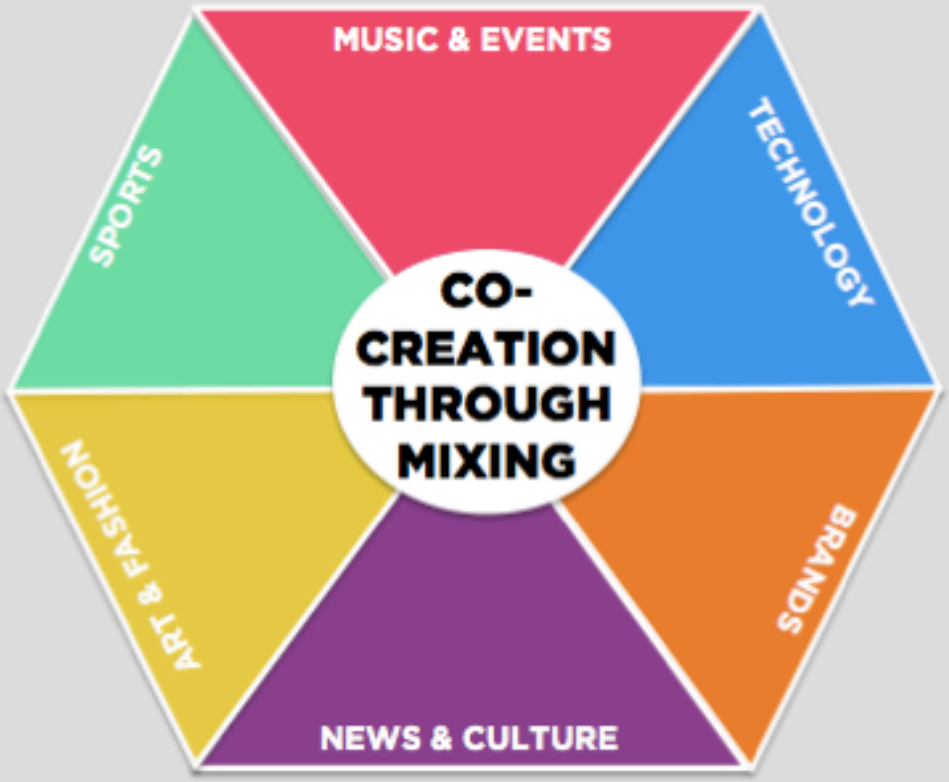
Symbiotic relationship between publishers & audiences

Sympler enables more valuable exchange between publishers & audiences through the remixing of content

PUBLISHER GETS...

More engaged users
True fandom
Meaningful data
Loyalty
Referred users
New content

Transcending category to become part of culture

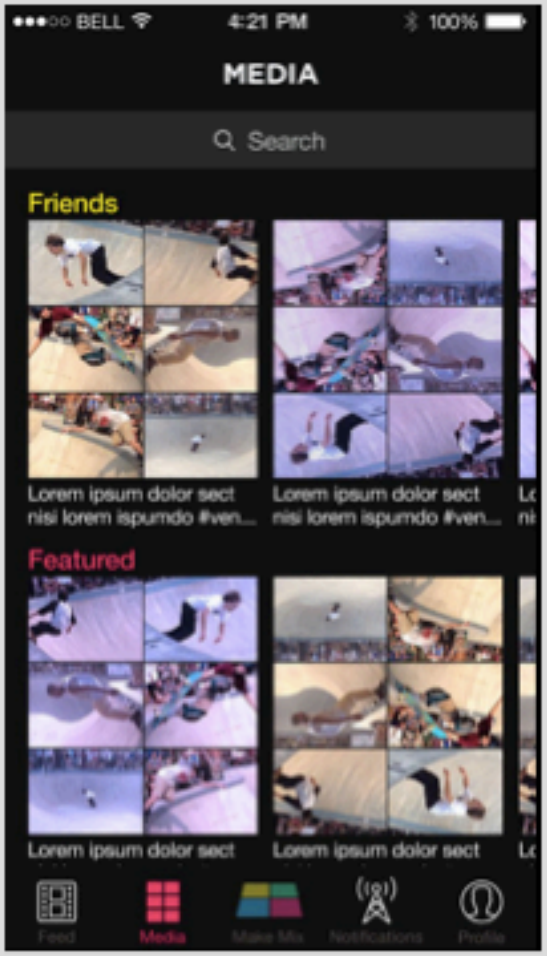


AUDIENCE GETS...

Ability to mix everything
Better videos
Addictive play
Social proof
Pride through creativity

Their whole life mixed in one place

Clients & content owners insert media into Sympler



Third parties – including brands and content publishers can insert their own 'grids' of media into Sympler.

Users can 'search' and find this content under 'Featured Media' and in the Feed. They can then select and remix these grids – adding their own flavor and spin.

Clients can analyze and optimize the performance of this content

Use case

Movie trailer remix

Studio challenges audience to remix trailer providing content

Audience member uses content to remix (with their own spin)

Makes a new video that's good enough to share

Audience shares on their feeds and gets 'liked' & passed along



Use case

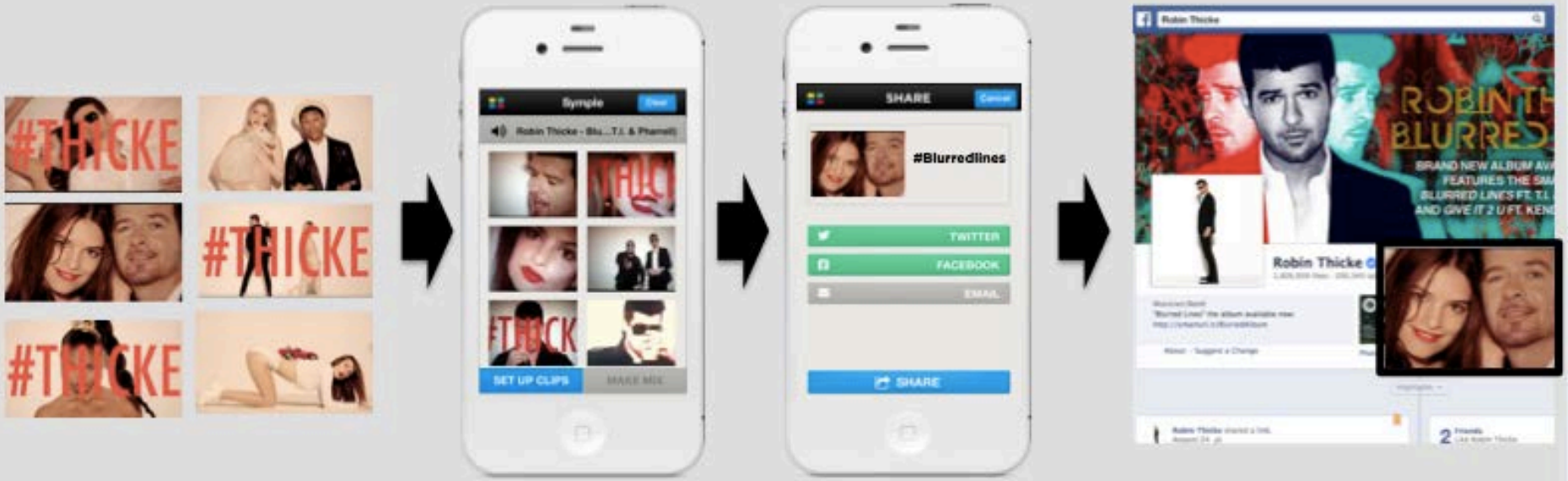
Music video remix

Label challenges audience to remix their artist's content

Fans remix video changing music & adding in themselves

Competition ensues between fans

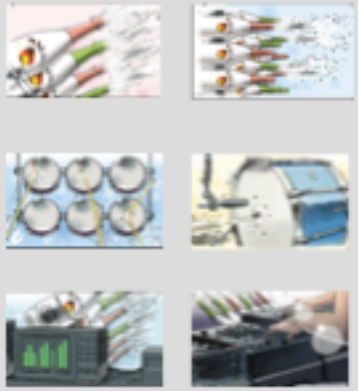
The best are published on labels' social feeds and those of fans



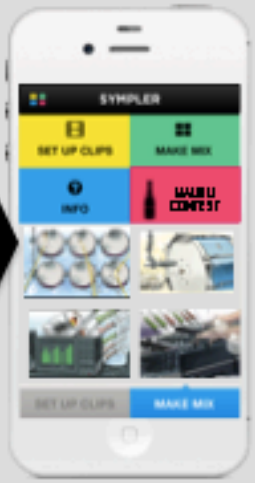
Use Case

Malibu commercial remix

1. Capture content
Malibu Sparkler creates a chain reaction spectacle & captures footage from it



2. Get Sympler
Consumers download Sympler with Malibu content



3. Make mixes
Make beat-driven mixes with content



4. Share remix
They share with their friends & compete for prizes



4. Showcase best mixes
Best mixes are shared on Malibu's feeds with winners getting featured



Multiplying content & audiences

Route one (possible today)

1.

Fanta launches new TVC along with remixes made by client on Sympler



2.

Fanta promotes on paid media channels + their own (Fanta.com & their FB etc)



3.

On Fanta.com & their FB it posts a CTA encouraging people to remix the TVC (like the remixes they saw next to the TVC)



4.

Users download Sympler & see the promoted Fanta grids & remix them



5.

They compete for the best mixes – posting their creations on their social media and inviting friends



Notes:

- Sympler should slot into existing competition & engagement mechanics. (E.g. when brands are asking for votes, likes, competition submissions, opinions or UGC)
- It's about rewarding existing brand fans with the ability to get more involved. These fans then generate content (through co-creation) and new fans

Multiplying content & audiences

Route two (possible in 3 months)

1.

Fanta launches new TVC along with remixes made by client on Sympler



2.

Fanta promotes on paid media channels + their own (Fanta.com & their FB etc)



3.

On Fanta.com & their FB it uses the Sympler API to enable people to remix the TVC



4.

Fans compete for the best mixes – posting their creations on their social media and inviting friends



MINDSHARE	New Features for Google Adwords	Eldad Sotnick-Yogev	23/04/2014

Background:

Google has announced changes within Adwords that fall into 3 areas: Innovative Ads, Insightful Reporting and new Power Tools. These changes aren't revolutionary, but rather continue the evolutionary path we are seeing as digital platforms look to "better connect with consumers at any place, any time and any device."

Details:

1. Innovative Ads focus on the fact that Apps are more prominent than ever and that consumers see them as a source of solutions. The new ad features allow Google advertisers to better target and connect to these opportunities. For example, a calorie counting app/website could be shown to running app users through the new in-app install ads feature. This could be joined to another new feature - App keyword suggestions - which helps uncover key app-oriented search queries to add to your inventory.

2. Insightful Reporting concentrates on offline measurement and the need to better link up with digital marketing; thus, the introduction of the estimated total conversions tool. The goal here is to give hyper-local information for advertisers looking to capture "offline" sales/conversions. This feature will allow better measurement, but doesn't look like true attribution on first view.

3. Power Tools give Google advertisers more benefit from the Adwords interface with bulk actions being simplified. At the same time, Automated Bidding to meet set specific goals (ROAS, CPA, Clicks) is going to be provided, enabling you to bid to maximise revenue or conversions. So, in theory an Auto OEM can target car configurators, while a retailer can go for sales. This will most likely make working within the interface the preferred method and could spell the end for Adwords Editor. These tools (and features) also will push Kenshoo, Marin and Adobe to advance what their 3rd party platforms offer at enterprise SEM management level.

Implications:

The most impressive feature we saw was the Draft/Experiments part of the new Power Tools, which allow you to set up an experiment that will calculate and show you the impact of your changes – without actually implementing them. This means a more accurate method of forecasting will be made available in Adwords and it sounds like if the results fit your goals, it will be easy to make the theoretical a reality in a few clicks. This tool could really assist conversations for your 'what if?' scenarios, as well as being tangible proof of what budget and bid changes can look like.

Another Power Tool that will have both clients and Search teams excited is a new way to quickly use pivot table functionality within the interface and jointly build informative charts. This "multi-dimensional analysis tool" is sure to become an addition that many will like.

Finally, Innovative Ads strong focus on Apps proves that Google knows users are increasingly using mobile and that apps rule in this space. This looks to have more promise than just Admob and helps those still thinking about an App see the need to get involved. Just like mobile optimized websites, Google is pushing businesses to jump in.

Summary:

Overall, the changes look very promising and we are excited to see how Google keeps advancing from last year's Enhanced Campaign that pushed location, device and time bidding. By giving advertisers more tools, reports and capabilities it continues to lead the Search advertising space and the multiple ways it can be used to connect with consumers.

MINDSHARE	Google Secure Search – Applying "not provided" to Paid Search Queries	Eldad Sotnick-Yogev	11/04/2014

Background
Search marketers were thrown into a tailspin in 2013 when Google began to use secure search to remove keyword data seen in Google Analytics for organic traffic. On April 9th, Google announced that the same is now happening to Paid Search. While many may react with panic, the reality is that advertiser's keyword data is still available in Adwords and it is only in Google Analytics that it will become more difficult to get this information.

The nucleus of the announcement is that when people using secure search click on Adwords ads, the actual words they typed into the query won't be passed onto analytics packages and third-party software.

Details
Secure Search was introduced by Google to provide an extra (privacy) shield for its users. When secure search for organic keywords was introduced we quickly saw that between 70-100% of organic traffic was now listed as "not provided" in analytics reports. Clearly, this caused problems, but SEO practitioners have learned to adapt.

Paid Search advertisers won't be as directly impacted as keyword data is still going to be fully available via Adwords. What most people are missing is that there is a difference between search query data and keyword data. The simple definitions are:

- Search query data – the actual keywords the searcher typed and what Google is not passing on to analytics and third-party software

- Keyword data - the terms an advertiser bids on

It is because of this difference that bid management tools will continue to operate as normal. Statements from Marin and Kenshoo clearly highlight that they are unaffected by this announcement and their platforms will continue to perform.

Implications
Paul Feng, Product Management Director, AdWords wrote on a blog post that "for generating reports or automating keyword management with query data, we suggest using the AdWords API Search Query Performance report or the AdWords Scripts Report service." Thus, for those wanting the data for their Analytics team it is available, but will require a different method of extraction (and possibly cleaning in order to be matched for interpretation). From our perspective, this is a simple issue that can be remedied by the two services above. Simultaneously, it only changes how we analyze search query performance and not the keyword data itself. As many have pointed out, if you are using conversion tracking in Adwords it is viewable through the search terms report within Adwords.

A more integrated approach is now required. In the past, search marketers were focused on how SEO and PPC could work together. While secure search hampered this easily happening - as the two sides couldn't compare the same visible keywords – we've learned to work together in other ways. Now it is imperative that analytic teams become a bit closer to their Paid Search teams; something that most good companies were already doing.

Summary

There isn't too much to fear here. The change is one that doesn't impact what is really available and with a little more interaction between Organic Search, Paid Search and Analytics we're still able to guide things based on keyword data, search query data and map it back to conversions.

MINDSHARE	Game Developer Conf 2014	Patrick Lane Joe Ginex Geoff Greenblatt	3.27.14

Background

Founded in 1987, the Game Developers Conference (GDC) now attracts over 19K attendees during its annual gathering in San Francisco. Initially focusing on computer games, the conference now covers all platforms, including consoles, handheld devices, mobile, smartphone, and tablet devices, and online and PC games, which certainly reflects on the industry's evolution in the past 25 years. The overall focus of the conference is to deliver a show that highlights the ideals of the gaming industry developers and gamer's desire, rather than the industry's current state.

Details

The GDC is the year's primary forum for anything game-developer related. Programmers, artists, producers, game designers, audio professions, business decision makers, and others involved in the development of interactive games gather to exchange ideas and shape the future of the industry. [1] While advertising is not discussed, it is a good place for industry insiders to learn about what is occurring in the space, and to gather insights into the game development process, current trends, and what lies ahead to apply to client needs.

Below is a list of the key highlights that occurred during the conference:

- The second generation of the *Oculus Rift*, a virtual reality gaming headset, was made available for preorder
    - Sony announced their version of a virtual reality gaming headset, codenamed *Project Morpheus*.
- In an effort to diversify gaming controllers, publishing company *Valve,* released another version of the proprietary controller for the Steam Machine.
- Unreal Engine 4, a blockbuster gaming production software, was made available for $19 a month with a clause stating 5% of gross sales will be awarded to Unreal.
- Game Maker Studio, a popular indie developer tool, now supports Sony PlayStation 3, 4 and the PS Vita
- The popularity of the Free-to-Play (FTP) model continues to grow each year, with games such as *Clash of Clans* and *Candy Crush* leading the way.

Implications

- Facebook's recent purchase of the Oculus Rift (VR Headset) Technology will open new avenues for brands to advertise in the virtual reality space. Giving consumers a new way to interact with a brand.
- Thanks to the advances with game production technology the possibility of creating a branded game experience will be cheaper and at a higher production value.
- The growth of the Free to Play model leads to more ad space for brands. These games cannot rely entirely on in-app purchases and will likely be looking to advertising as a way to monetize their games.

Summary

This year's GDC has shown that the gaming space is as dynamic as ever. The focus on consumer-based virtual reality headsets proves that gaming companies are taking risks to identify new ways to engage the hardcore and casual gamer alike. Similar to advertising, risks need to be taken in order to innovate, and eventually, bring new revenue streams to life. Now that creating a blockbuster game title is available to the independent gaming development crowd, a more diverse range of ideas and concepts will be made available to a much larger population. This can be applied to all areas of the gaming space, from hardcore console games to casual mobile games, giving brands the opportunity to reach a very specific or very broad audience through a *play* experience.

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[1] http://www.gdconf.com/aboutgdc/

MINDSHARE	Display Viewability	Luke Hills	3 April 2014

Background

A group of US industry bodies today opened the gates for agencies and clients to start buying online ad-impressions based on the number of viewable impressions served. Viewability has fast become the hottest topic in digital display as the industry tackles the need to understand who ads are being served to (in-audience) and whether those users can actually see them (in-view). Rising online budgets also means accountability is increasingly important. In response, a range of technology companies have released products to determine in-view and in-audience ratios, and 11 of these have now been audited & approved by the MRC.

Details/Implications

Viewability products use technology to assess whether or not a display ad is actually visible by a user, i.e. actually on the portion of the screen being viewed at any time. Associated products such as OCR & vCE also assess whether the users viewing the ads are within a target demographic. Global research from comScore has suggested that ads bought through exchanges have an average in-view rate of up to 30%; those bought directly from publishers of around 50-60%.

The MRC has now released a standard definition of what counts as in-view: 50% of pixels viewed for 1 second or more (2 seconds for video). Reasons ads may not be in view by a user are that the user leaves the page before it loads, the user doesn't scroll down to an ad, or scrolls past it, or the ad may be called when a bot (a program mimicking a user) visits a page. The rise in fraudulent sites driving 'bot traffic' is increasing and although there are no perfect solutions the industry is taking steps to fight them, e.g., most viewability products include ad-blocking.

There is a desire for data on in-view & in-audience to be served in real time. To that end both the main ad-servers (Sizmek & DoubleClick) now include viewability products providing in-view data, whilst the in-audience products of comScore and Nielsen are now built into DoubleClick and Sizmek respectively. Analyzing viewability in real time will allow agencies and clients to optimize campaigns as live, improving effectiveness and efficiency.

Although the US is ahead of the world in the uptake and implementation of such practices, other markets are fast catching up. The technologies are now widely available, and generally reasonably priced, whilst there is a definite desire to see them used effectively. Whether Nielsen or comScore, Sizmek or DoubleClick products are deployed, we at Mindshare are determined to drive transparency, effectiveness and brand safety. Whilst some publishers are nervous about a move to only pay for in-audience and in-view ads, it is in the interests of clients and agencies to work collaboratively, not against their media partners and there is the obvious opportunity for publishers to use high viewability scores to differentiate their offering.

Summary

In the US where viewability is more progressed, brand-focused campaigns now account for 36% of spend. That number will continue to rise, particularly as more TVC shifts to online video, such as Facebook's new video ads, which have viewability built in. Such developments should be seen as opportunities for all parts of the industry to benefit, rather than a chance to beat publishers down on cost, and the smart clients and agencies will do exactly that. A full FAQ can be found here: http://www.iab.net/3msfaq.

Background

Facebook confounded the industry with its unexpected purchase of virtual reality startup Oculus VR for $2 billion. It stands in stark contrast to other recent technology acquisitions, such as WhatsApp and Nest. There is no obvious marketing application, no instant access to an established user base, no hidden trove of patents. Instead, Facebook is finally using its riches to help realize Mark Zuckerberg's idealized future in which people can "experience the impossible." And they couldn't have picked a better place to start.

Details/Implications

Facebook's IPO afforded it the luxury to make bold acquisitions such as this one. But its newfound position as a publicly-traded technology titan also brought its future under scrutiny. Facebook has acted with its purchase of WhatsApp and its failed bid for Snapchat. Those acquisitions collected headlines, but arguably lacked vision, and for some exposed some scrambling to quell concerns over its ability to maintain relevance within a fickle teenage demographic. The purchase of Oculus foreshadows a different Facebook, a more confident Facebook, one prepared to boldly move beyond its roots to deliver on Zuckerberg's vision.

It isn't clear where Facebook will go first with Oculus. Initial predictions range from monetized gaming to virtual reality "hangouts," but both would require Facebook to develop well outside of its comfort zone. Indeed, it is folly to predict the future of Oculus, because its future does not lie in the hands of Facebook. Rather, it lies with a community of tens of thousands of developers and hardware startups who see its potential as a medium for their visions. Already, those visions are spectacular, e.g., simulated skydiving, tactile response and treadmills that let you physically walk in virtual worlds. Facebook are now a key part of this innovative sandbox.

In one sense, the closest parallel to the Oculus acquisition may not be a hardware startup like Nest, but instead an open community such as YouTube. In much the same way that Google receives credit for the innovation and content development which happens on YouTube, Facebook can grow its brand simply by fostering an environment that is conducive to innovation. As this community grows, Facebook gains access to more content, more data and ultimately more advertising revenue.

Summary

For advertisers, the Oculus ecosystem is a new frontier, and Facebook's acquisition heralds the start of a gold rush. The easy thing to do is to sit back and wait until Facebook identifies the quickest paths to monetization. But realistically, traditional advertising opportunities on Oculus are years away. Forward-thinking companies should become the innovators, not wait for them. The possibilities for proprietary development are enormous: virtual showrooms, remote tours, customizable environments. Virtual reality is the most immersive experience available to developers today, and thanks to the vision of Oculus and the deep pockets of Facebook, consumers are finally ready to experience the impossible.

MINDSHARE	Microsoft Goes Mobile	Ciaran Norris	3rd April 2014

Background

In a major effort to regain some sort of relevance in the increasingly duopolised world of smartphones and tablets, Microsoft has recently made two major announcements. First it confirmed that its Office suite of products is to become available on iPad and then said that it would be offering its mobile operating system to device manufacturers free of charge, a change to its previous strategy of insisting on payment.

Details/Implications

The lack of Office on iPad has seemed like a major missed opportunity for some time. However, in contrast to when Bill Gates famously joined Steve Jobs on stage back in 1997 (via video link) to announce that Microsoft had committed to releasing Office for Macs, this time it feels more like Apple is doing Microsoft a favour (in 1997, Microsoft dwarfed Apple – now Apple's income from iPhones alone exceeds Microsoft's total revenues). This is essentially an admission that products like Office are not enough of a selling point for people to buy a Microsoft branded tablet and that tablets are likely to overtake laptops as the primary domestic computing device.

To summarise, it has been estimated that Microsoft's share of personal computing sales (devices sold that include its software) has fallen from around 90% to less than 20% in the last 5 years.

That figure also explains the other announcement, that Microsoft's mobile operating systems will now be available to device manufacturers for free (on devices with screen sizes smaller than 9"). Because of Microsoft's success in squeezing patent licensing payments out of companies that use Android, it will now make more money out of Android phones than Windows ones. It will also make Windows a cheaper option (free) than Android (not always free). At the same time it has reduced some of the hardware requirements for its mobile systems making it even easier for its OS to be used on lower-cost smartphones.

In most markets, Android is winning the smart-phone battle (at least from a share point of view, Apple's profitability is much higher) though all of the Android tablets haven't really hit iPad's dominance in tablets. These two developments position Micrtosoft much better in both categories: making the mobile OS free means Microsoft becomes a real alternative to Android in the fastest growing device category globally, whilst Office for iPad means Microsoft could now stand to gain from Apple's continuing dominance in this area. Although traditional PC sales are declining, there can be no doubt that many businesses still rely on Office and this means that many more of them are likely to continue to buy it.

Summary

A number of Microsoft's decisions in the final days of Steve Ballmer's reign as CEO raised eyebrows (buying Nokia, previously the only real adopter of Windows Mobile was one) but these two announcements suggest that new CEO Satya Nadella may have a more pragmatic view of the company's future. Whilst the thought of having to create apps for three mobile operating systems isn't one most brands would welcome, competition is always to be welcomed. There may finally be a third horse in the mobile race.

MINDSHARE

Foap

Authentic Royalty Free Stock photos



START ME UP

Author: Dean Browne

Description

Background

- A Business Insider article on Dec 24th 2013 stated that the expected number of photos taken globally in 2014 will approach one trillionIt
- Mobile devices have helped to facilitate this meteoric rise in content sharing whilst blurring the lines between producer and consumer
- Foap is a mobile app that enables users to receive instant monetary reward from their smartphone photos. .

How it works

- Foap allows users to submit smartphone photos to an online community who decide if the image is good enough for sale in a mobile marketplace
- Once an image is submitted for sale it sits within the owners ‘portfolio’ and can be bought at any moment for a fixed price of $10 (shared equally between Foap and the owner)
- Rating photos is a big requirement of Foap (you’re not able to upload your own image without rating at least 5 other images, and approval of your image depends on the Foap community giving it a good enough rating),
- The Foap Marketplace (desktop only) is where you can buy photos. Specific images can be searched and saved for review



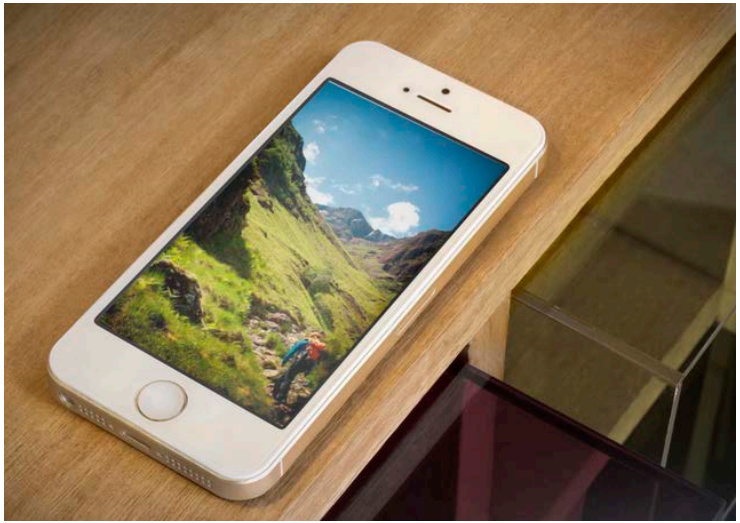
Foap and Brands

Implications

- Foap's founder insists that 'community is key' for the future of the mobile stock photo business
- Encouraging ratings, comments and follows of your favourite 'Foapographer' work means photos stay refreshed, natural and original, which is important for buyers.
- Getty Images, Foap's main competitor, seems to have taken note by announcing that it is releasing 35 million images free, for editorial and non-commercial use only.
- The user retains all rights of their image unless it is purchased for the $10 fee.

A Brand approach to utilizing Foap:

- Foap recently released 'missions' to have more brands involved.
- Brands can release a mission within the Foap app, encouraging missionaries to post images on certain topics. For example, Mastercard recently released a mission called 'Priceless Moments'
- Missions provide user incentive by potentially paying more (sometimes as much as $1,000) if the brand selects your photo for use.



Summary

Foap feeds into the concept of ‘Me-Nation’, an individual’s perception that consumers are in the centre of their universe and everything should revolve around them (for more please read our Culture Vulture report on entertainment). Whilst we people have always been happy to upload their lives to social platforms, users are becoming increasingly savvy to the value of these assets. The opportunity for brands to become truly accessible, by allowing the most unlikely of photographers to have their images displayed on a large scale with monetary reward.



Launch	2012

6 words
MeNation, Integrated, Digital, Mobile, Photography, Innovative.

Further Considerations

Strengths

- Foaps innovative approach to empower the people to provide original images cancels out the market of mediocrity in Photography
- Potential Instant payment for phone photos, as well as the incentive of ‘shooting’ a brands website or ad campaign makes the service easy to use and valuable

Weaknesses

- This is still in the early stages, and will need to increase it’s usage (and therefore variety) in order to become a real success.
- Relying heavily on ratings when uploading images can be a chore. If users learn to switch off to this rating mechanism it could mean that some photos don’t make the cut, even if they deserve to.

Opportunities

- This has serious social network potential, except rather than sharing your photos (and data) for free, there is the incentive that money can be earned.
- Will we see the first brand to release control of their creative direction? If the brief is good enough, perhaps Foapographers can create the very first ad campaign and owned asset creative

Threats

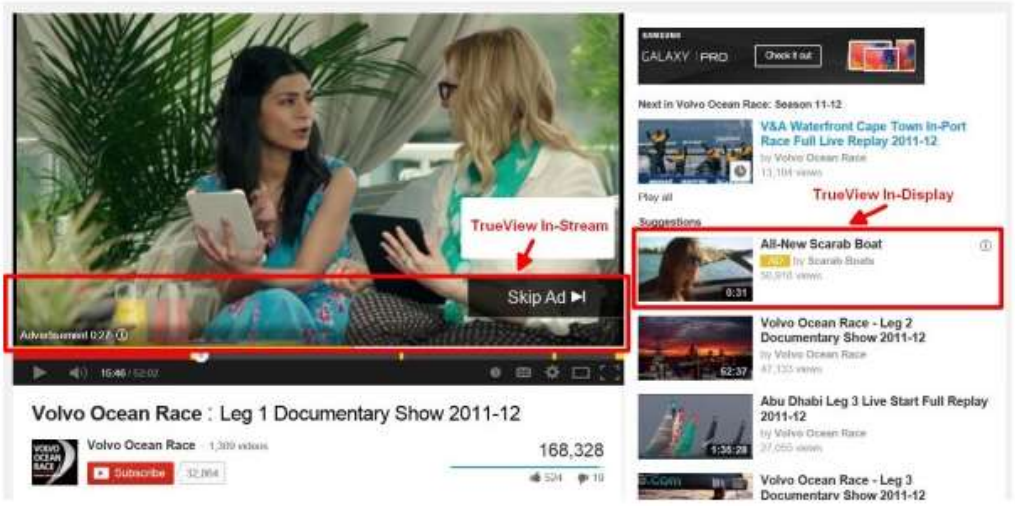
- Success will rely heavily on markets, users need to buy into Foap all over the World as such variety will be the only way to increase credibility as a Stock Photo platform equivalent to Getty Images.

MINDSHARE

Thank you

Background Starting on April 15th, YouTube will begin streamlining their TrueView ad formats to offer richer targeting capabilities on YouTube and greater simplicity in the TrueView offering. TrueView in-search ads and TrueView in-display ads will be combined into one format, called "TrueView in-display". On May 15 all campaigns will automatically be transitioned to the new functionality. All historical reporting will remain intact.

Details It's safe to say that YouTube ad formats have always been somewhat confusing. Changes have been made over the years in order to streamline the choice that advertisers have and put more of a focus on targeting. The latest update sees a reduction from 3 ad formats to 2. The 2 ad formats that will now be available will be In Stream Ads (skippable pre-rolls bought on a CPV basis dependent on the user watching at least 30 seconds of the video) and In Display Ads (thumbnail ads on the right hand side under the 'suggested videos' based on a CPV model).



Targeting has also been given an update with a choice of 3 networks set at campaign level as opposed to ad group of YouTube Videos, YouTube Search and Google Display Network. New features such as demo and interest-based targeting on the YouTube Search Network are also now available. The features we are used to using for TrueView in-search won't change. Advertisers will be able to use keywords to target the YouTube search page and the format will look the same.This means targeting options now include keywords, demographics, interest, topic and re-marketing with the added allowance of combining targeting for campaigns in order to improve audience targets.

Implications This streamlined approach and increase in targeting options can only be a benefit for any advertiser. These options should help to increase the relevancy of the audience and limit wastage making YouTube campaigns more cost efficient. The down side as with any refinement in targeting is a potential decrease in volume. This moves campaigns focus towards quality of views as opposed to quantity, an objective more brands should have in mind when running any campaign. As different types of audiences will be of more or less value to your business based on an array of elements, it stands to reason that a brand should not be paying the same for each of these audience groups to view your content. By having these targeting options across both In Display and In Stream we can begin to dial up or down based on the targeting performance and the purpose of the campaign.

Summary Google is wisely moving to improve its online video offer in face of increased competition from nearly everyone, particularly Facebook's new online video product. The new targeting capability and focus on ROI will continue to build client confidence in moving more TVC budget to addressable video.

MINDSHARE	Facebook Video Ad Units	Mindshare North America	March, 2014

Background
After nearly a year of anticipation, Facebook is finally launching its long-awaited new video ad format following limited beta testing in Q4 2013. Video ads will start appearing in the Facebook newsfeed starting in April, thus bringing closure to a very lengthy and complicated product launch. The ad unit's initial launch date was delayed several times due to the ad unit's apparent superiority to the native content experience. Facebook senior management, including Zuckerberg himself, was apparently reluctant to disappoint users and show any bias to the advertising community.

Details
The new video advertising unit will automatically play without sound. Auto-play begins when the user scrolls through the newsfeed and the video comes into view. Time-length of the ad is limited to 15 seconds. Once the user clicks to play, sound is initiated. Two subsequent carousels are also available, which can house additional video creative up to 15 minutes in length. Each brand will be entitled to a maximum of three 15 second creative executions per buy. These spots are not currently permitted to be split across a portfolio but are limited to a single brand per buy.

Facebook is heavily involved in the creative process in an attempt to make the ads as non-disruptive as possible. The emphasis is on enhancing the user experience as opposed to completely disrupting it – a tough balancing act to achieve, particularly given the massive amount of mobile users. For the initial beta campaigns, video ads had to be approved at the highest level by Facebook. Going forward Facebook Creative Consultants will provide creative guidelines and be part of the asset development process. A video will not go live on Facebook in the early days without Facebook approval on the creative.

Demographic targeting is limited to broad Nielsen OCR classifications. Video ads cannot currently be targeted based on other audience factors e.g., language, interests, behavior, etc. unlike other Facebook units. Video will not be accessible via FBX (Facebook exchange). As the platform evolves we would also expect to be able to buy against demo plus interest, making the video targeting space more robust, as well as potential inclusion in FBX.

Implications
A level of scale is being offered in an area where quality video inventory has been traditionally scarce online, albeit in a social versus premium content setting. That the video doesn't play until in view supports advertisers with objectives of increasing the percentage of viewable ad experiences for their audiences. The creative experience can be in-depth and also acts as a forum for longer form content; traditionally a tough paid format to effectively place although interaction potential is still unknown. The audience being guaranteed against OCR also gives Facebook a competitive edge over Google; YouTube has yet to fully embrace OCR.

Pricing points may be prohibitive for many advertisers; this new ad space is not cheap. Facebook will argue and seek to prove that when contrasted with a cluttered TV environment, an exclusive Facebook newsfeed emotive ad may prove to be a more impactful and effective investment. Other than media cost, the next biggest barrier is likely to get creative agencies and clients organized far enough in advance to go through a ridged creative approval process. Most creative agencies don't start ideation with Facebook consent in mind.

Summary
Facebook walks a very fine line with the launch of this new ad unit. On one hand a new video unit will help it capitalize on the growing migration of TV AV spend to the Internet. Facebook's recent quarterly results have pleased Wall St.; continuing such stellar growth will require new sources of media investment, and online video is certainly one such source. However, Facebook will also need to carefully monitor reaction from its users. Any backlash will further fuel rampant but largely unproven industry speculation and discussion around a user exodus, particularly amongst fickle teens. In response, Facebook will likely limit the number of campaigns and brand's in the US during 2014 as testing continues. Ad frequency is also capped at one ad per user per day; a user should not see more than one video ad in their newsfeed on any given day.

SXSW 2014: MS PDX Report

SXSW Summary:

SXSW 2014 was less about industry-changing announcements or reveals. This year featured a lot of debate, a lot of politics and a certain amount of navel-gazing. The future direction and ethics of technology clearly dominated.

The appearances of Edward Snowden and Julian Assange made Privacy and Surveillance the #1 topic, with both calling on tech companies and developers to build the safeguards that government won't legislate on.

The conversation around Big Data also moved on to what should we track, what does it mean and how to extrapolate the stories within. Story-telling with data was another topic super-relevant for a media agency. We will all have to master new techniques and tools to combine with creativity.

The big tech story was Wearables. Whilst few people were sporting Google Glasses, many were talking about what the future of wearable technology might be. With little tangible output. We would expect 2015 to be the year when talk turns to action, as companies figure out exactly where to place their bets.

2014 also saw the inaugural SX Sports sessions, highlighting the inter-connection between sports, digital media and technology.

The connection of all three areas made this another inspiring SXSW for Team Nike.

The Big Surprise:

The Big Surprise was no surprises. No reveals or announcements, this was the year of debate. How this impacts the Interactive community as they go back to their day jobs, who knows. But SXSW 2014 took a strong political stance in an attempt to inspire positive action.

Key topics:

- **Privacy**
- **Sports**
- **Wearable Tech/Fitness**
- **Visual Social Communication**
- **Storytelling with data**
- **Future of business**
- **Realtime conversation**
- **Content**
- **Branding**
- **Society**
- **Gamification**
- **Digital video 2.0**

PRIVACY

Title: A Conversation with Julian Assange

Speaker: Julian Assange via Skype

Trend: Privacy and Digital Politics

Top 5 Headlines:

- NSA has grown into a "rogue agency" and is abusing power
- Government won't take on intelligence services, so it's up to the people to push them
- US Congress trying to pass the Media Leaks Bill
- More countries will put up firewalls
- How do civilians take back their society from the military?

Mindshare POV:

The appearance of Assange at SXSW was the signal that Privacy and the implications of Data and Technology are the #1 top this year.

Whilst Assange's angle is political (freedom of speech and surveillance culture), he headlines a growing concern over the impact of data, technology and it's potential abuses. Just because everything is trackable, should it be? Everytime we use the internet, our phones or even cars, how aware should we be about the data-trail we leave?

Dystopian-future, conspiracy theory it may appear, but the public debate is just beginning on how governments and technology companies use our personal data.

Title: A Conversation with Edward Snowden

Speaker: Edward Snowden and Ben Wizner

Trend: Privacy

Top 5 Headlines:

- The NSA has set fire to the future of the internet, leaving our potentially data open to abuse in the future
- Government's have left us to defend ourselves, putting their own efforts into offense
- Tech companies will have to be the guardians of security and steps have already been taken by the Big 4, end-to-end encryption of email for example
- Developers need to build "usable security" products, that work 'our-of-the box'
- We need civilian, democratically elected people to be accountable for our online security, not just our real-world security

Mindshare POV:

Snowden was another big hitter in the Privacy debate dominating 2014. Speaking via webex and seven proxy servers, his considered and thoughtful opinions sit alongside being branding a criminal and traitor by the US Govt. The Interactive community wildly cheered him on here. There is no doubt that the Privacy debate is a huge challenge for the tech community and society at large. Snowden may have to come out of hiding and fully engage with his enemies (with no guarantee of justice) if he is to win over the US people.

Title: The Dark Net Emerges

Speaker: Andrew Delamater

Trend: Privacy

Top 5 Headlines:

- The Dark Net is the space and technologies used to hide identity
- We live a Panopticon Society and have less privacy than 30 years ago
- NSA is largely good, but the weight of information they have opens the door to corruption
- The future is SecDents; a separation of a real-life and online selves and identities.

Mindshare POV:
It is easy to dismiss this area of debate as one of conspiracy theories and science-fiction. However, as the debate grows, people will become more aware of what data they share and how much of it. From a personal freedom POV, this is a good thing, meaning advertisers may have to adapt to a digital world that is not as trackable as once imagined.

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SPORT

Title: Baller Status; Sports Brand's Impact On Culture

Speaker: Jon Wexler & Lia Vakoutis (Adidas)

Trend: Sports and Culture

Top 5 Headlines:
- Brand DNA "Making the World A Better Place Through Sport"
- 1936 Berlin Jesse Owens; the first TV sports moment; 1968 Mexico Adi invented Sports Marketing; 1960's: Bob Marley and Mohammed Ali penetrate culture, lead to Run DMC
- Authenticity when working with fashion/music and designers
- Integrate social through creating "tweetable moments" for fans (target "high school teens)
    - Trialed Twitter TV products for NFL Combine
- WC14: fusion of performance and culture
    - Wearable tech
    - Twitter and Instagram focus
    - Combination of Snoop, musician's and icons such as Beckham

Mindshare POV:
Though both are rooted in sports, both Nike and Adidas continue to build their brands and gain "share of wardrobe" by connecting sports/performance to culture.
Neither would admit how much attention they pay to each, but they're tactics and timings are remarkably similar sometimes. The World Cup is Brazil is a huge opportunity for one brand to pull away.
But if they cancel each other our, could a challenger brand disrupt this duopoly? The next few months will be fascinating.

Title: The US National Team & America's World Cup Dreams

Speaker: Jurgen Klinsmann & Roger Bennett

Trend: Sports

Top 5 Headlines:

- Role is to educate players to make the decisions on the pitch
- Change will come gradually over time as MLS grows and the next generation come through
- Klinsmann loves the American culture of positivity and drive to be #1, but US players need to be more ambitious and work harder to be better than more established countries
- Uses data to assess players all over the world
- Hopes that the unexpected conditions and infrastructure will favor less "up-tight" teams and allow for surprise results.

Mindshare POV:

Klinsmann is the perfect coach for the USA. He has credibility combined with a laid back and mature management style. He will inspire and produce the next generation of US players. The key to the game's future success however, lies in the new Fox TV deal for its own league, the MLS, which will allow it to compete with other sports. The EPL dominates the NBC Sports Network, growing the profile of the sport, but the real test will comparisons to NFL, NBA and MLB. US sports are experienced in creating great "product" and with the arrival of two new high-profile expansion team (Beckham's Miami franchise and NY City), US Soccer is on an upward trajectory.

Title: The printed athlete: Sports embraces 3D printers

Speakers: Jeff Beckham, Author & Mike Vasquez, sports tech & 3D printing expert, Tribal sciences

Trend: 3D printing

Top 5 Headlines:

- There are currently 5 to 6 different forms of 3D printing
- Extrusion is the most common form, objects are printed in thin slices to create a fully consolidated part.
- 3D printing is sport is slightly more complex as sports brands tend to use powder based

materials which require a laser to set the product.
- 3D printing is used to speed up costs and efficiency of construction of prototypes

Mindshare POV:
The potential cost savings for companies are huge. Burton has been able to prototype bindings for snowboards for a cost of a few hundred pounds. Previously these molds for one size bindings would cost up to $30k. This gives the company freedom to develop best in class equipment at a fraction of the cost. Although there is still a great deal of hype around the subject we are still in the laboratory phase, and desktop methods are often a huge disappointment so public desire for the technology is below manufacturing & development take-up. Customer interest will peak when they can see and understand the benefits of bespoke pattern printing that may solve problems in their lives. The question remains whether we will we see 3D printers in the home?

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Title: Connected TVs and the future of sports

Speakers: Hank Adams, sportvision

Trend: Connected viewing experiences

Top Headlines:
- Fantasy – connected TV's have the ability to allow augmented reality overlays onto the screen that show player stats, significant opportunity for fantasy league followers.
- Contextual data – in Nascar you are likely to only see 5% of the track at any given time, as the broadcaster selects what they believe to be the more interested parts of the race. But what happens if you can select a driver, customize your view and follow him for the rest of the race.
- Live Gaming, Nascar has 43 cars on the track, why can't there be 44 when we put you on the track with them to race?
- Replays, using second screen functionality we can enhance the fan experience by giving them access to the replay footage, without taking them away from the important sponsor messages.

Mindshare POV:
There are and will be network and broadcast challenges with this type of player / performance data beyond privacy. Concerns over distracting from commercials or turning actual games into math classes are just a few. However, the reality with connected TV's is that audiences can and will be dual operating and viewing alternate pieces of content at the same time, so enriched viewing experiences are becoming common place and will continue to grow.

Topic: Storytelling to build affinity

Speaker: Steve Phelps – CMO of Nascar / Howard Handler – CMO of MLS / Melissa Rosenthal Brenner – VP digital media NBA

Trend: Sports

Top 5 Headlines:

- In an area of choices, delivering a content experience that matches viewer's expectations is key to gathering regular and growing audiences.
- To delver this, key marketers within sports company are focusing on staying on top of younger fans trends through the use of social listening, community manager empowerment and tools to understand the broader narrative of the sport, in real time.
- Fans feedback is driving how other consumers are being proposed to consume the media.
- Fun fact, the MLS trains players every season on how to use social media.

Mindshare POV

In a world where brands leverage the power of sports, the sport storytellers (Nascar, NBA, MLS…) are more than ever surfing on fans' interest in new ways to get closer to the sport.
We have to ensure that we stay connected to these experiences so as to be able to stay relevant.

WEARABLES

Title: A Fun, Fit Future: Social Media Takes on Fitness

Speaker: Florian Gschandtner

Trend: Sports and Wearing Tech

Top 5 Headlines:

- 38% of Americans are obese, 26m have diabetes
- Lifestyle/jobs/cars and fast food culture
- Smartphones and technology provide easy solutions

- But 30,000 fitness apps now exist
- 17m wearable trackers sold in 2014

Mindshare POV:
Another key trend at SXSW 2014, the desire for us to track and motivate our fitness regimes is increasingly enhanced and driven by technology. Wearables and tech-enhanced sports are a growth industry and focus for developers and designers.
We will continue to see advances in this area into embedded tech. Consumer adoption will set the direction of this area, so expect it to be niche for the near-future, but via smartphones and light-weight wearable tech, the barriers to adoptions are reducing.

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Title: The internet of cars

Speakers: Dave Knox, Rockfish / Heidi Browning, Pandora / Scott Lange, Team Detroit / Sefi Grossman, Team Detroit

Trend: Mass data / wearable tech

Top Headlines:
- The biggest piece of wearable tech you will ever own, each car omits up to 25mb of data per hour, per day.
- Over half of all music listening happens in car. Of all connected cars currently sold with integrated music services they can identify that the majority are male, with an average age 31 and their favorite musical genres are rap, country & rock and roll in that order.
- A world of personal advertising opportunities awaits.
- Aggregation & use of data – with this much data coming from your car, its easy to think about some of the potential uses. Windscreen wiper activations can feed information back to meteorologists in real time weather updates in exact locations.

Mindshare POV:
Cars and vehicles will become connected and communicate with each other and with the people that drive them. The vehicles will have increasingly intelligent understanding of the roads and infrastructure (avoiding potholes & collisions) and should ultimately be a major factor in bringing about zero accident future, ushering in a new age of autonomous cars. There are many questions that still require answers, specifically around data ownership, privacy and whether drivers want to hand over power to their car.

Title: Next Evolution in communication: what will happen?

Speakers: Christina Mercando, Ringly / Koichi Yamamoto, Dentsu / Marco Tempest, Cyber Illusionist / Takahito Iguchi, Telepathy Inc

Trend: Wearables

Top Headlines:

- Wearables have the ability to help us change the way we communicate on an emotional level
- Wearables are all additions that require certain changes in behavior to use, there is an opportunity create something that is native & intuitive.
- The future of wearables is to provide solutions to existing problems
- Simplicity and magic is important – use the mystery and wonder of magic to create wearables that can enhance and create stories

Mindshare POV:

Wearables create many exciting opportunities for communications and the ability to create bespoke stories and experiences for individuals. We can use the technology to help people to navigate their way around a city, creating wonderfully immersive experiences for users that go beyond static communications. We can build games in both the virtual and real world and communicate through the wearable devices, creating communities and bringing people closer to the brand.

Title: Connected fitness 2.0 shaping healthier behaviors

Speakers: Arthur Markman University of Texas / Chris Glode, Mapmyfitness / Martha Wofford, Carepass, Aetna / Tim Roberts, Fitbit

Trend: Wearables / quantified self

Top Headlines:

- Fitness tracking wearables are currently only short terms solutions and need to focus on the long term
- The one size fits all approach to data collection doesn't serve the needs of every individual using the device.
- Wearables need to be able to capture contextual information to inspire users to take action..

- Incentives as well as insight are key at getting people to make healthier decisions
- Passive ambient data collection isn't enough – people need to be made accountable to change behavior.

Mindshare POV:
Apps that have the same or similar functionality to fuelband or fitbit are currently not as popular on itunes as wearable connected devices. However with increased sophistication and technology will the smartphone remove the need for a wearable device in the future. One might argue that people who download a free app vs people who pay for a connected device are not making a real commitment to improve their health & fitness. Even though it's hard to believe we still don't take our phones everywhere (especially women) so a wearable device is still relevant and useful.

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Title: A fun fit future: Social media takes on Fitness

Speakers: Florian Gschwandtner, Runtastic

Trend: Wearables / quantified self

Top Headlines:
- 36% of US adults are obese, 80% don't get enough exercise
- There are almost 30k fitness apps available on android & iOS
- Estimates suggest that 17m activity trackers will be sold in 2014
- Activity tracking wearables are still a mystery to most people.
- Technology can only go so far to motivate, people need to be held accountable by other people to really succeed.

Mindshare POV:
So is the future of fitness about technology & wearables or is it about people? It is of course a blend of both. The companies that best connect people together (physically or virtually) to help them achieve their goals will be the overall winners in this increasingly crowded space.

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Title: Come and capture: Smart Glasses: the future of wearables & content

Speakers: Brian Friedman, Loopd Inc / Erick Millar, Ephipany Eyewear / Gaia Dempsey, DAQRI

Trend: Wearables

Top Headlines:

- The future of wearables is about great storytelling and the creation of a bridge between the physical & digital world.
- Natural interactions will be anything that allows people to extend their capabilities as a human
- If wearables 1.0 = wristbrands, 2.0 = AR then 3.0 will be a combination of current technology, and personal interface creating human computer interaction.
- Eyewear like Google glass and Ephiphany Eyewear will be the vogue for extrovert innovators but subcutaneous solutions will be alternative solutions
- In the future we will be adding new features to our bodies. These are not add ons but extentions of our human potential.

Mindshare POV:

Current consumer behavior shows that people are buying wearable products made for a unique purpose –so people purchase a wearable that they need, based on own preferences. So Nike Fuel band because people want to track and measure activity levels, Jawbone up for activity plus sleeping patterns etc. The big question remains whether they will continue to purchase individual products fit for purpose or whether they will demand a one gadget fits all. Chances are that the mobile will be the interface for everything, and that it will link to one piece of subcutaneous technology.
This will allow us to capture content in a new way that enhances the experience for the human body.

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VISUAL SOCIAL COMMUNICATION

Title: Emoji's and Texting: Is Human Language Extinct

Speaker: Sam Huston & Ben Zimmer

Trend: Social Communication

Top 5 Headlines:

- Pictagrams have existed as ancient languages (smiley face invented in 1982)
    - Speed up the transfer of info; pictures more powerful than words
    - They add important context/facial dynamics to text, something humans need to communicate
- Japanese invented, Emojis not yet fully taken off, but they WILL

- They will continue to supplement, not replace, language
- Social listening tools will adapt to read images too

Mindshare POV:
We need to re-assess our relationship between pictures and communication.
Powerful pictures in advertising are not new, but they are now part of the micro-level, 0° relationship
More and more, digital communication is mirroring real-life human interaction and integrating emotion, intent and inference.
This might mean the CTA will adapt to become more multi-dimensional and contextual, if we even use one at all. Perhaps just a the right image will do.
We need to be aware of the increasing nuances to audience communications, not just blunt, brand messaging.

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STORY-TELLING WITH DATA

Title: How Can Big Data Tell Personalized Stories

Speaker: Ajenstat & Shoup

Trend: Data & Storytelling

Top 5 Headlines:
- We have more data than ever, but we still want to know the story
- We often use "Before/After" stories, but forget The Middle Act
- Use story archetypes to shape data stories
- Gapminder/Tableau tools to visualize data

Mindshare POV:
The future of media and marketing is undoubtedly data-driven, meaning interpreting and communicating the stories is now a core skill of today's planners.
Within our client and agency ecosphere's we need to be master storytellers and constantly looking for ways to improve this side of our business.
This requires investment in visualization tools and training. These will become as common to us each day as Excel and Powerpoint.

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Title: That's hot: Visualizing NASA climate science data

Speakers: McGregor, Greene, Ellison, Revkim

Trend: Democratization of data through Data visualization

Top Headlines:

- People don't want to see what's in front of them – but don't mind watching from afar. When NASA show pictures of earth taken from space, people go gaga. 1.4m viewed & 16k shared an image of earth taken from Mars. But when shown an image of earth and the shrinking polar ice caps this received only 98 shares.
- Giving people access to the earth science information isn't easy – earth science did not equal climate change. In 2008 climate change was the conversation so they created a unified platform that allowed them to share the visuals and information with the public, Http://climate.nasa.gov.
- Social media is a great tool for NASA to tell stories (twitter & facebook) and they've seen significant success, Asteroid night is a great example.

Mindshare POV:

With no funding for advertising or expert help, a handful of the world's most brilliant minds at the Jet propulsion laboratory are navigating the social media landscape to educate the rest of us on climate change and the world's vital signs.

The next time someone tells you that they don't believe in climate change or that the earth's temperature is not changing direct them to www.eyesontheearth.gov or encourage them to download the EarthNow app.

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Title: Make love with your data

Speakers: Christian Rudder, OK Cupid

Trend: Data & design

Top Headlines:

- Out of our league – Humans are attracted to the way a person looks, unfortunately that means those that score less than 10/10 are less likely to find success on a dating website.

- Data led research has proven that photos matter. Profiles really don't.
- The system tries to steer less attractive people away from the best looking in order to increase the matching chances.
- Gender differences are rife when it comes to the age of the perfect mate. A 20-year-old women would prefer to date a 23-year-old male, a 35 year old woman wants to date men around the same age. But, a 25-year-old male wants to date a 20 year old female and a 49 year old male wants to date a 20 year old female.

MINDSHARE POV:

Mankind's obsession with physical attractiveness begs the question of the future of online dating sites. If the profile only really accounts for 5% of what people are looking for, then why do people spend unnecessary time crafting the perfect profile only to be ignored for there less than perfect profile picture? At launch Tinder was seen as being a rather fickle device for connecting people who were probably looking for less 'meaningful', short-term relationships. In reality though, all evidence suggests that Tinder have hit upon something real, is it already the future of dating.

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FUTURE OF BUSINESS

Title: Equipping and Inspiring The Next Generation

Speaker: Dean Kamen

Trend: Social Change

Top 5 Headlines:

- Every 20s, a child dies from water related diseases, 20% live without electricity
- The World has too many problems and not enough people to solve them; how do we inspire kids to take up science over music, sport or other high profile pursuits.
- Created FIRST to celebrate science and technology, on a par with Sports and Entertainment;
- Annual competition is the "SuperBowl" of science fairs, in a stadium with Will.I.Am half-time show
    - CEO's of Coke and Qualcomm are Board Members, with the winners awarded prizes by the US President

Mindshare POV:

Kamen is simply a genius, the kind of speaker who makes the SXSW such an inspiring experience. He is trying to uses Big Business and entertainment celebrities to convince kids to become the next generation of innovators and use technology to do good. It's a worthy cause, which one hopes he can succeed with.

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Title: Generation Mash-Up: Y Bother

Speaker: Pete Cashmore and Olivier Fleurot

Trend: Business Structures

Top 5 Headlines:

- How to generations clash in the workspace, with potentially conflicting values
- Millennial's expect faster success, promotion and reward; they need constant challenges and full ownership of projects
- They are entrepreneurial and expect to have multiple jobs/careers
- There is an overlap of work and life social groups, and they are want flexible working environments and like lots of feedback (they are used to instant online feedback/interactions)
- Gen X can still provide assistance with many lost skills that come from experience

Mindshare POV:

The impact of the digital revolution on the Millennial generation has produced a profound shift. Velocity, ambition and access, means Millennials are impatient for recognition and success, causing significant impact to company structures and personal mobility.

Companies face the challenge of finding, harnessing and most importantly, retaining the right talent. Intra-preneurship is a phrase soon to be heard in many more companies than just Google, increased control over one's career and environment is an expectation and flatter management structures will be the default.

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Title: Music and Millenials

Speaker: Pepsi, Shazaam and Music Manager

Trend: The Future of Business

Top 5 Headlines:

- Music is way to start a conversation with audiences; find out what they like and tap into passions
- Millennials are plugged in, connected and have eclectic/multi-genre tastes
- Challenge is discovery, but Shazamm can use data to surface trends (collaborative filtering) and amplify
- Wearable tech will soon transform our interactions with music, but also the data that goes with it; what, where, when and for how long.

Mindshare POV:

Brands have been leveraging the power of music for many years, but often with standard, borrowed equity-based tactics; soundtracks, events, giveaways/artist access and badged products. The value to the artist is largely monetary.

The awkward shift to the digital world is now reaping benefits for both sides. Data allows more targeted connections with fans actively seeking and listening to music. Identifying trends and hot spots can create more personalized experiences at scale, allowing budgets to stretch further with bigger impact.

Greater creativity in execution however, is required to fully leverage the opportunity and ultimately deliver amazing experiences for music fans.

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Title: Star Power: innovative ways to engage millenials

Speaker: Rosario Dawson, actress & activist

Trend: Millennial movement

Top Headlines:

- Living in a millennial world – Millennials will be the majority of the workforce by 2025, and by 2022, a quarter of teens in the U.S. will be Latino. Currently, 20 percent of millennials are Latino, 14 percent are African American and 5 percent are Asian, making them the most diverse generation Americans have ever known.
- Technology is power – unlike generations before them, they won't wait around for change to happen but will drive change.
- Digital world is their neighborhood, which they favor against physical communities

Mindshare POV:

Although Rosario talks about the growth in Latino and ethnic minority millennials, we are not convinced that brand communications need to focus on specific race communities. This generation is the most diverse generation of our time. They are open and accepting and would be likely to shun brand activations that were targeted to specific communities of people. Although there are political reasons for specifically targeting young Latino cultures, it's not something that we would recommend brands activating against, unless of course there was a very relevant reason to do so.

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REAL TIME ADAPTIVE LED MARKETING

Title: OMMA, should brand be part of the real time conversation?

Speaker: Bryan Jones VP Marketing, Dell / Natanya Anderson Dir. Social Media, Whole Foods / Noha Abdalla Dir. Social Media, Capital One / Rick Wion Dir. Social Media, MacDonalds

Trend: Real time adaptive - data led marketing

Top 5 Headlines:

- Hot vs Right – Tap into the occasions that are relevant for the brand and the consumer.
- Don't wait for big moments to talk to your. Create constant connections with your communities rather than focusing on the next big marketing strike.
- Train, trust and let'em loose. Empower all employees and involve them in the conversations.
- Planned spontaneity, the command center growth is trending in the industry.
- Be human – with command centers and pre-planned responses to potential issues that could arise, there is a danger that the brand voice can become automated

Mindshare POV:
Real time is here to stay, but brands need to be careful not to jump on the zeitgeist bandwagon. Brands that attach themselves to trending topics that are irrelevant will be called out by fans for being parasitic and unoriginal.

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CONTENT

Title: Evolution of Storytelling – Brands as broadcasters

Speakers: Toby Barlow, chief creative officer, Team Detroit

Trend: Content / online video

Top Headlines:

- Storytelling is evolving – but evolutions don't happen overnight
- Humans prefer basic storytelling
- Brands needs to harness the power of storytelling by inserting the brand into successful stories that are already been told.
- Celebrity doesn't always win.

Mindshare POV:
The Vine stars had a much closer relationship with the person. The Vine superstars know their audiences interests, so were able to tell branded stories that their followers enjoy. We are living in a time where we have to access things that are much closer to what people are interested in.

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BRANDING

Title: Decoding the cult brand genome

Speakers: Chris Kneeland, Cult Collective

Trend: Branding

Top Headlines:

- Do something remarkable, get their attention.
- Have a powerful brand ethos
- Inspire people from the inside out
- Personify human attributes

- Cohorts and co-brand leaders – Co-creation is key, make the relationship mutually beneficial
- Most cult brands were not born great, it takes hard graft to build a cult brand.

Mindshare POV:
We can learn a lot from cult brands so it's always worth reminding ourselves about what makes them so great. How and why they do what they do can provide insight and direction for other brands. This can often be more insightful from outside the category. E.g. What can the motors industry learn from luxury fashion advertisers.

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SOCIETY

Title: Hacking Princess Culture: Girls, Game and Science

Speakers: Jennifer Oxley, 9ate7 productions / Lindsey Shepard, Goldieblox / Sara Dewitt, PBS kids digital

Trend: Girls in stem roles

Top 5 Headlines:
- Only 13% of engineers in USA are women
- It is time to disrupt the pink aisle. We need to see a seismic shift in the toys that girls engage with, but retailers are unwilling to change because pink sells.
- "You can't fight nature" – is one thing heard time again, apparently girls don't want to build things. We need a unified mission to put "a toolbelt on every princess".
- Research shows that children conform to gender stereotypes as early as grade 2.
- TV & celebrity have the power to help change.

Mindshare POV:
On the face of it, it can seem rather contradictory that the only way to create gender equality is by the creation of gender specific products & services.
The much-lauded Goldieblox is a construction set made for girls, what they have achieved from Kickstarter beginnings is incredible. But how much are they adding to the problem by creating girl specific products rather than simply raising awareness of great STEM toys for all kids?
It seems that the problem is about re-education, and not the kids but the parents of the kids.

Changing perceptions needs to begin in early years think about the last time you commented on an infants art work "wow, you're such a great artist" now think about the last time you saw them build with blocks or Lego … you were more likely to say "what is it" than "wow you're such a great engineer". Starting in the home, parents need to use more language that is indicative of their values and attitudes.

GAMIFICATION

Title: Actionable Gamification – Beyond, points, badges and leaderboards.

Speakers: Yu-kai Chou, Enterprise Gamification consultancy

Trend: Gamification

Top Headlines:

- By the end of 2014, 70% of Fortune 500 companies will use some form of Gamification for business purposes.
- Up to 80% of all attempts of Gamification will fail.
- Games have to master the art of human focused design which keeps people playing & coming back to a game
- Octalysis – a system developed by Chou sets out 8 core drives to developing perfect gamification principles:
    - Epic meaning & calling
    - Development & accomplishment
    - Ownership – accumulative wealth
    - Social influence & relatedness
    - Scarcity & impatience
    - Unpredictabiity & curiosity
    - Loss & avoidance

Full details can be found at www.yukaichou.com/octalysis-tool

Mindshare POV:
As brands start to develop owned experiences they have to attract and retain users within their ecosystem. The brand which will succeed will likely have created significant Gamification mechanics within their environments.

DIGITAL VIDEO 2.0

Title: Power To The People: Shaping The Future Of Digital Storytelling

Speakers: Yoni Bloch - CEO Interlude

Trend: Digital video 2.0

Top Headlines:

- Digital content consumption hasn't evolved with the medium.
- Interlude.fm provides opportunity to tell an extremely rich amount of story through a non linear content experience and different path in the content.
- Opportunity for attention focus to direct where the story goes, through eye tracking.
- Interlude.fm is a platform that helps you create your story and understand content path and delivers this through a seamless player, real-time switching, smart streaming, mobile publishing and social sharing
- Time spent on final videos is up to 4 times the length of the video
- Brands like, Porsche, Bob Dylan, Amaze, Lincoln or Espn are already leveraging this technology to connect with their audiences.

Mindshare POV:

The opportunity to tell deeper, richer and diverse stories are upon us. The technology exists, the question remains on how we can start leveraging these tools which non doubt delight our consumers.

Some of the key trends from SXSSW 2014:

Trend: Privacy and Digital Politics
Mindshare POV:
The appearance of Assange at SXSW was the signal that privacy and the implications of data is the #1 top issue this year. Whilst Assange's angle is political (freedom of speech and surveillance culture), he headlines a growing concern over the impact of data, technology and its potential abuses. Just because everything is trackable, should it be? Snowden was another big hitter. Speaking via Webex and seven proxy servers, his considered and thoughtful opinions sit alongside being branded a criminal and traitor by the US Govt. The Interactive community wildly cheered him on here.

Trend: 3D printing
Mindshare POV:
The potential cost savings for companies are huge. Although there is still a great deal of hype around the subject we are still in the laboratory phase, and desktop methods are often a huge disappointment so public desire for the technology is below manufacturing & development take-up.

Trend: Connected viewing experiences
Mindshare POV:
The reality with connected TV's is that audiences can and will be dual operating and viewing alternate pieces of content at the same time, so enriched viewing experiences are becoming common place and will continue to grow.

Trend: Mass data
Mindshare POV:
Cars and vehicles will become connected and communicate with each other and with the people that drive them. There are many questions that still require answers, specifically around data ownership, privacy and whether drivers want to hand over power to their car.

Trend: Wearables
Mindshare POV:
Wearables create the ability to create bespoke stories and experiences for individuals. We can use the technology to help people to navigate their way around a city, creating wonderfully immersive experiences for users that go beyond static communications**.** Current consumer behavior shows that people are buying wearable products made for a unique purpose –so people purchase a wearable that they need, based on own preferences. So Nike Fuel band because people want to track and measure activity levels, Jawbone up for activity plus sleeping patterns etc. The big question remains whether they will continue to purchase individual products fit for purpose or whether they will demand a one gadget fits all

Trend: Social Communication
Mindshare POV:
We need to re-assess our relationship between pictures and communication.
Powerful pictures in advertising are not new, but they are now part of the micro-level, 0˚ relationship
More and more, digital communication is mirroring real-life human interaction and integrating emotion, intent and inference. This might mean the CTA will adapt to become more multi-dimensional and contextual, if we even use one at all. Perhaps just the right image will do. We need to be aware of the increasing nuances to audience communications, not just blunt, brand messaging.

Trend: Data & Storytelling
Mindshare POV:
The future of media and marketing is undoubtedly data-driven, meaning interpreting and communicating the stories is now a core skill of today's planners. Within our client and agency ecosphere's we need to be master storytellers and constantly looking for ways to improve this side of our business. This requires investment in visualization tools and training. These will become as common to us each day as Excel and PowerPoint.


A ball can
change
the world
1 BALL. 1 DREAM. 1 CHANCE.
EVERY STREET UNITED.

EVERY STREET UNITED

- First original production from XBOX Entertainment Studios
- From famed producer Nancy Tellem
- Unscripted episodic docuseries
- Shot in 5 countries
- Interactive viewing experience
- Coming in May 2014



MORE THAN SOCCER.

ESU WILL JOURNEY ACROSS 5 COUNTRIES TO INTRODUCE US TO 8 BREAKOUT STARS.

S. Korea 

Brazil 

 United Kingdom

 Holland

USA 

Argentina 

 Spain

 Ghana

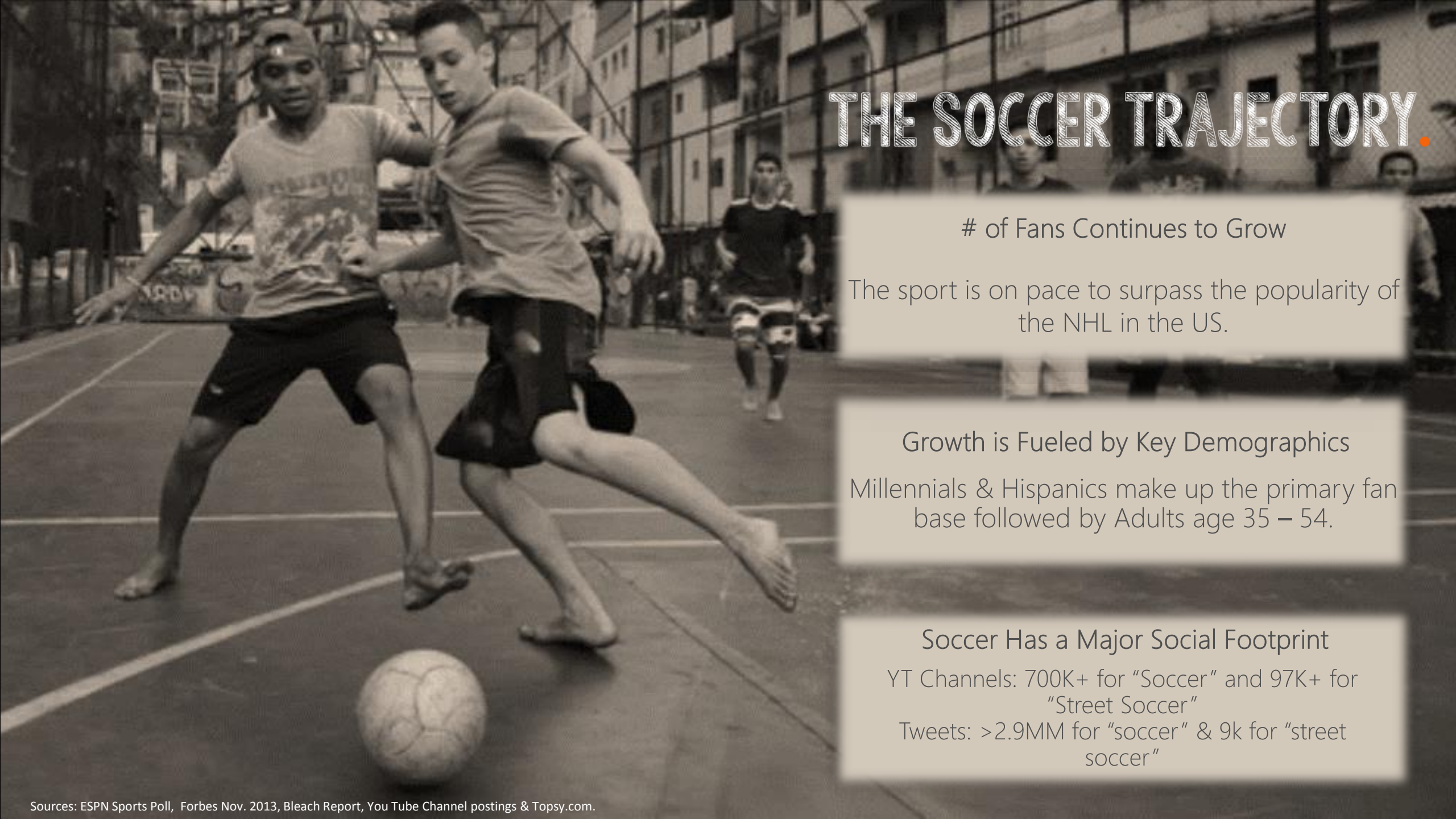
- 8 EPISODES WITH UP TO 4 COUNTRIES PER SHOW
- SERIES FINALE => 9TH EPISODES
- OVERARCHING STORY ARC ACROSS ALL 9 EPISODES
- INTERACTIVE FEATURES

SERIES FINALE TO FEATURE THE ULTIMATE STREET SOCCER SHOWDOWN.



- Played at epicenter of modern soccer in Rio de Janeiro
- Coached by Professional Soccer Elites
- 4 on 4 throw down
- Winner takes pride

Coaches not finalized. Subject to availability.



THE SOCCER TRAJECTORY.

of Fans Continues to Grow

The sport is on pace to surpass the popularity of the NHL in the US.

Growth is Fueled by Key Demographics

Millennials & Hispanics make up the primary fan base followed by Adults age 35 – 54.

Soccer Has a Major Social Footprint

YT Channels: 700K+ for "Soccer" and 97K+ for "Street Soccer"
Tweets: >2.9MM for "soccer" & 9k for "street soccer"

Sources: ESPN Sports Poll, Forbes Nov. 2013, Bleach Report, You Tube Channel postings & Topsy.com.

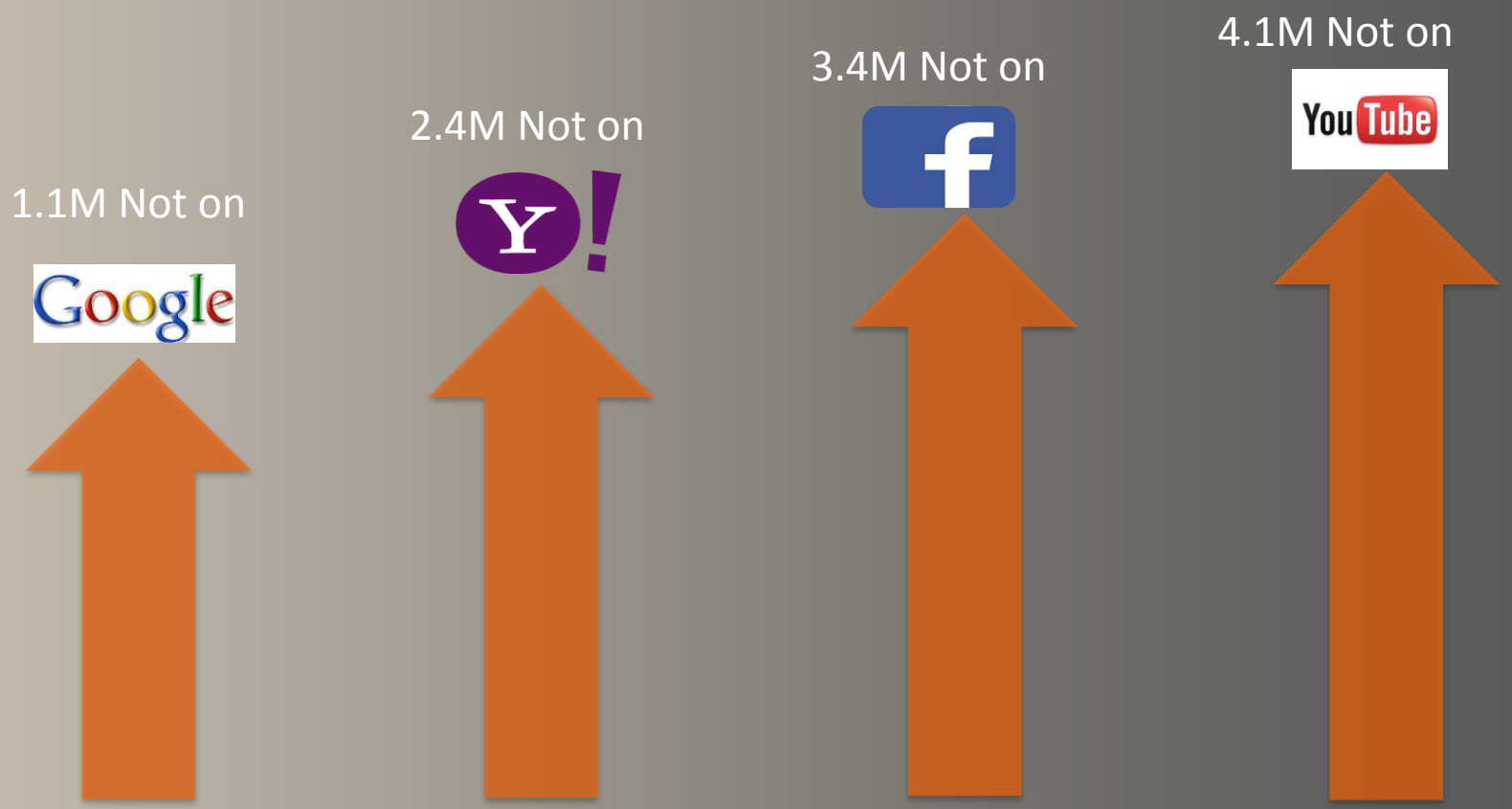
THE PROGRAM IS
EVERY STREET UNITED.

THE PHENOMENA IS
STREET SOCCER.

THE JOURNEY BEGINS ON
MICROSOFT.



SOCCER FANS ARE ON MICROSOFT SITES

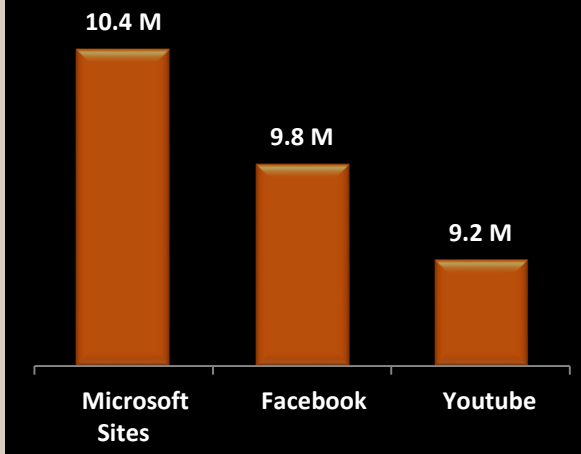


Microsoft sites have a huge reach – 10.4M **UUs**. Many of these users are not duplicated on the competitor sites

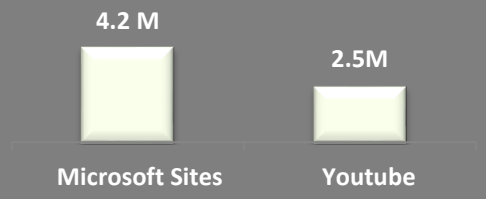
- 1 Source: comScore Audience Duplication report, April 2013

MICROSOFT SITES DO BETTER THAN COMPETITORS IN ENGAGING THE SOCCER FANS AUDIENCE

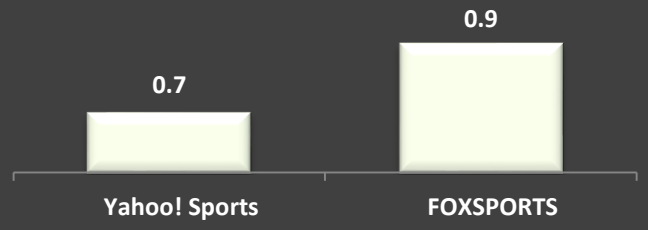
10.4M
Unique visitors



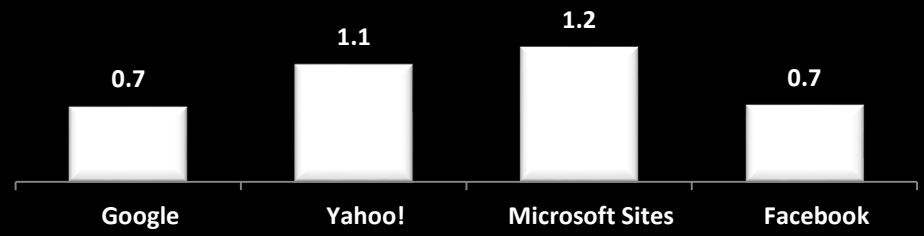
4.2M
Average daily visitors



0.9
Average minutes/page on Foxsports



Average minutes/page



Are also on Skype and Outlook.com





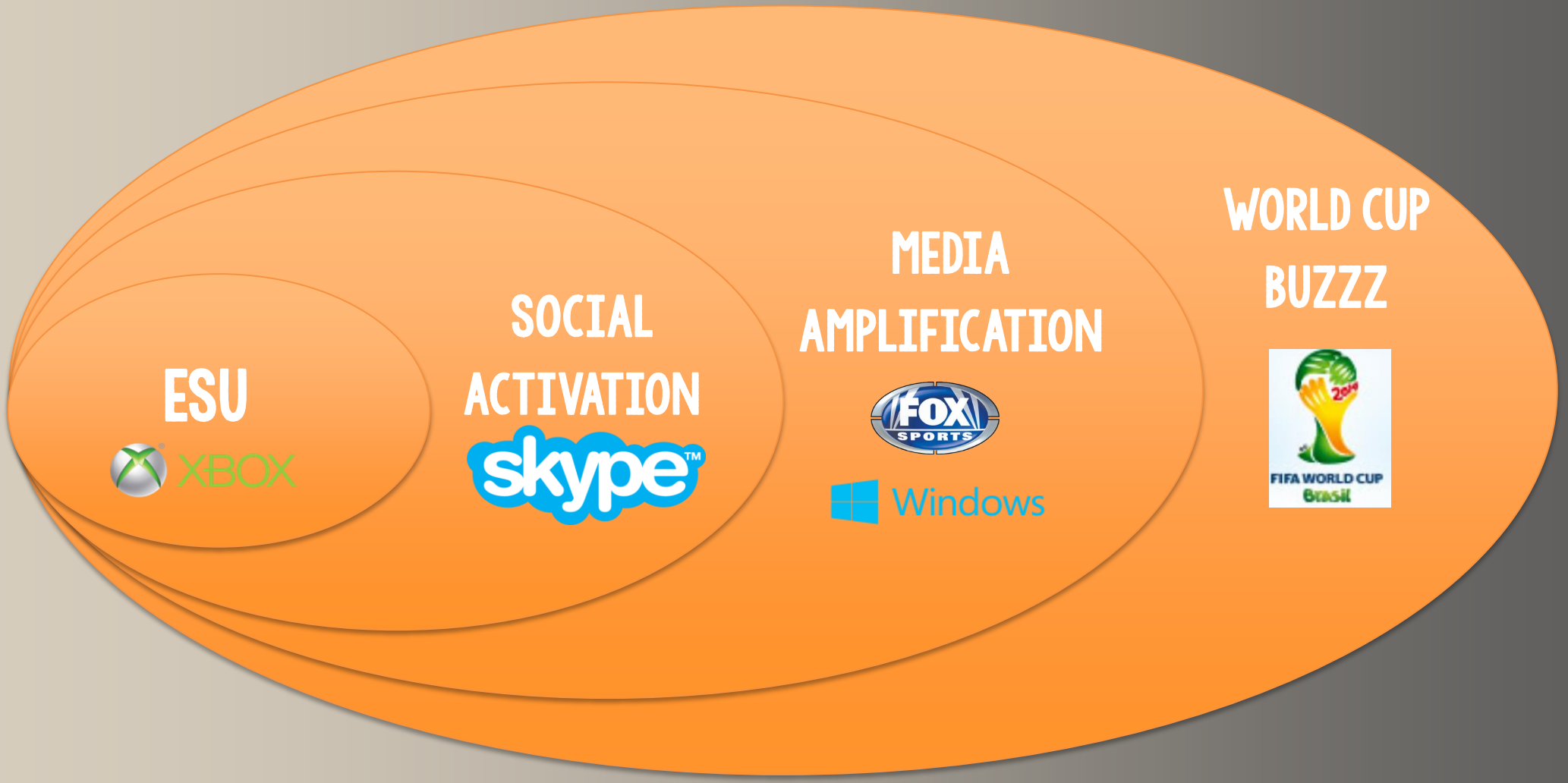
37%



29%

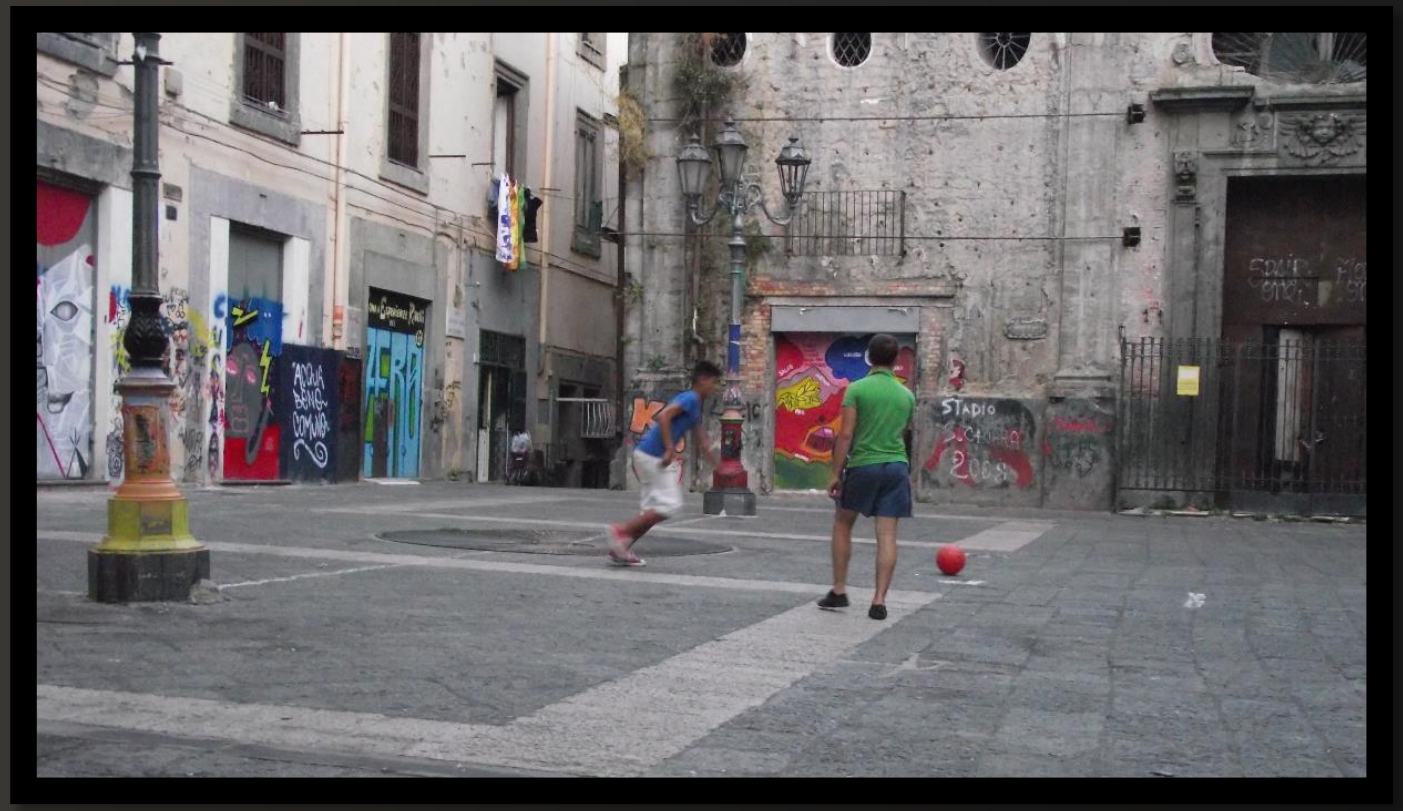
- Source: comScore Plan metrix Key Measures April 2013

THE STRATEGY.



XBOX - IT ALL BEGINS ON THE BIGGEST SCREEN IN THE HOUSE

- OVER 200 MILLION XBOX SCREENS
- 87 hours per month for premium subscribers
- 60% of time spent on entertainment consumption vs. gaming
- Xbox LIVE audience is 63% more likely to have played soccer in the last year compared to the general population
- Last three FIFA titles generated $240M in sales per year on Xbox alone**



xbox video XBOX ONE XBOX 360

A ONE OF A KIND WORLD CUP VIEWING EXPERIENCE

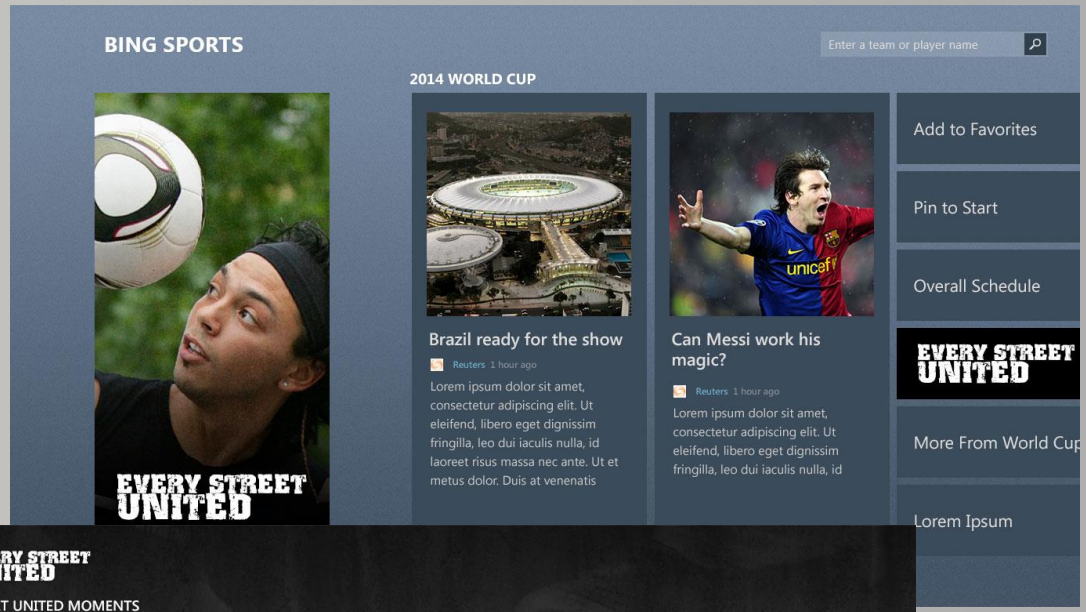
- ESU featured in a World Cup Hub on XBOX to promote discovery
- APP downloadable from the World cup hub & app marketplace on Xbox 360 and Xbox One.
- An interactive viewing experience with unlockable content
- Requires XBL Gold Sub for App

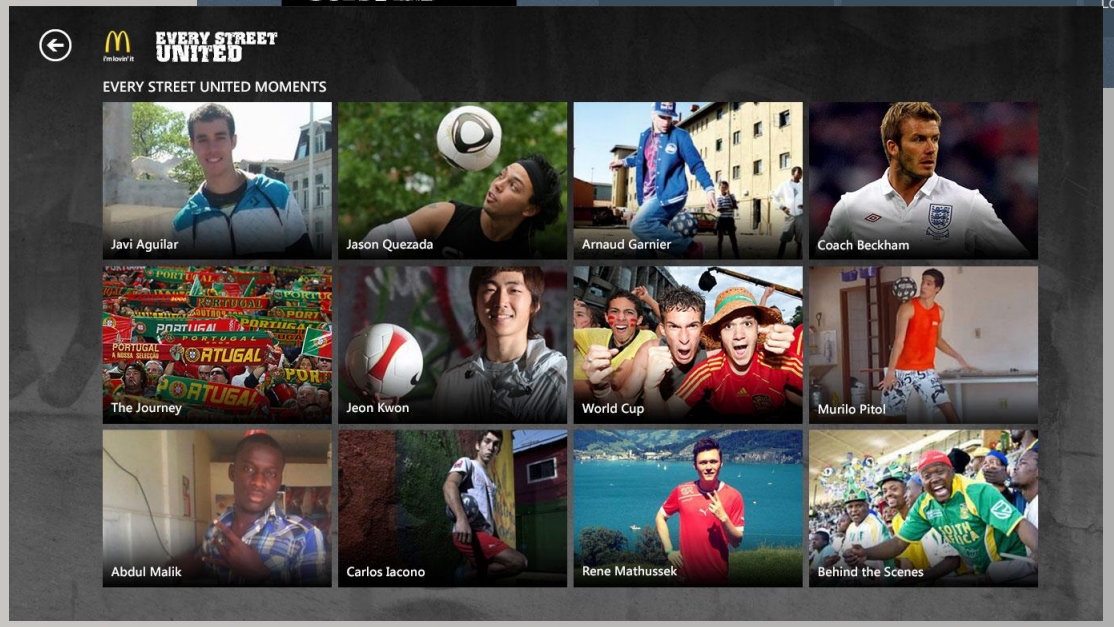


BING SPORTS – STREET SOCCER MEDIA COVERAGE

Windows

- Fully integrated Street Soccer channel in Bing Sports
- Bing Sports is pre-installed on 125M Win 8 devices
- Exclusive ESU content to compliment full length episodes on XBOX
- Street Soccer editorial content from Reuters developed exclusively for Bing Sports “Street Soccer” channel





BING SPORTS - CONTENT DISCOVERY

User Experience

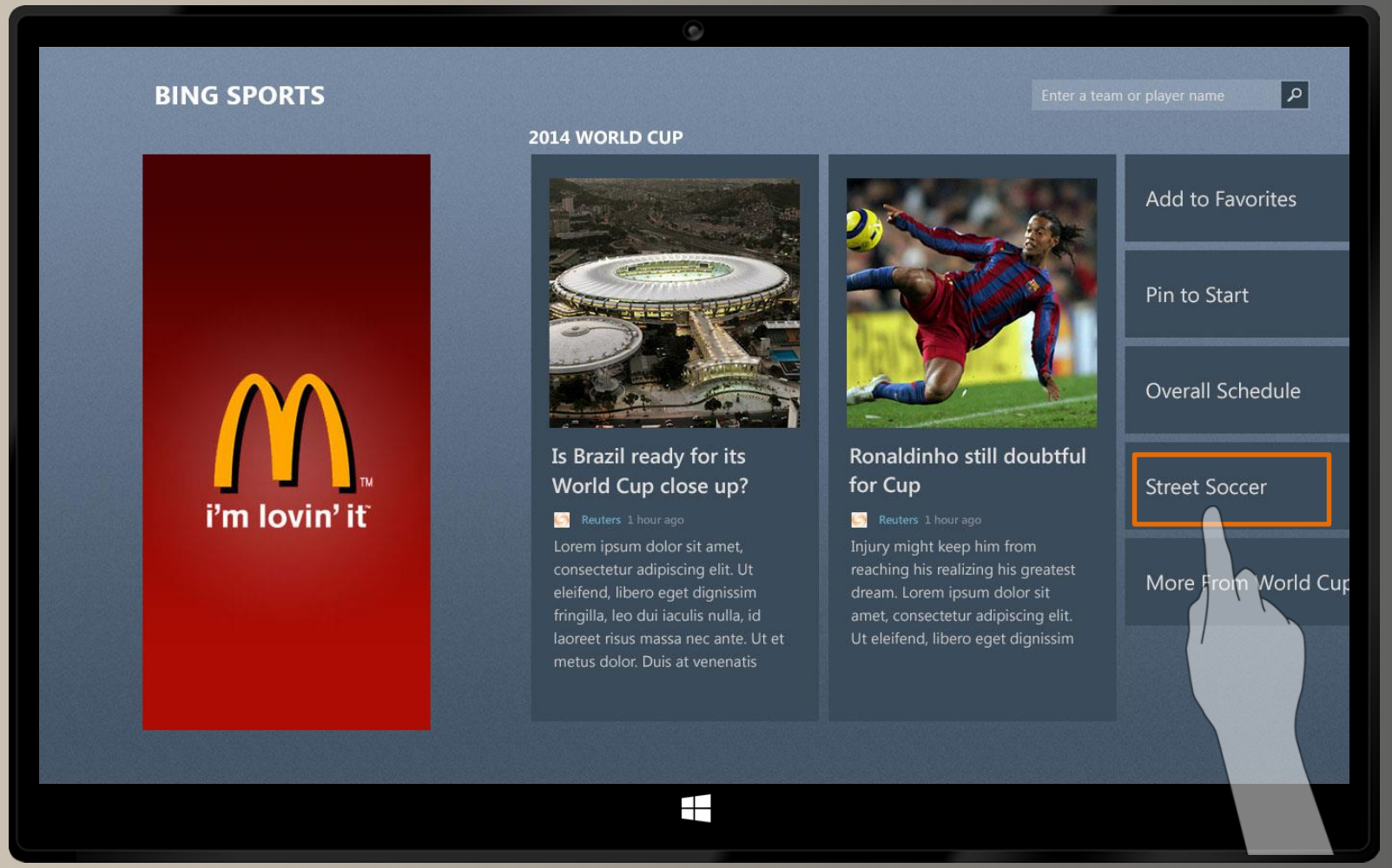
EDITORIAL

PROMOTION

+

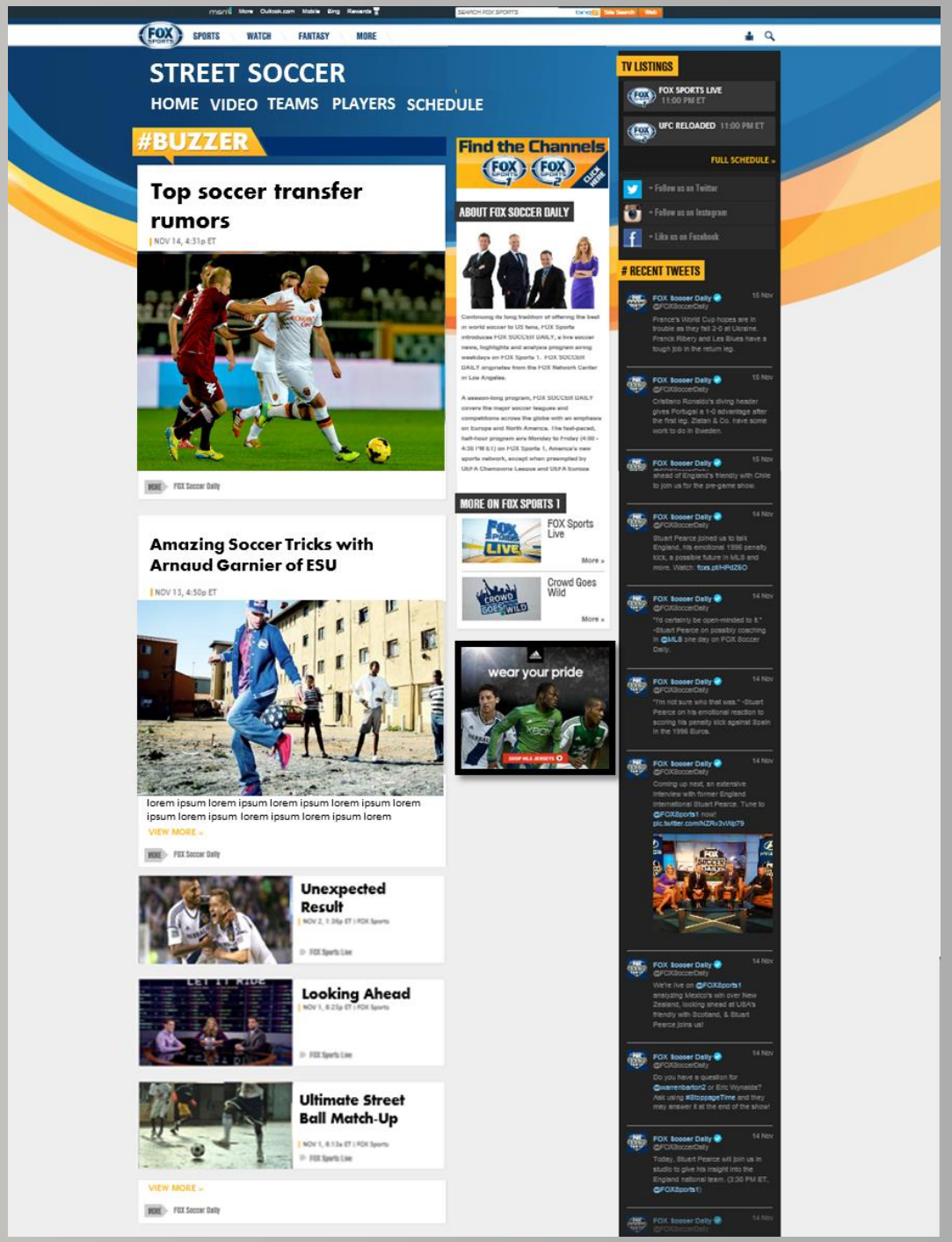
DEDICATED

NAVIGATION



FOX SPORTS MEDIA COVERAGE

- 94 % of FOXSoccer.com fans visit multiple times per day
- FOXSoccer.com was the #1 online soccer destination during the 2010 World Cup timeframe
- Dedicated “Street Soccer” channel & Fox Sports editorial coverage of street soccer
- ESU content
- Yardbarker blogger promotion



SKYPE - CONTEST AND VIRAL ACTIVATION

1

TRICK SHOT CHALLENGE:

Team coaches ignite a social signal about the “trick shot challenge” through messages out to Skype’s 27MM FB fans, through their own personal fan pages, through messaging on the Fox Sports web experience, and via co-branded rich media ad units.



+

2



SUBMISSIONS:

Challenge participants will be asked to submit their best “baller” moves using Skype video instant message (uploaded into a video wall landing page –we’ll rotate which videos we prominently feature on the site). Videos will live on Skype branded site page, Fox Sports and Bing Sports

+

3

WINNERS:

(as chosen by coaches & players)

- The top 5-10 best “trick shot” videos will be featured on Fox Sports, Bing Sports, Skype’s FB page and on XBOX.
- The person with the best “trick shot” will receive the ultimate viewing party prize pack to watch the World Cup with friends and family.



Coaches not finalized. Subject to availability. * Minimum media spend required on Skype to access FB promotion opportunities and Skype advocate community.

SPONSORSHIP OPPORTUNITIES

- 25% SOV of commercial spots during show
- Brand exclusive landing page
- Brand integration through interactive footage
- 25%-100% SOV on Fox Sports, Skype and Bing Sports





LETS START THIS TOGETHER.

Microsoft



Cross-Screen Features Pilot

Consumers Live Across Screens

Consumers now spend 5+ hours a day accessing the internet on a variety of devices – at home, at work or on-the-go.

Mobile

59.4 minutes per day on average spent on mobile (data subscribers)[1]

Tablet

20 minutes per day on average spent on tablets[1]

PC

321.6 minutes per day on average spent on both laptops and PC[1]

Console

40.1M predicted Internet enabled video game console sales in 2013[2]



1. Nielsen, "The Cross Platform Report", Q3 2012—US
2. Informa Telecoms and Media, "The Future of TV: Strategies for becoming connected, social and in the cloud", March 29, 2012

Marketing seems more complicated

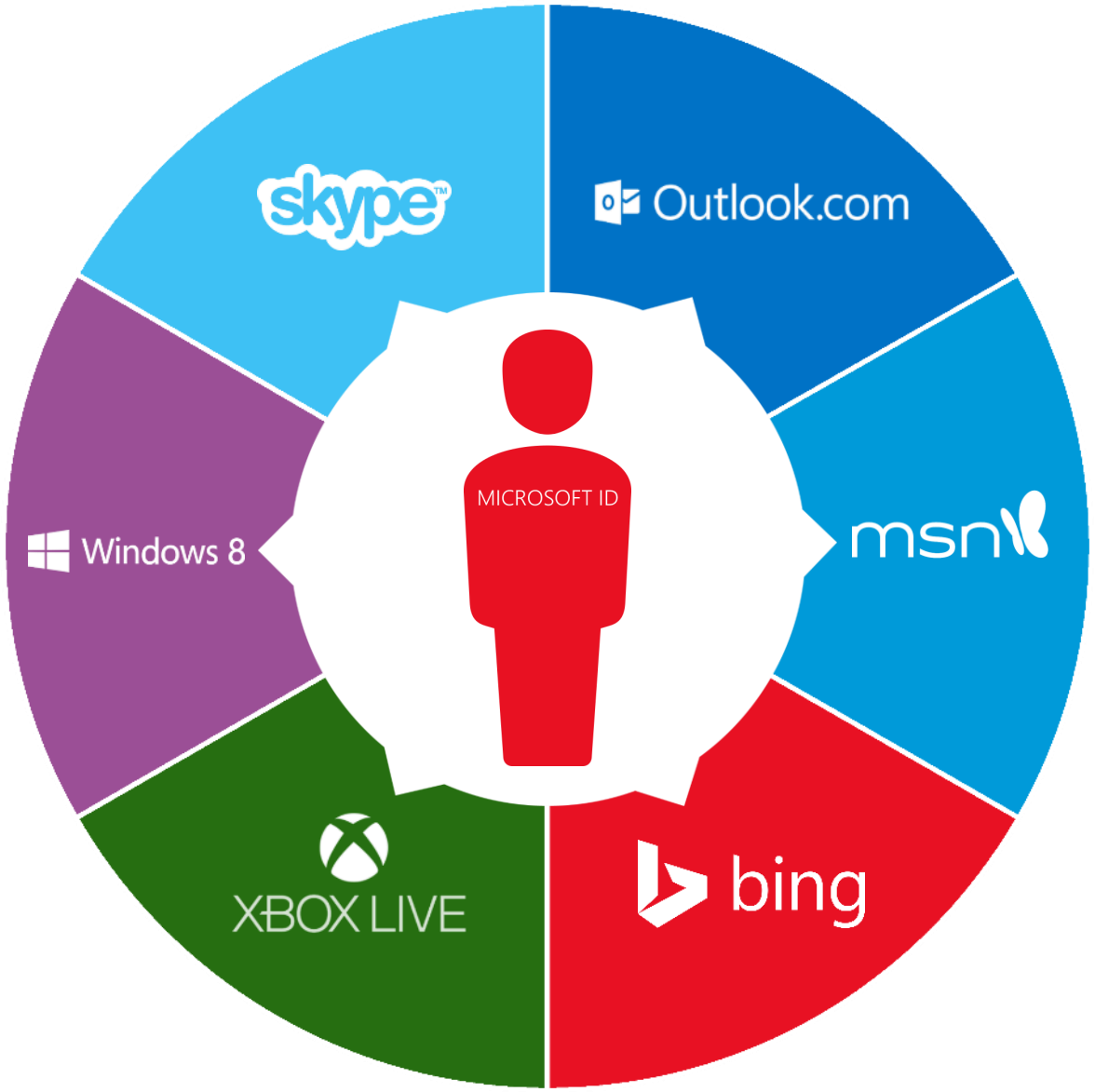


The solution starts here…



Microsoft Targeting

Microsoft has the most diverse user signals at scale, providing a multi-dimensional view of your audience

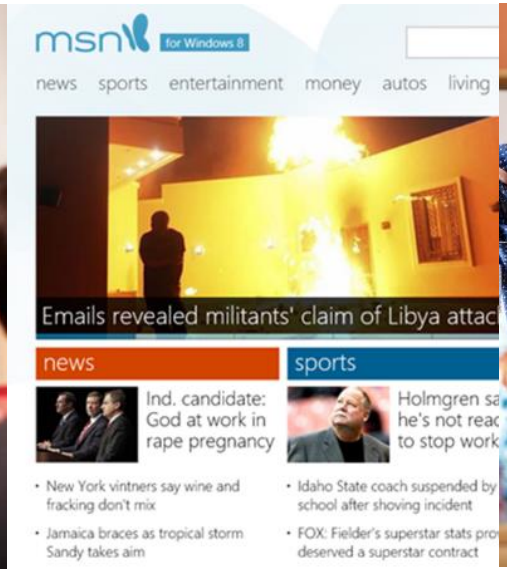


Creating Seamless Connections

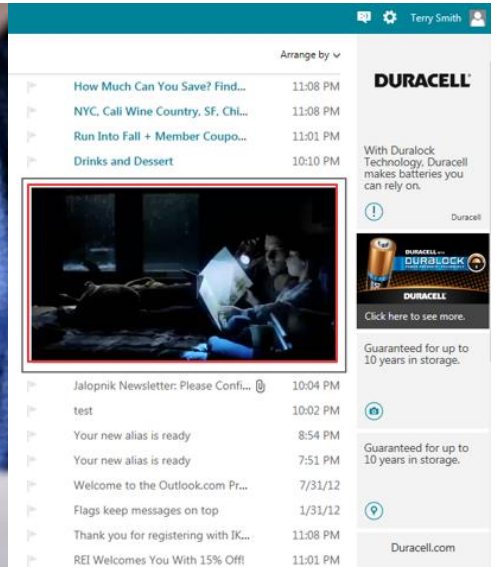
Windows 8 XBOX msn skype Outlook.com













Cross-Screen Features



msn skype Outlook.com



XBOX



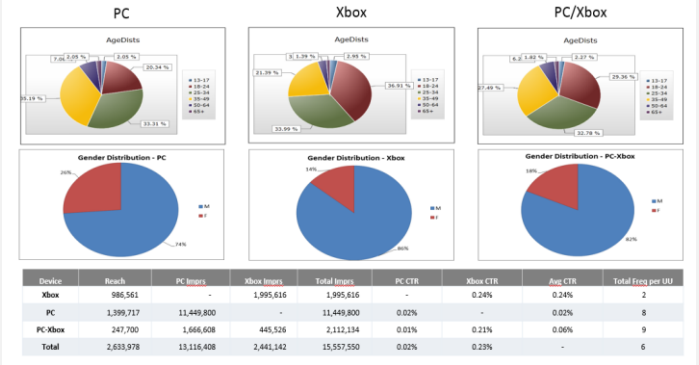
Windows 8

Audience Targeting	Find your audience across devices
Creative Sequencing	Enhance storytelling and reduce waste
Frequency Controls	Optimize reach and frequency

Measurement and Insights

Enhanced reporting available with valuable metrics

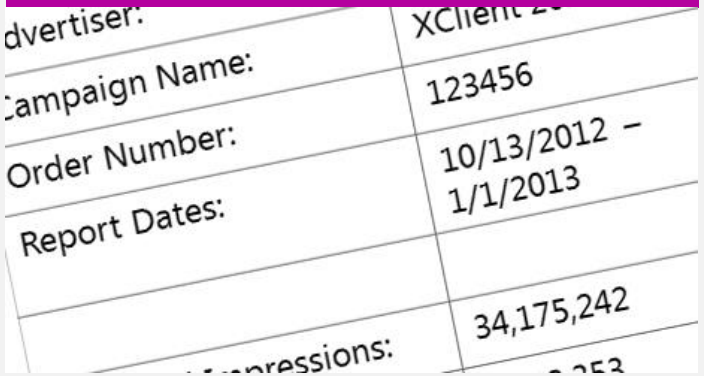
Device Specific Reporting



Device	Reach	PC Impr	Xbox Impr	Total Impr	PC CTR	Xbox CTR	Avg CTR	Total Freq per UU
Xbox	986,561	-	1,995,616	1,995,616	-	0.24%	0.24%	2
PC	1,399,717	11,449,800	-	11,449,800	0.02%	-	0.02%	8
PC-Xbox	247,700	1,666,608	445,526	2,112,134	0.01%	0.21%	0.06%	9
Total	2,633,978	13,116,408	2,441,142	15,557,550	0.02%	0.23%	-	6

Deeper level reporting provides; reach, impressions and click-through rate by device users were exposed to for your campaign

Engagement Impact*



Microsoft measured Brand Lift by the increase in digital behavior post campaign exposure, demonstrating effectiveness of overall campaign

Nielsen Brand Effect*



A 20+ question survey that measures the impact of online campaigns on brand, attitudinal, and creative specific measures. Provided for overall campaign.

* Reporting provided at an all up campaign level for the $200K minimum spend. Device specific reporting requires higher minimum impression levels and budget

Pilot Requirements Market: US



Key Dates

Pilot Opportunity Closes: March 2014

Pilot Campaigns Complete: June 2014

General

- Flight Duration– 6 weeks at minimum
- Screens – Web plus one or both: Win8 Ads-in-Apps, Xbox Console
- Features – Use any combination of the new features
- Share results for use in case study
- Comply with existing CAP and other policies
- Campaign & Budget Options:
  - $200,000 minimum for all-up campaign measurement & standard creative execution
  - $500,000 minimum for device level measurement & creative consultation / build support

Pilot Requirements Markets: CA, DE & UK



Key Dates

Pilot Opportunity Closes: April 2014

Pilot Campaigns Complete: June 2014

General

- Flight Duration– 8 weeks at minimum
- Screens – Web plus one or both: Win8 Ads-in-Apps, Xbox Console
- Features – Use any combination of the new features
- Share results for use in case study
- Comply with existing CAP and other policies
- Campaign & Budget Options:
  - $150,000 minimum for all-up campaign measurement & standard creative execution
  - $400,000 minimum for device level measurement & creative consultation / build support



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MINDSHARE

Sympler

Video Mixing App



START ME UP

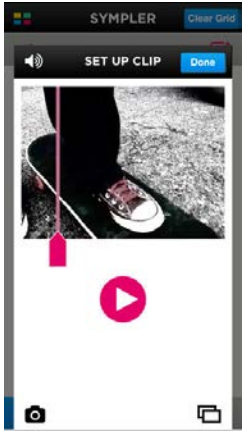
Author: Nira Dejust

Background

The Company Sympler found a way to combine music and short videos over a video mixing app. According to its philosophy – ‘If you can tap out a beat you can tap out a video’.

Sympler plans to monetize their app with a premium version and to connect content owners such as record labels and the media industry to their audiences.











Description

How It works

The App is free and simple to use however it is only available for iPhone and iTouch. It consists of a video mixing software.

Users can:

- Import up to six images, videos and sound clips from either their collection saved on their phone;
- Import videos from Vine and Instagram;
- Record a new video form within the app.

The user can then select a backing track that is provided by Sympler or a song from their personal music library.

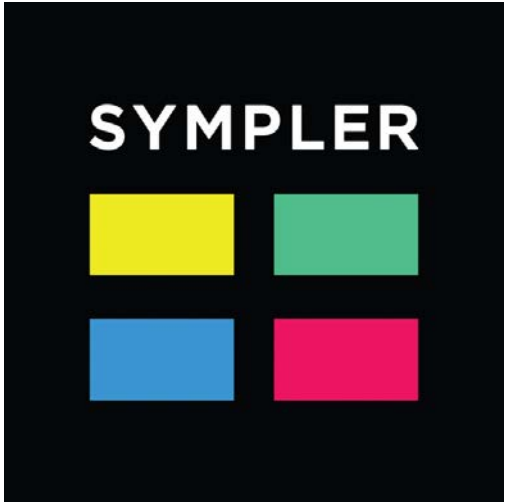
Each of the six clips are put in a grid on the screen where users can mix their 20 second video by tapping on the grids in time to the music.

Once the video has been created the app automatically exports it to the iOS camera roll - the quality of the video is 480-360 mega pixels.

Users can finally share it on social media platforms such as Facebook and Twitter.



Click to play video



Launch	2013
Audience	70k users

6 words
Videos, Music, iOS, Mixing, Vine, Instagram

Contact: alex@thepublicpicture.com

Thank you

MINDSHARE	SXSW 2014 Preview	Lillian Brown	03 March 2014

Background

The upcoming South-by-South West Interactive (SXSW) conference is known for highlighting the latest and greatest in technological and digital innovation. Thirty thousand attendees will congregate in Austin, Texas from March 7-11 for presentations, panels, keynote speakers and networking events, as well as a Gaming Expo, Trade Show and Startup Accelerator. In its 21st year, SXSW has been the launching pad for numerous successful brands: Twitter (2007), Foursquare (2009), Foodspotting and Lena Dunham/Tiny Furniture (2010) and Groupme (2011).

Details/Implications

SXSW 2014 promises to further accelerate the emerging trends from the recent CES and MWC conferences, e.g., wearable tech, 3D printing, iTV & 4k TVs, connected cars, and the Internet of Things. However, SXSW tends to juxtapose content, particularly entertainment with this technology, arguably best illustrating of any conference how the two combine to alter the digital landscape. Some anticipated trends include:

Digital Storytelling: The intersection of content, technology, and society will be explored and will result in a larger conversation around the evolution of digital storytelling. Both hardware and software are important components of this discussion, but SXSW will likely focus on the software and intellectual property that complements hardware innovations introduced at CES. Content and its distribution will be highlighted as brands continue to move towards entertaining their audiences as a means of differentiating themselves within the marketplace. Services that capture our daily lives and turn them into something digestible and shareable will proliferate.

Democratization of Audiences: The power of the crowd will be a central focus this year, kicking off with the addition of SXSports to the SXSW lineup. The importance of fandom will be present throughout all verticals – Interactive, Film & Music – as audiences continue to fragment and brands and marketers continue to vie for attention from consumers who continuously have less of it.

Data: Deep Learning & Privacy: The conversation around big data will continue this year, but is likely to shift towards deep learning – artificial intelligence that mimics human brain structure and behaviors in order to solve problems – and the ongoing struggle over privacy and data security. Expect the dialog to center around government oversight, responsible data collection, commercial data use, and the tech community's role within each.

Summary

With over 1,300 events packed into 5 days, SXSW promises to overwhelm. Will there be a clear start-up winner? Will SXSW continue to concentrate on business and marketing rather than innovations from Silicon Valley? Go to www.mindsharesxsw.com and follow the Mindshare SXSW team during the conference as they work to identify what matters most in the world of science, speed, and culture.

MINDSHARE	MWC 2014 Summary	Jeff Malmad	February 27, 2014

Background
Mobile World Congress in Barcelona is the must attend mobile event of the year. Over 75,000 people are in attendance to learn and experience what is on the horizon. Here are a few of the big trends form this year's show.

Internet of Things
It was a major theme at CES 2014 and Barcelona reinforced this with a huge array of "connected everything". Although this is a 'mobile' event, the smartphone and the tablet was not centre stage at many demos. Much of the messaging was around the connected home, the connected car and the connected life. Qualcomm showcased its connected home and AT&T showcased a connected city. Similar to CES, big auto highlighted connected car technology and showcased apps that can be utilized for a better driving experience.

Emerging Markets + Inexpensive Smartphones = Big Growth Opportunities
Companies such as Nokia and Firefox are looking for ways to connect developing and emerging markets with powerful yet inexpensive smartphones. Parts of the world cannot afford iPhones and other high-end handsets from LG and Samsung etc. The premium smartphone market is now saturated, so manufactures are looking for big growth opportunities to bring in the masses at lower price points. These smartphones range in price from $25 - $80. This coupled with the fact Mark Zuckerberg stated during his keynote that he wants to bring inexpensive data access to the masses via Internet.org sets the scene for a connected and smartphone powered world.

The Connective Tissue of Data
IBM stated that "data is the natural resource of the 21st century". Companies such as IBM, HP, Oracle, SAP, Dell, etc. were all on hand showcasing their infrastructure and how our devices and data are all working together. Accenture and Kantar were on hand helping people make sense of all the data. FitBit had a large presence showcasing how wearable technology and data solutions can improve your life through hardware, software and the cloud, all working together.

Mobile Payments Omnipresent
There has been much hype around mobile wallet payments in the past, this year there were more announcements with PayPal and Samsung teaming up to include a PayPal app available not just for your smartphone via fingerprint authentication (on the new Galaxy 5), but a mobile wallet for your Galaxy Smartwatch. Additionally, MasterCard is helping to bring impulse buying to the world of apps by adding the ability to make purchases within a mobile app. Although there is much buzz still around the mobile wallet, there is still time to go before it is main stream.

The Emergence of Madison Avenue at MWC
As the mobile ecosystem grows from a mobile advertising perspective; many publishers were on full display at MWC: Millennial Media and InMobi were facing off directly next to each other with giant booth presences; Facebook was the keynote at MWC and Yahoo had a large contingent. In fact, the Mobile Media Summit was in full of clients, agencies and publishers debating the issues in mobile advertising. Unilever deployed a global mobile marketing SMS platform called Konnect that focuses on messaging offers to people in developing and emerging markets. Look for a bigger presence by Madison Avenue next year as word is many big clients are going to start making their presence felt to showcase innovation and understand what is on the horizon for consumers in the future.

Big Auto Revs Up For the Connected Consumer
As the new saying goes: 'your next mobile device is in your driveway'. Voice activated applications leveraging Ford SYNC 2 highlighted how voice commands can now help you find the best parking across Europe! Ford also stated that 79% of industry experts believe connectivity will soon be the primary decision in car purchases and 8o% of cars will be "connected" by 2020.



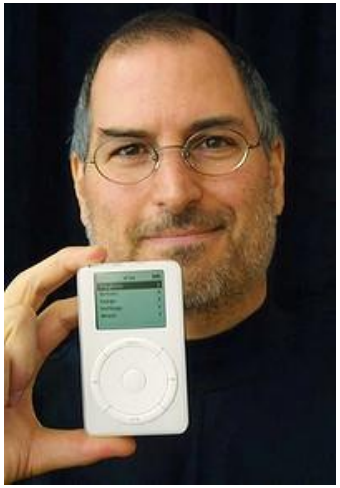
Think **security & speed** for the life in the pocket

Thoughts from Mobile World Congress 2014
An update on the themes from CES 2014

26Feb2014

MINDSHARE

We’re getting there



Apple's new iPod player puts

'1,000 songs in your pocket‘

Wednesday, October 31, 2001

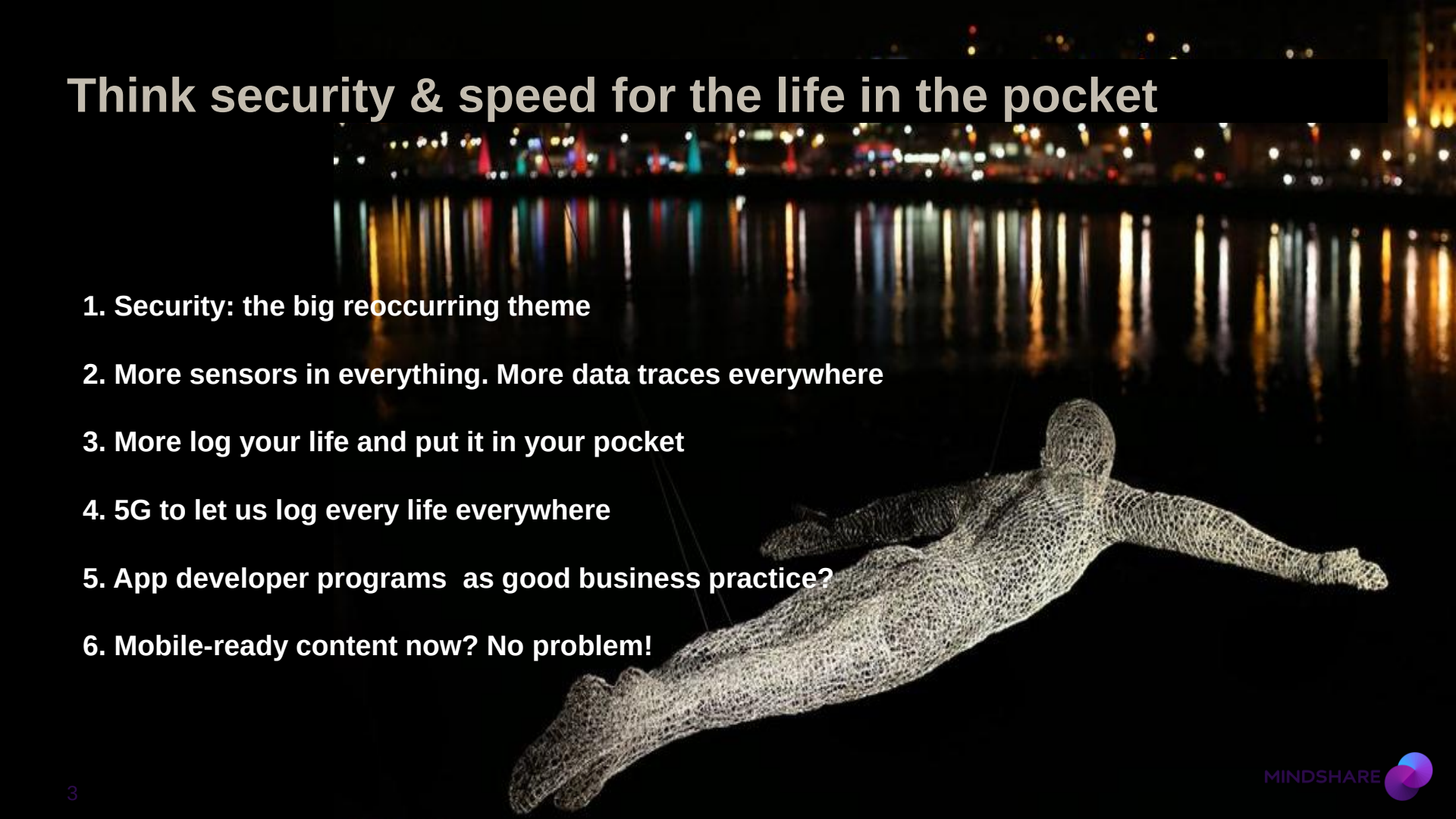


iPhone launch

Your life in your pocket

January 2007

Think security & speed for the life in the pocket



1. Security: the big reoccurring theme
2. More sensors in everything. More data traces everywhere
3. More log your life and put it in your pocket
4. 5G to let us log every life everywhere
5. App developer programs as good business practice?
6. Mobile-ready content now? No problem!

MINDSHARE

1. Security: the big reoccurring theme

Almost everyone was talking about it

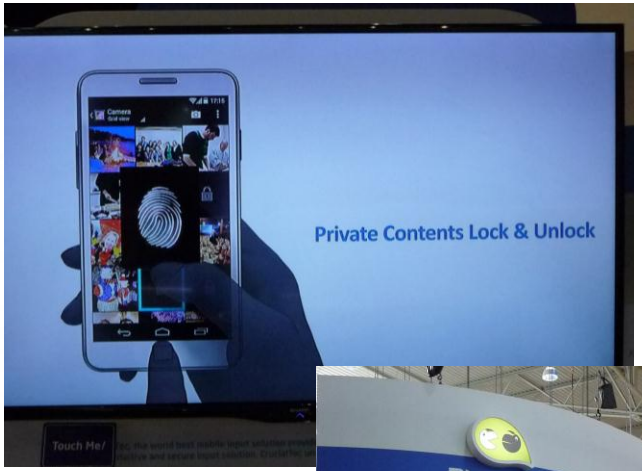


Samsung + eset + airwatch + Intel + Gieseck & Devrient + NXP + LG (amongst others)

1. Security: the big reoccurring theme

Biometrics as the next mainstream solution?













As well as unlocking the Samsung Galaxy S5, the fingerprint scanner will be used to power payments. Samsung has partnered with Paypal to offer payment-by-finger.

MINDSHARE

1. Security: the big reoccurring theme

Individual encryption as the emerging solution?



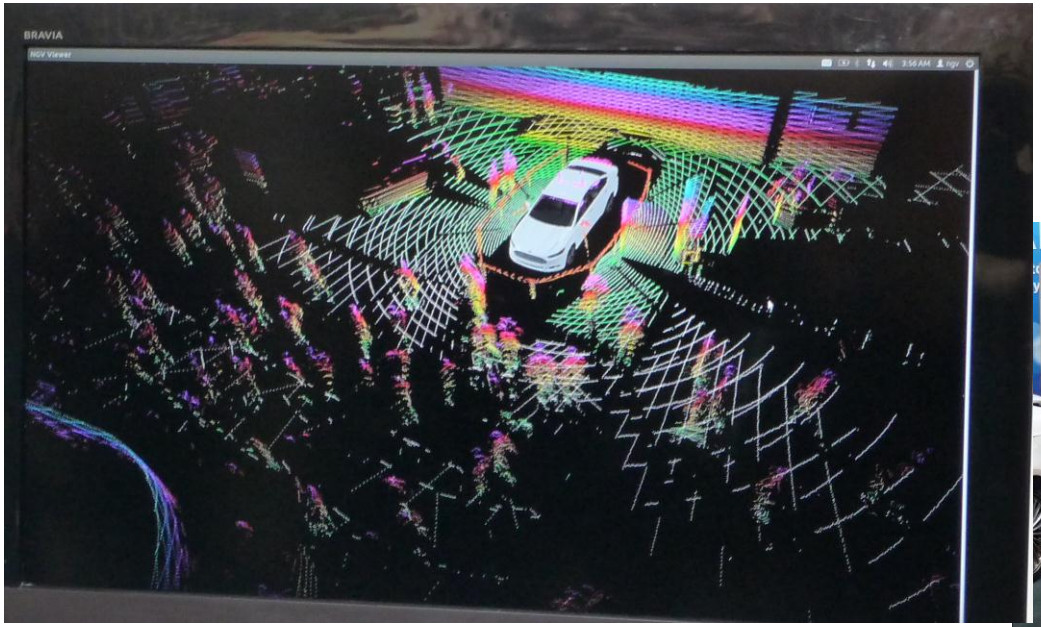
The Blackphone, made by Silent Circle: included a range of specialised security apps offering encrypted communication. An Android smartphone that prioritizes privacy and security. It shields your data from carriers, advertisers and third parties who could trade your details.



6 Silent Circle’s Blackphone

2. More sensors in everything. More data traces everywhere

Looking through the eyes of a car?





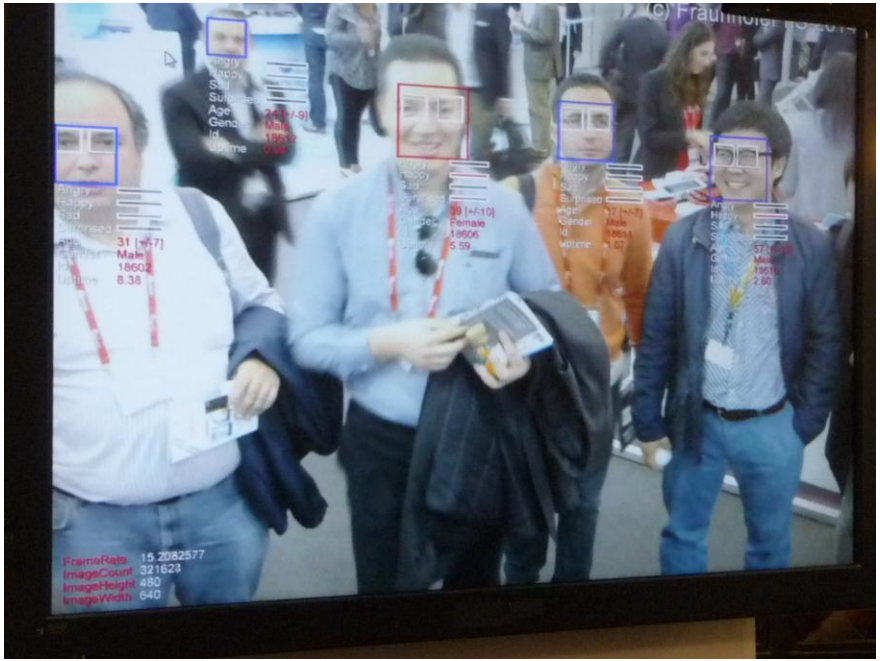


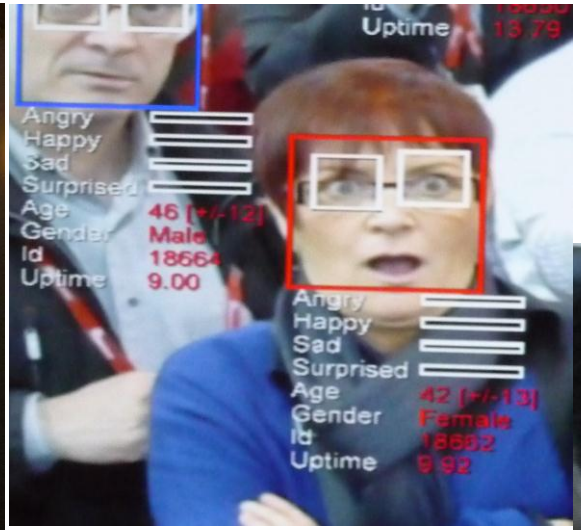


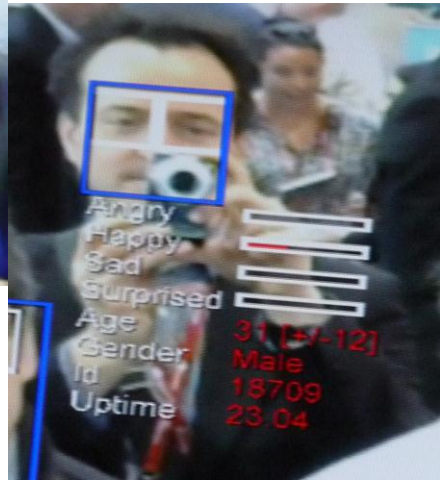
MINDSHARE

2. More sensors in everything. More data traces everywhere

Looking through the eyes of a television?



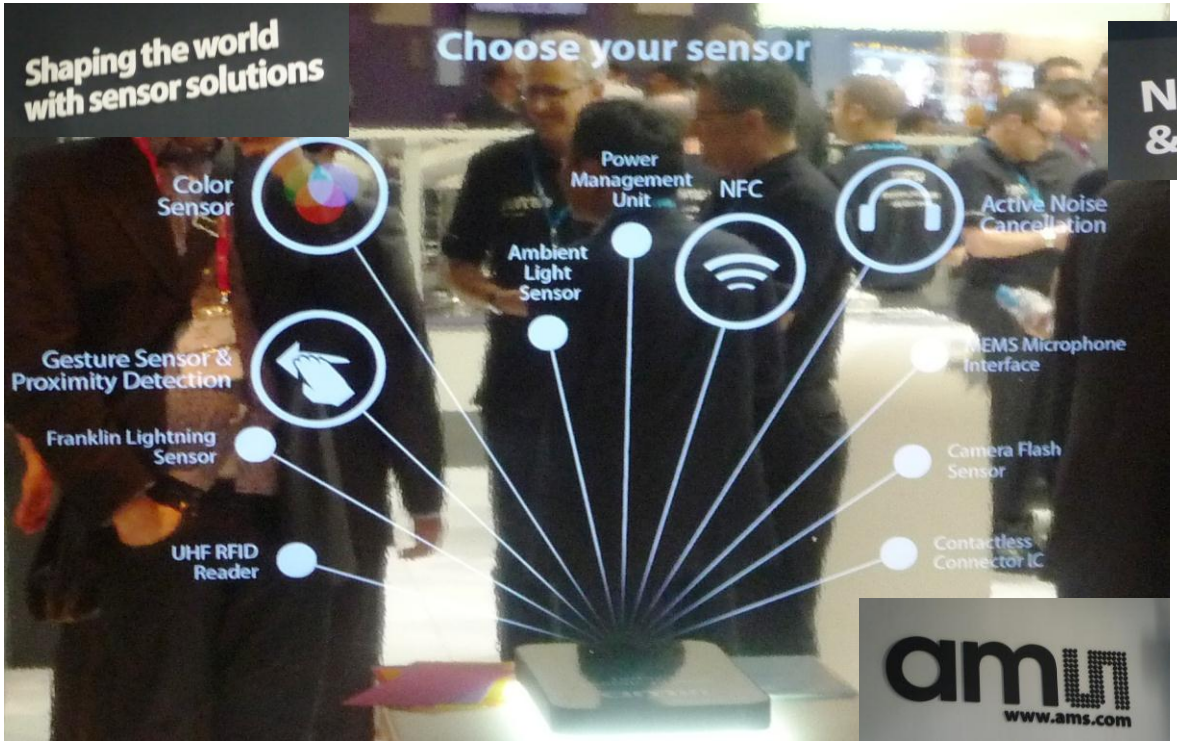


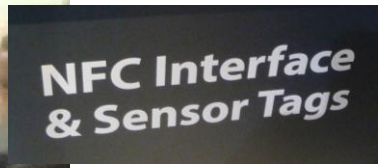


MINDSHARE

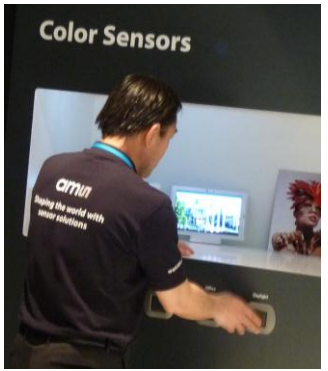
2. More sensors in everything. More data traces everywhere

A sensor for every moment of every day?









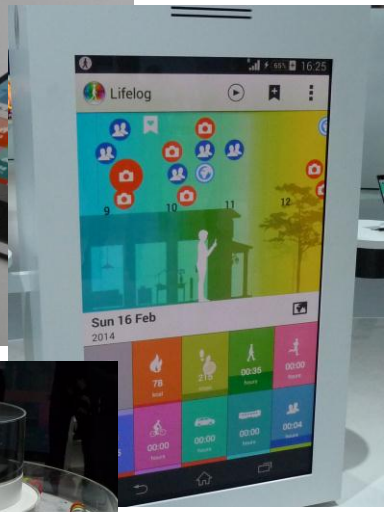


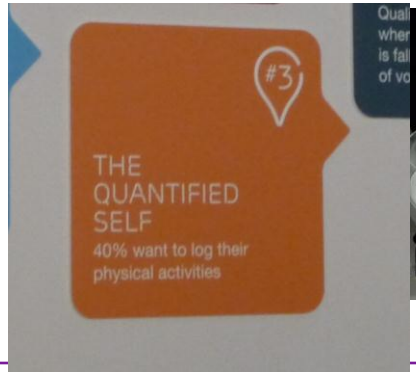
MINDSHARE

3. More log your life & put it in your pocket

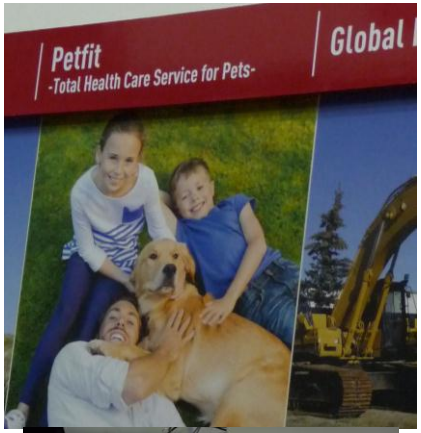
More for humans & more for pets















MINDSHARE

3. More log your life & put it in your pocket

Onto work lives that have a commercial value?







MINDSHARE

4. 5G to let us log every life everywhere





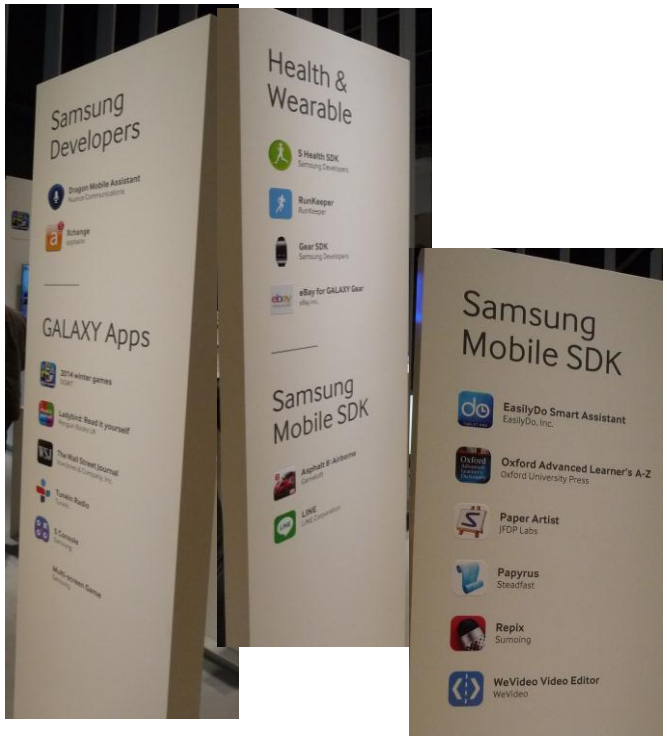


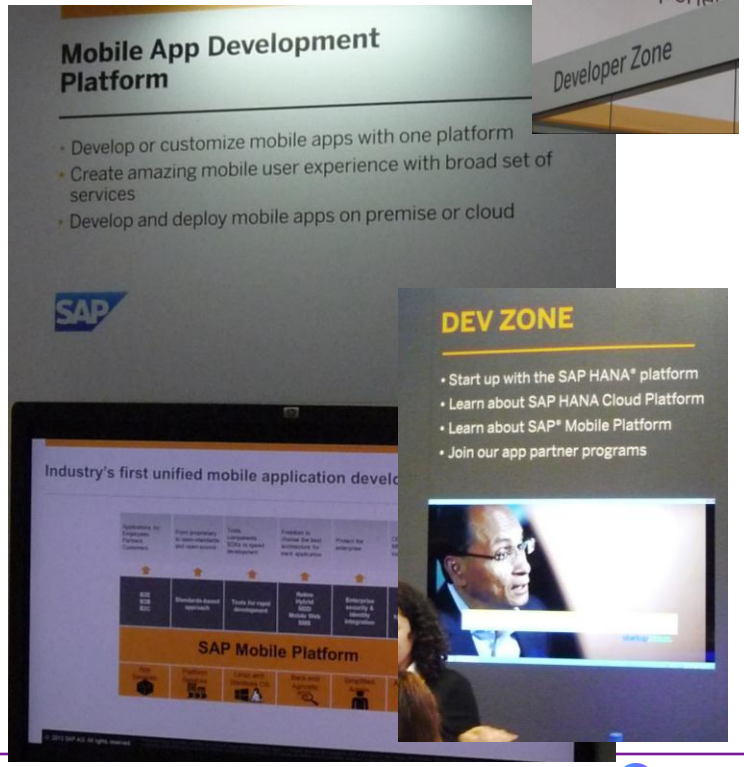
MINDSHARE

5. App developer programs as good business practice?

Standard practice for all manufacturing & service businesses?







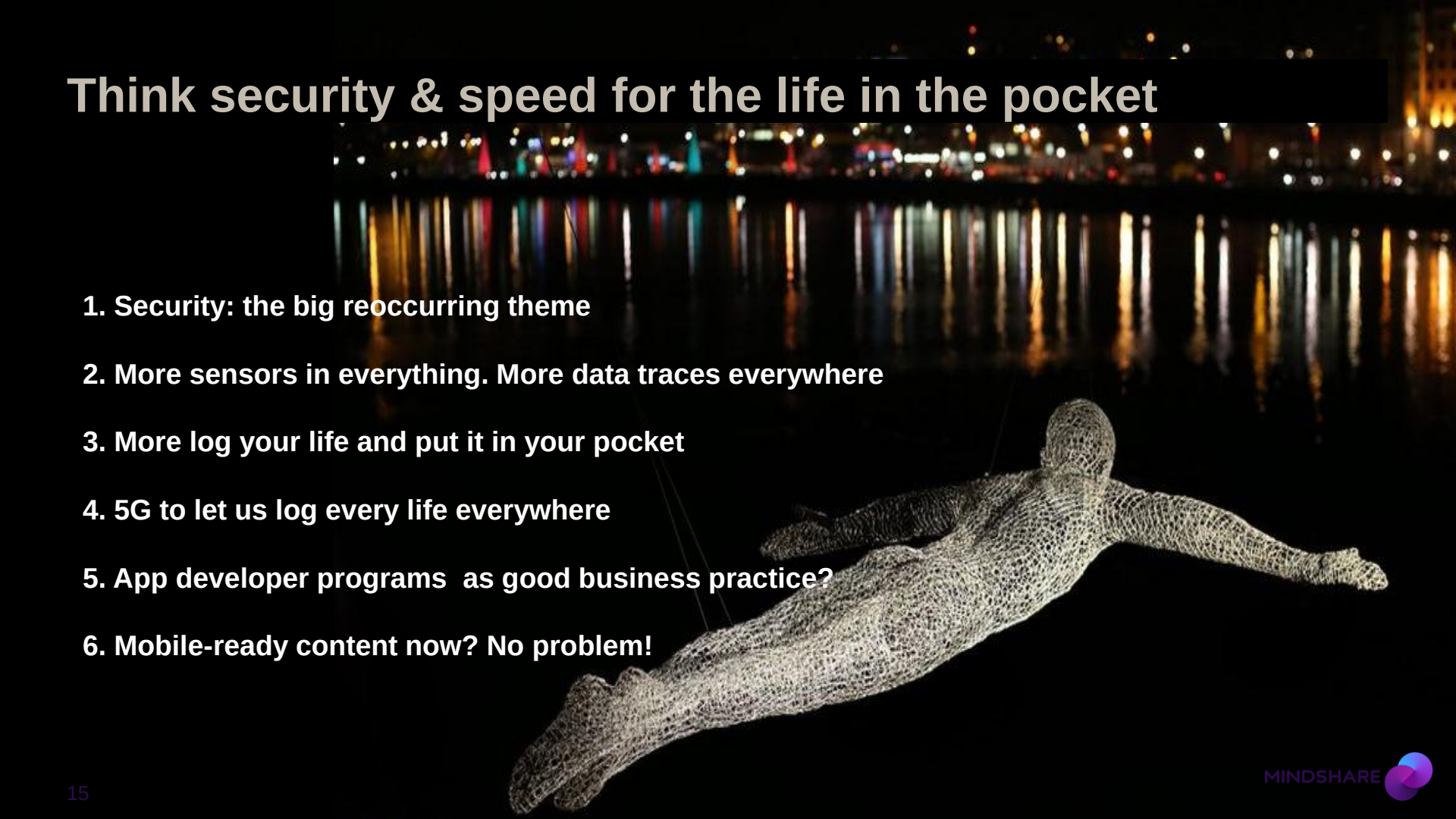
6. Mobile-ready content now? No problem.

Mobile-ready content in hours, 15 minutes or 5 minutes?



MINDSHARE

Think security & speed for the life in the pocket



1. Security: the big reoccurring theme
2. More sensors in everything. More data traces everywhere
3. More log your life and put it in your pocket
4. 5G to let us log every life everywhere
5. App developer programs as good business practice?
6. Mobile-ready content now? No problem!

MINDSHARE

MINDSHARE	Facebook Buys WhatsApp	Ciaran Norris	20th Feb 2014

Background
Facebook has bought mobile messaging service WhatsApp for around $19 billion just days after rival app Viber was bought for $900 million by Japanese tech company Rakuten. Though not widely known in the US, globally WhatsApp has over 450 million active users, a number it achieved in record time. The app allows people to send unlimited messages to other users: it's free for the first year, and costs $1 a year after that. Both acquisitions highlight the increasing amount of time spent in messaging apps.

Details/Implications
WhatsApp was founded by two former Yahoo! engineers and has been built with entirely on word of mouth and with 3 guiding principles of 'No Ads, No Games, No Gimmicks', differentiating them from rival services such as Line & WeChat which rely on advertising or gaming & in-app purchases for revenue. Instead WhatsApp charges users $1 a year after the first year, which is free – when mobile customers can often pay that much to send less than ten text messages, its appeal isn't hard to understand.

It is apparently profitable, because it has so few employees and saves on server costs by deleting messages once they have been sent. Like other messaging apps it also makes use of the simple interface with contacts on a phone so that users can very quickly connect with all their friends, rather than having to build up a social graph.

This is a very different strategy to Facebook which relies on monetizing user data through advertising. Facebook has said that it has no plans to change WhatsApp's model, and that the company will remain independent. One of WhatsApp's founders is also going to join Facebook's board. Much of the coverage of the acquisition will focus on whether Facebook will stick to this promise: Instagram was ad free when it was acquired, though its founders hadn't been so vocal about not running advertising.

There are other ways that Facebook could build on its new acquisition's success to date other than ads. Its penetration is greatest in many markets Facebook has yet to conquer in the way it has places like the US, UK & Australia: The fact that it allows people to communicate via Wi-Fi means it has great appeal in developing markets where data charges can be expensive: Facebook should now be able to use that global popularity to continue to drive the growth of its core services.

Facebook also has much more server capacity than WhatsApp has had to date so it will be interesting to see whether the policy of deleting sent messages from its databases will continue, or whether Facebook will look to use that data to improve targeting on its ad-funded products. This will obviously be dependent on how it manages such a move: when Google centralized all of its privacy and data usage policies it got in hot water in the EU.

Summary
How Facebook decides to further monetize WhatsApp beyond its existing subscription model makes interesting speculation but is ultimately not the real point here. On mobile devices consumer attention is more fragmented than ever - as analyst Ben Thompson put it: "*attention is a zero sum game; every minute spent in Snapchat or LINE or WhatsApp is a minute not spent in Twitter or Facebook or Instagram*".

As part of its new multi-app strategy (including Instagram & Paper) Facebook obviously decided it needed access to more of those minutes. Brands meanwhile need to focus on how they can create truly valuable experiences to earn the attention to win some of those minutes back.

SHAZAM® Global Playbook

Contents

- Transforming The Audio Universe
- Shazam’s Evolution
- Why Shazam is important
- Audience Profile
- Get the audience you need
- How Shazam can work for you
- Product solutions
- Campaign Experience

Transforming the Audio Universe

Audio is all around us. It's on the TV, in the hairdressers, in bars and in your car. It inspires and evokes emotion and it's a global currency.

Any audio can be made Shazamable, so your television advertisements, radio ads, in-cinema marketing, and more, can all drive to an engaging experience on your audiences' mobile devices—through the same audio recognition that has amazed users for years.

Just the touch of a single Shazam button begins it all.



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SHAZAM FOR TV CAMPAIGNS FOR OVER 150 BRANDS



CONTINENTS



MILLION GLOBAL USERS



NEW SHAZAMERS EVERY MONTH

17, 000, 000
SHAZAMS *EVERY DAY*

12 BILLION SHAZAMS *AND COUNTING*



7% **OF THE WORLD'S DIGITAL MUSIC SALES**



86MM
MONTHLY ACTIVE USERS

© 2014 Shazam Entertainment

A Global Top 10 App



© 2014 Shazam Entertainment

Shazam’s Evolution

We began as a way for people to magically discover the music around them. Since then Shazam has evolved into so much more.

Today, Shazam is over **420 million users** strong and is the world’s leading media engagement company.

We don’t use the term world leading lightly. We’re a top 10 app. This means we’re an integral part of peoples lives – just like our fellow top 10’ers, Facebook, YouTube, Google Maps and Twitter.



Shazam’s Evolution

The sun never sets on our users. Each day in over 200 countries, engaged consumers generate 17 million Shazam results-or Shazams and we’re growing by nearly 3 million new users every week and lastly…

We’ve reached 12 billion Shazams so far.

It took 10 years to reach 1 billion.

10 months to the next billion.

We are running at 500m a month and growing.

Opportunity to connect a consumer with a brand is available every second in nearly every country…



Why Shazam is important for brands

GLOBAL REACH

Shazam has a global reach of of over 420M smart device users who are already engaged and connected – with over 212 million having used Shazam in the last year and 88million actives last month

INTENT

Smart devices go wherever your consumer goes – ultimately portable as is Shazam. The choice is literally in their hands

RECALL

Audio lives on forever in Shazam. Once your message is over – the Shazamed tag result lives on in tags. So consumers can interact with it whenever and wherever they want

CUTTING EDGE

Our creative ability gives us the edge. We can help you develop your creative strategy direct from audio most efficiently to reach your consumer in line with your brand

Shazam’s Growth

By the end of 2014, global smartphone penetration will have exploded from 5% of the global population in 2009, to 22%. That's an increase of nearly 1.3 billion smartphones in four years

88% of people use their smart devices while watching TV

68% of those who Shazamed a commercial had some brand interaction after tagging, compared to 23% of those who didn’t tag a commercial

55% who tagged the commercial talked about the brand with others in some way, compared to only 25% of those who did not tag the commercial

Source: Internet Advertising Bureau 17.10.2013 Ofcom.

SHAZAM® Audience Profile

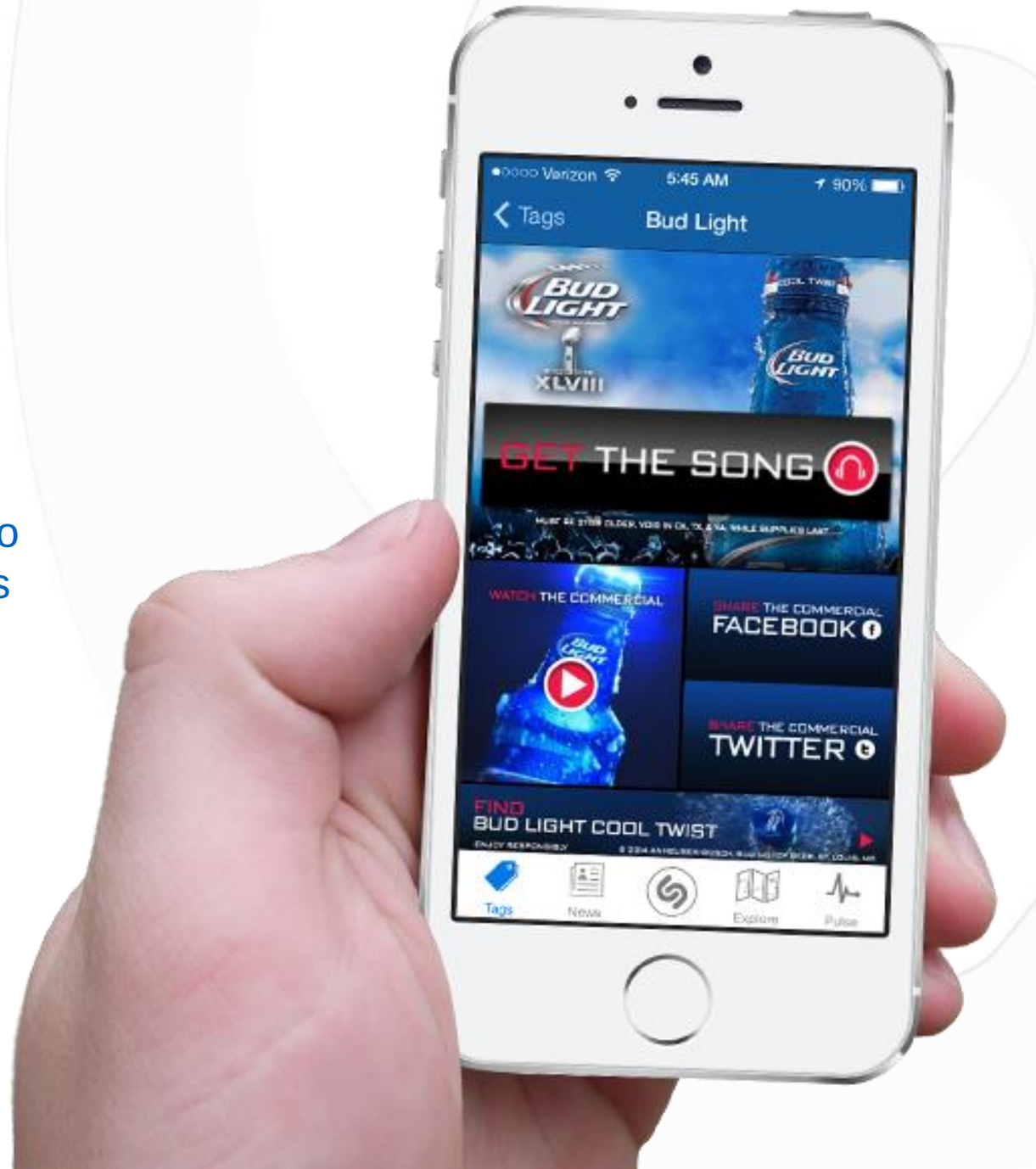
Get the audience you want

Deliver your message to the *right* people at the *right* time by targeting your consumers based on their activity within Shazam.

Shazam offers the ability to go beyond contextual targeting. Market to consumers based on their Shazam behavior to reach the most relevant and interested consumers.

Re-target your desired audience based on their activity.

From songs they've Shazamed to artists to genres to music- based television shows-reach the consumers with the greatest potential



Shazam audience profile

Shazam’s audience is diverse, affluent and tech-savvy.

Constantly connected to mobile devices, each Shazam identifies their discovery path of music, television, shopping, and much more.

Shazam expands your opportunity to understand their decision-making process, build meaningful relationships, and influence their behavior at just the right time.



AFFLUENT, ABLE TO AFFORD QUALITY PRODUCTS



EDUCATED, CAREER DRIVEN, HARD WORKERS



ENJOY LISTENING TO MUSIC



LIFESTYLE ENTHUSIASTS

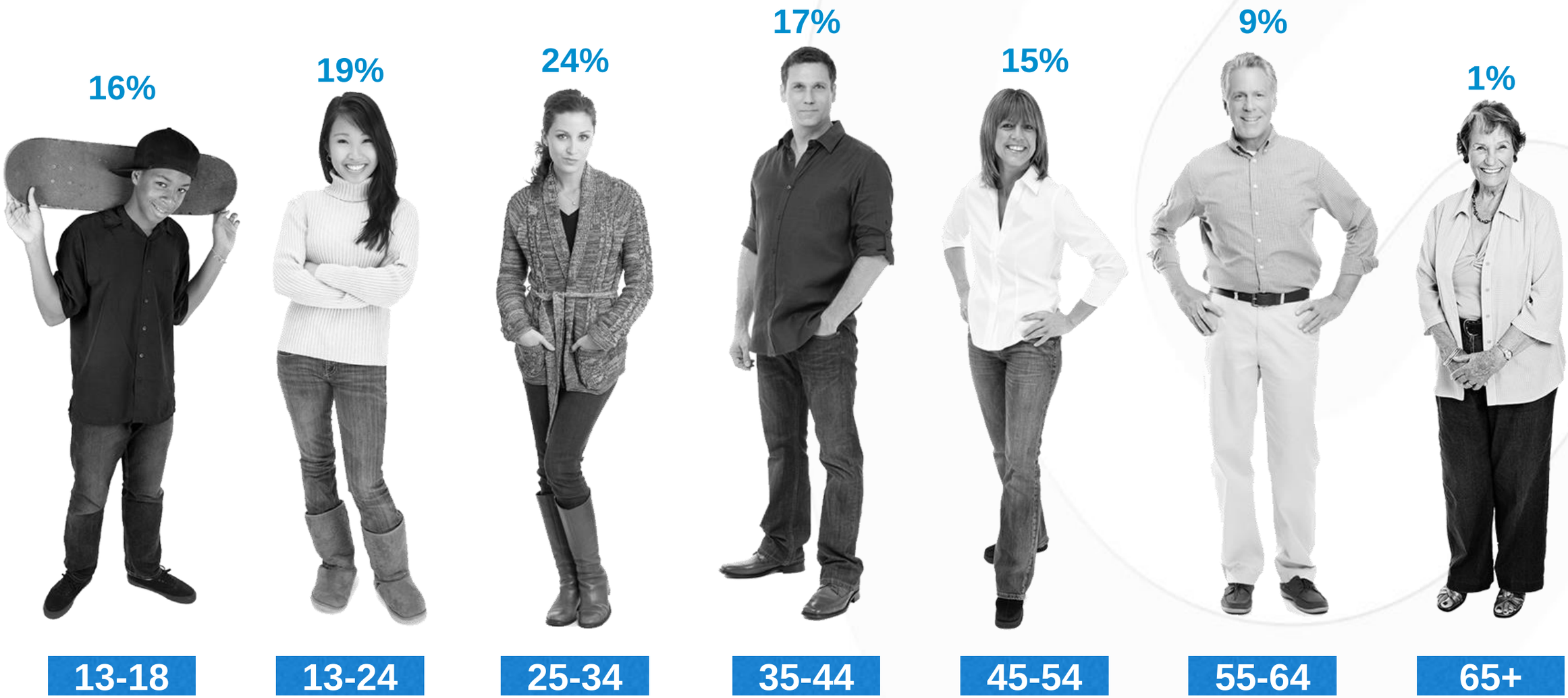


USE SMARTPHONES AS A WAY OF ORGANISING THEIR LIFESTYLE AND NEEDS



ENJOY A SOCIAL FAST PACED LIFESTYLE

USA Shazam Users

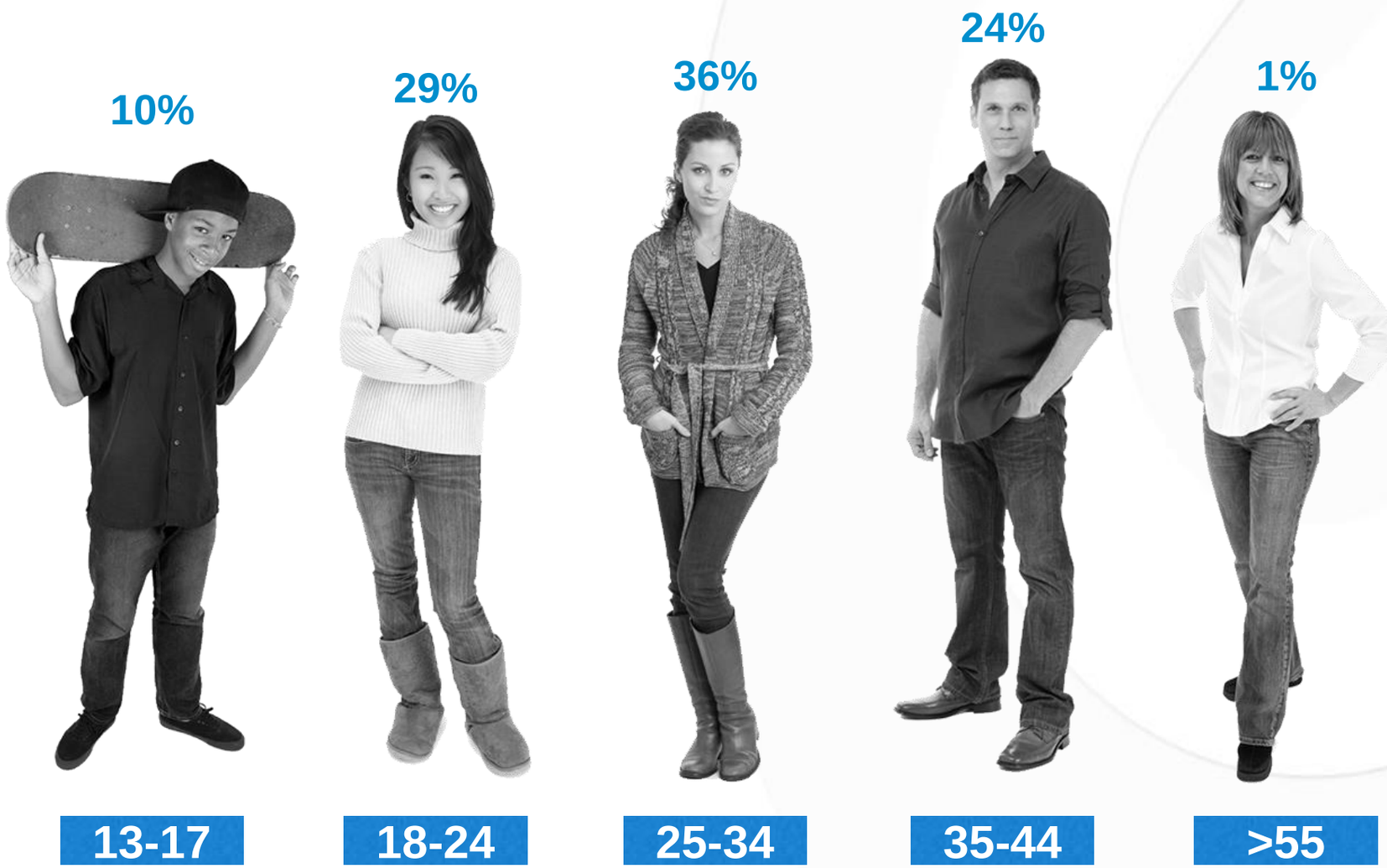


Female Audience: 52% **Male Audience: 48%**

Total Users: 108M

© 2014 Shazam Entertainment

UK Shazam Users

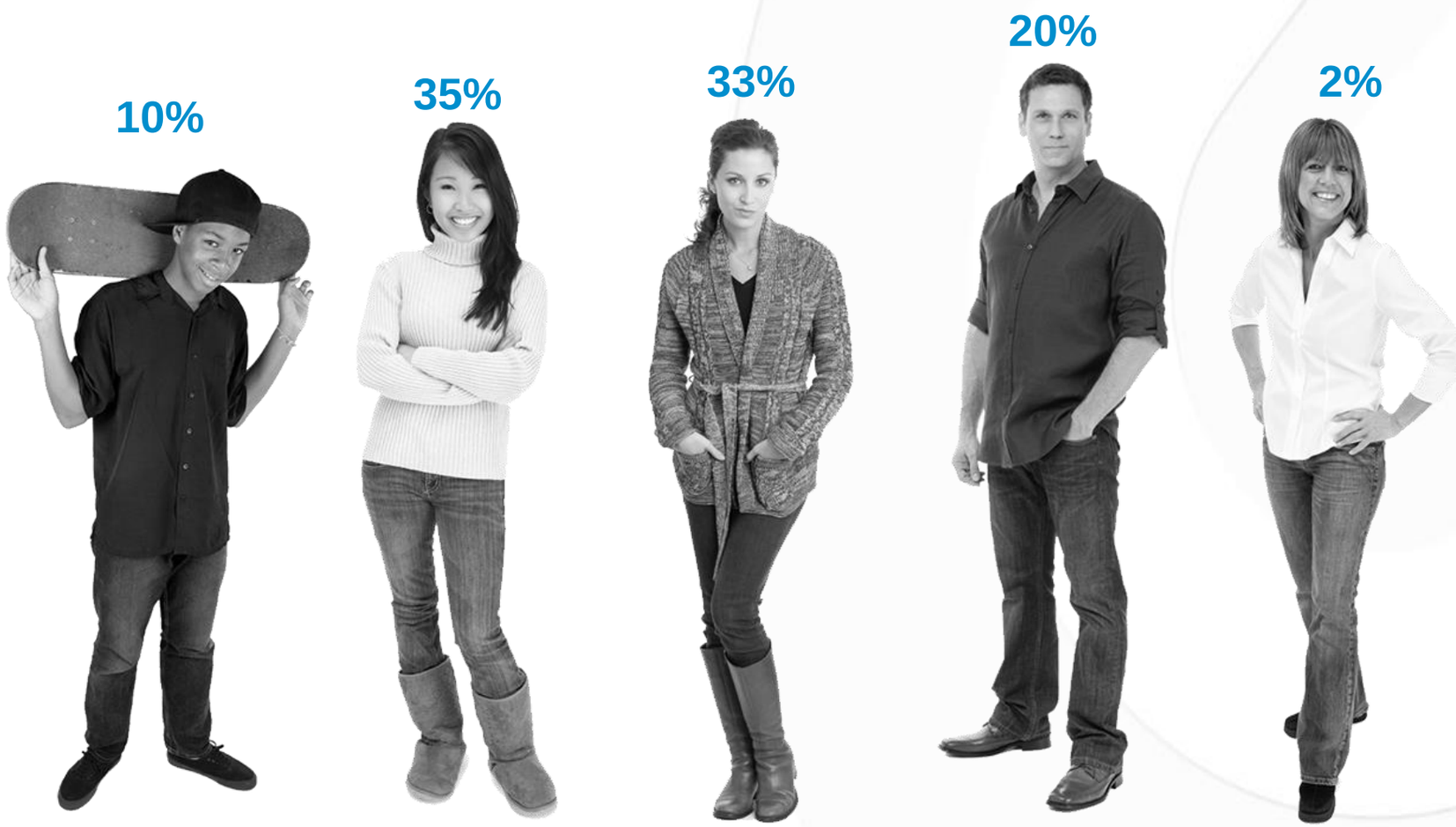


Female Audience: 51% **Male Audience: 49%**

Total Users: 20M

© 2014 Shazam Entertainment

France Shazam Users

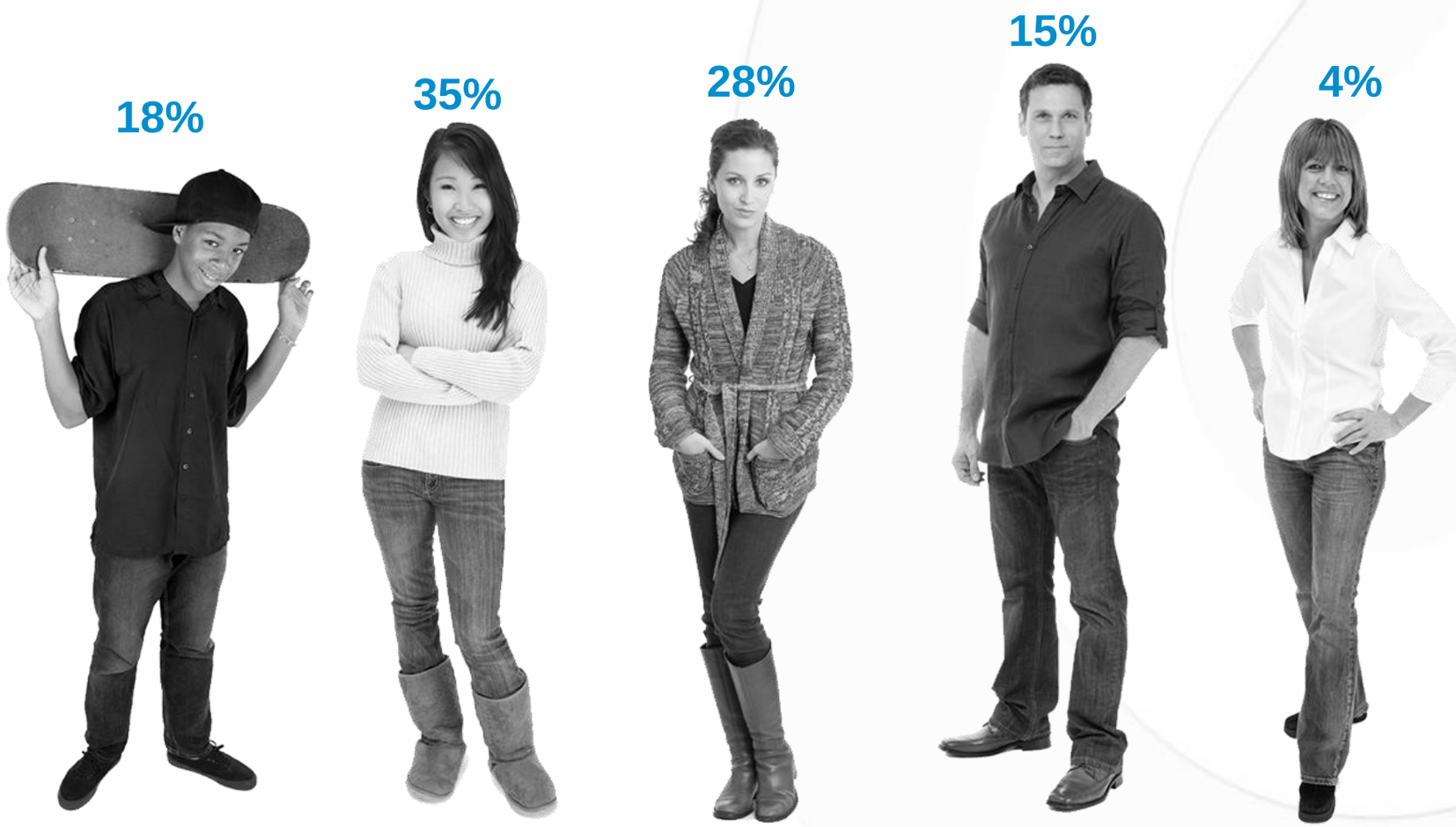


Female Audience: 54% **Male Audience: 46%**

Total Users: 25M

© 2014 Shazam Entertainment

Germany Shazam Users

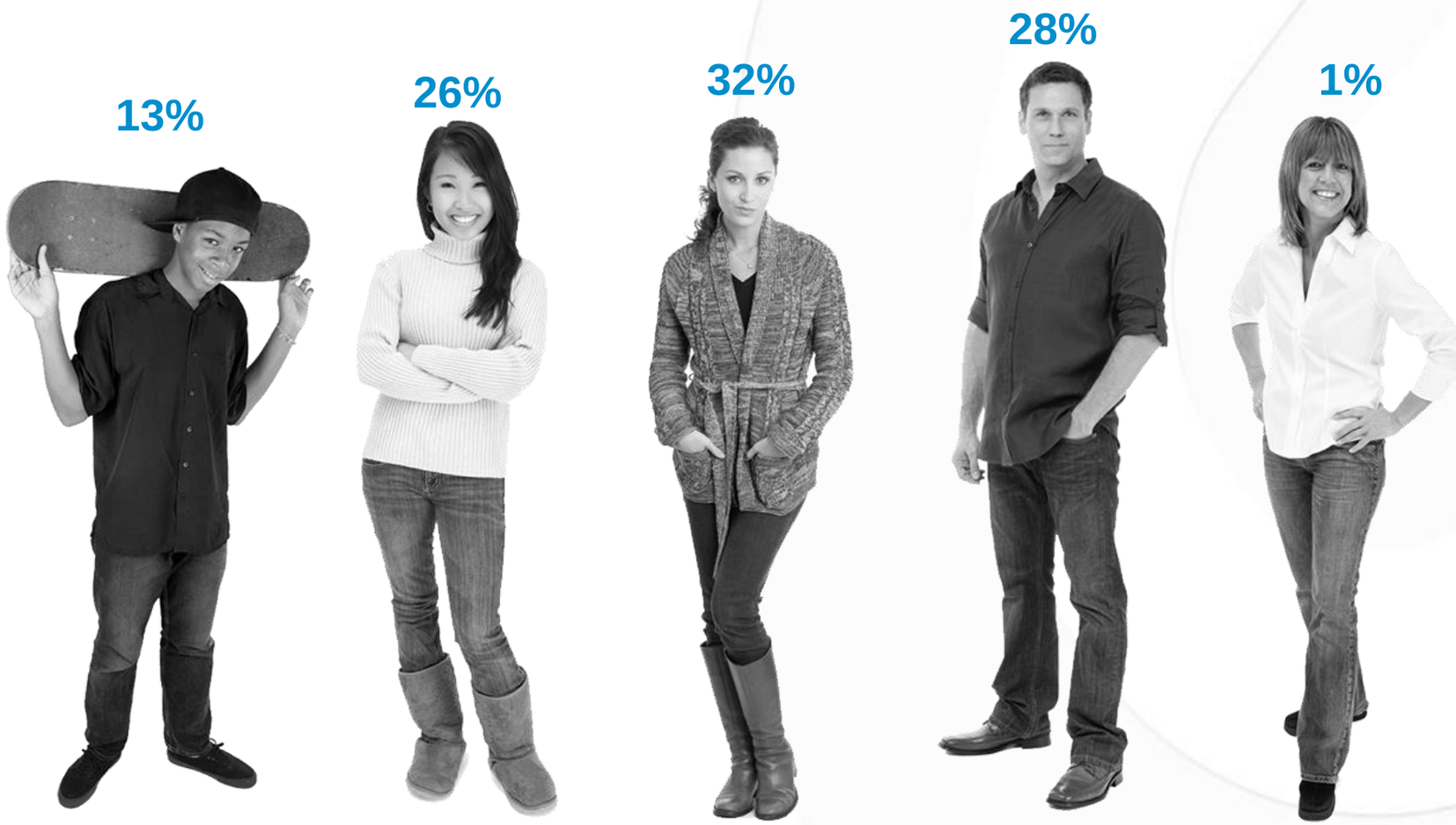


Female Audience: 40% **Male Audience: 60%**

Total Users: 22M

© 2014 Shazam Entertainment

Italy Shazam Users

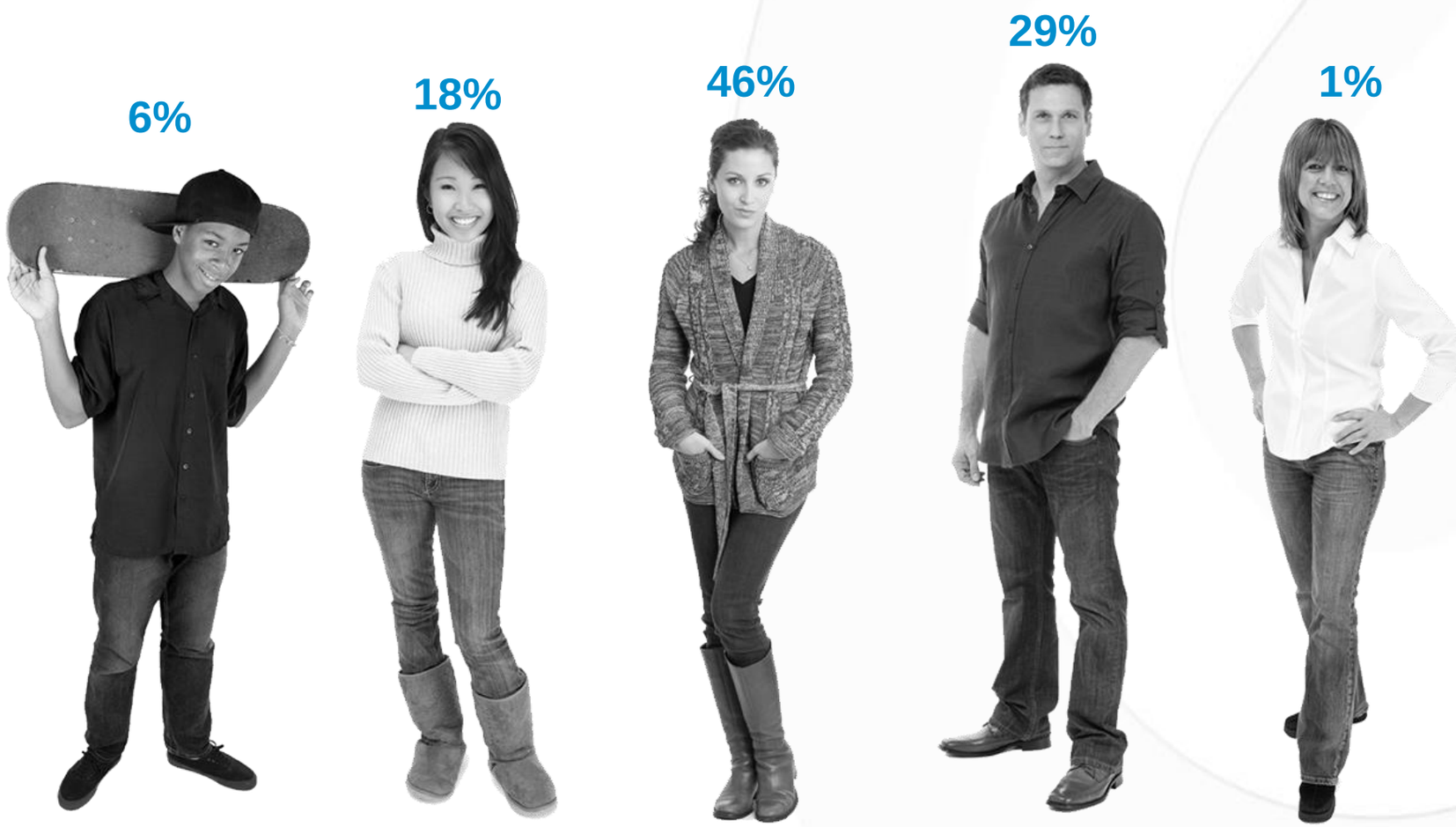


Female Audience: 49% **Male Audience: 51%**

Total Users: 19M

© 2014 Shazam Entertainment

Spain Shazam Users

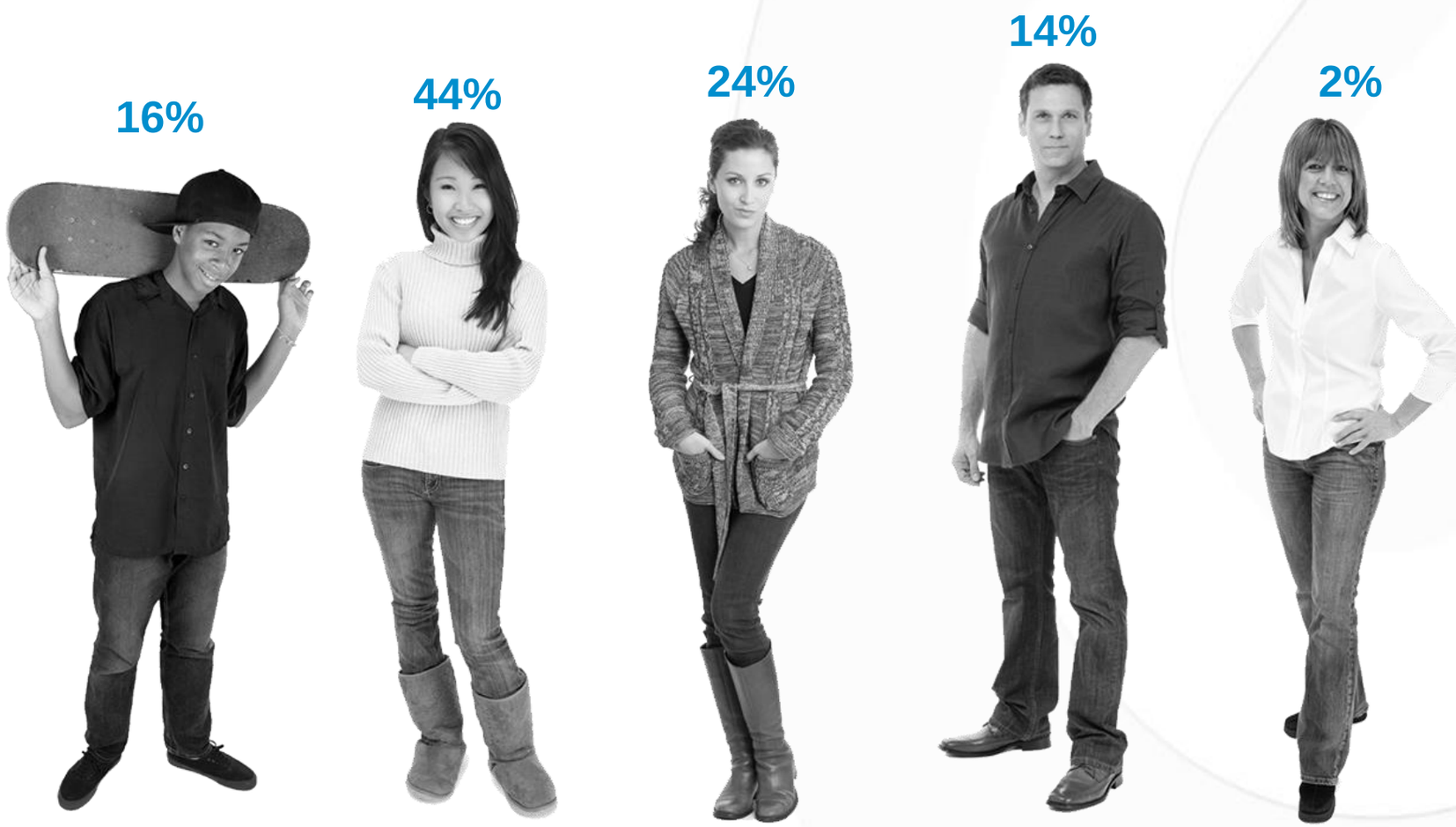


Female Audience: 46% **Male Audience: 54%**

Total Users: 15M

© 2014 Shazam Entertainment

Australia Shazam Users

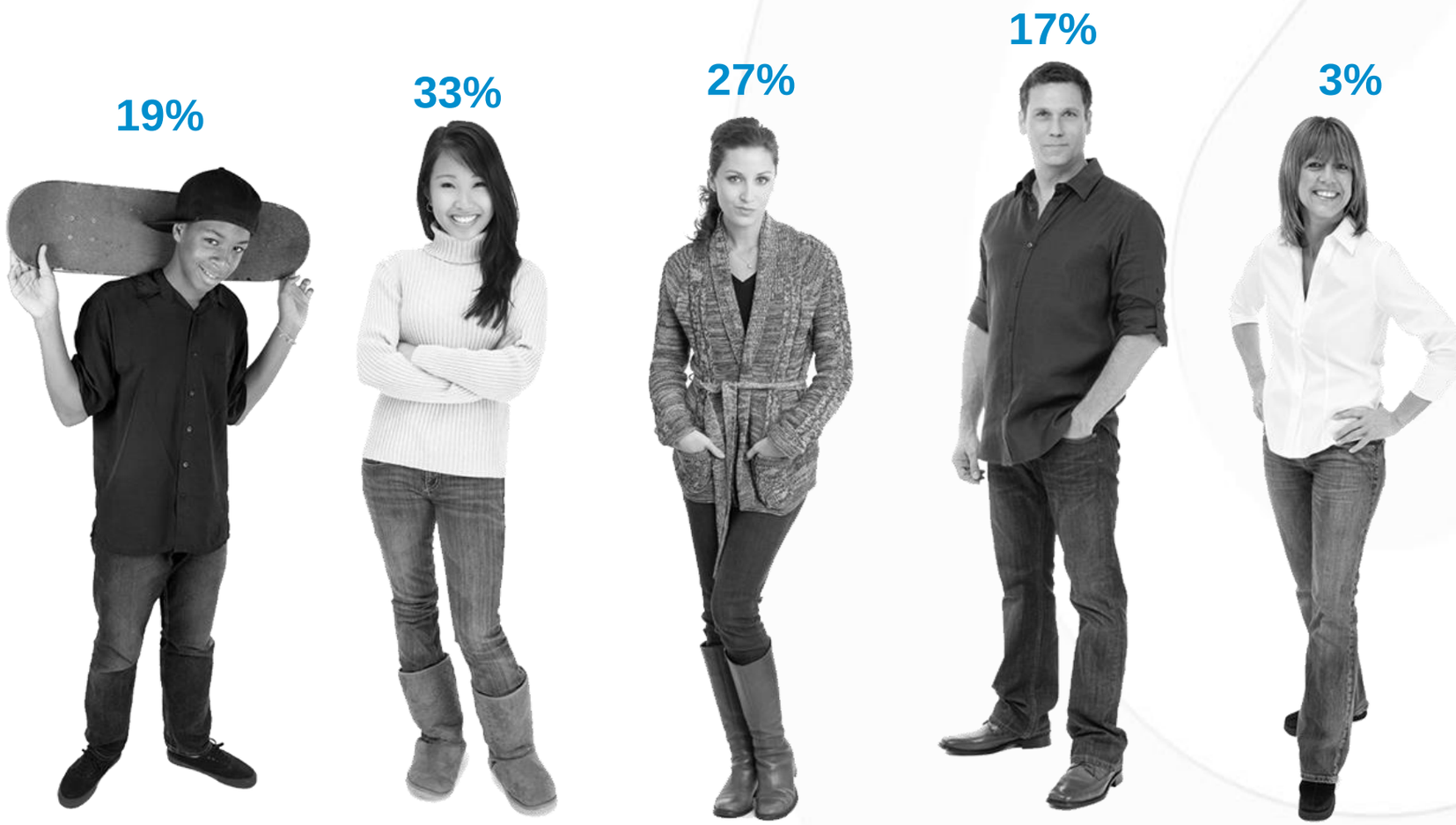


Female Audience: 60% **Male Audience: 40%**

Total Users: 10M

© 2014 Shazam Entertainment

Canada Shazam Users



Female Audience: 60% **Male Audience: 40%**

Total Users: 10M

© 2014 Shazam Entertainment

Our users are even more mobile-savvy

Daily Smartphone Activity	Shazam User	Non-Shazam User
Social Networking	79%	47%
Getting News & Information	75%	42%
Researching Products / Services	53%	21%
Watching Videos	50%	19%
Getting TV Show Information	38%	16%
Getting Information About A Product Seen In A Television Ad	27%	12%
Shopping	22%	12%
Buying Products / Services	17%	7%

SHAZAM®

How Can We Work for Brands

How Shazam can work for brand

Bearing this in mind, we understand you’re competing for your consumer’s attention. To be relevant in such a saturated space, understanding what they value is key.

Shazam offers a global scale of 420M global users to get their attention and continue a meaningful conversation in whichever form you want it to take.

> Complementing, activating and extending your huge investment in audio visual marketing to increase their experience with your client’s messages.

SHAZAM® Advertiser Solutions

Shazam is the world's leading media engagement company

Shazam doesn't compete with your marketing plan's elements…we enhance them. From television to social to radio to video views, Shazam ties all of your media tactics together, through one cohesive experience.

And every push of the Shazam button is a clear indicator of consumer intent.

Shazam
CINEMA

Shazam
RADIO

Shazam
ONLINE VIDEO

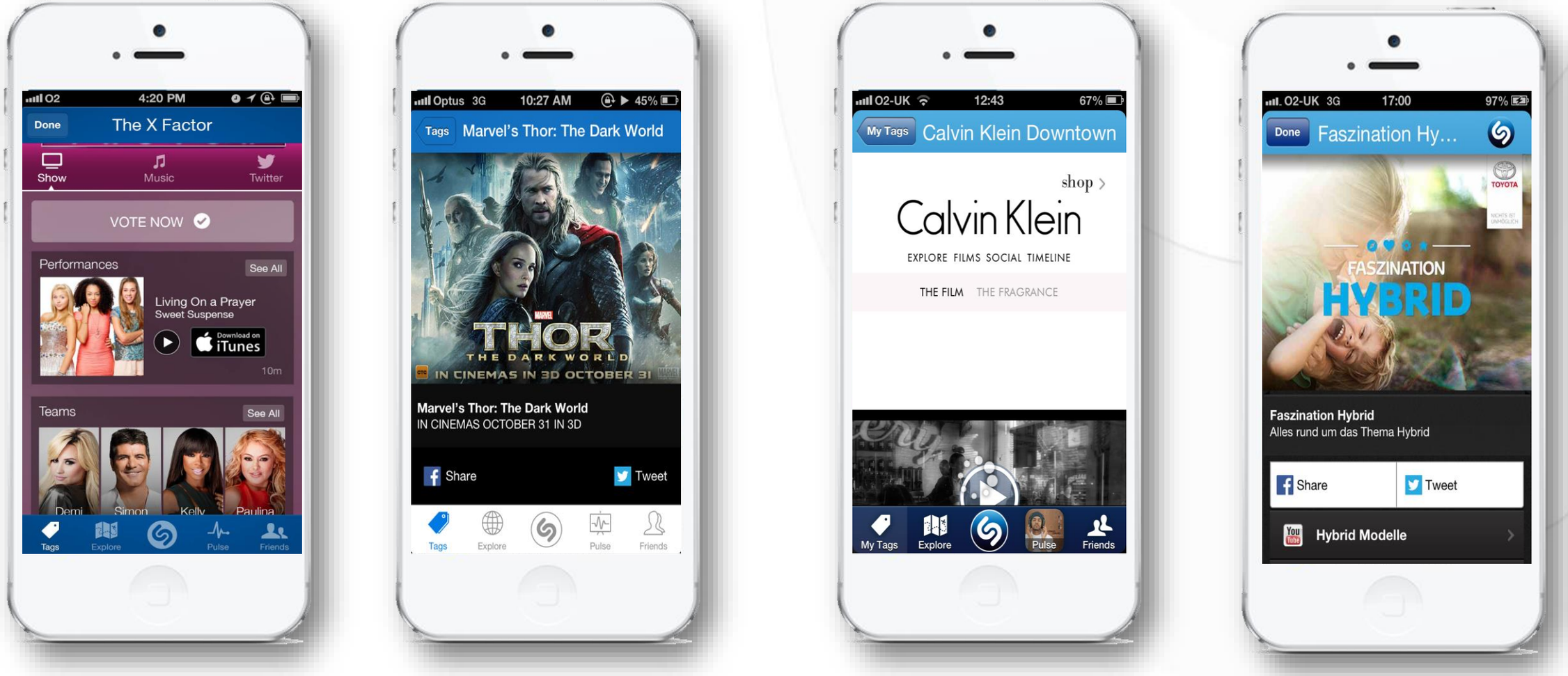
Shazam
TV

Shazam
RETAIL



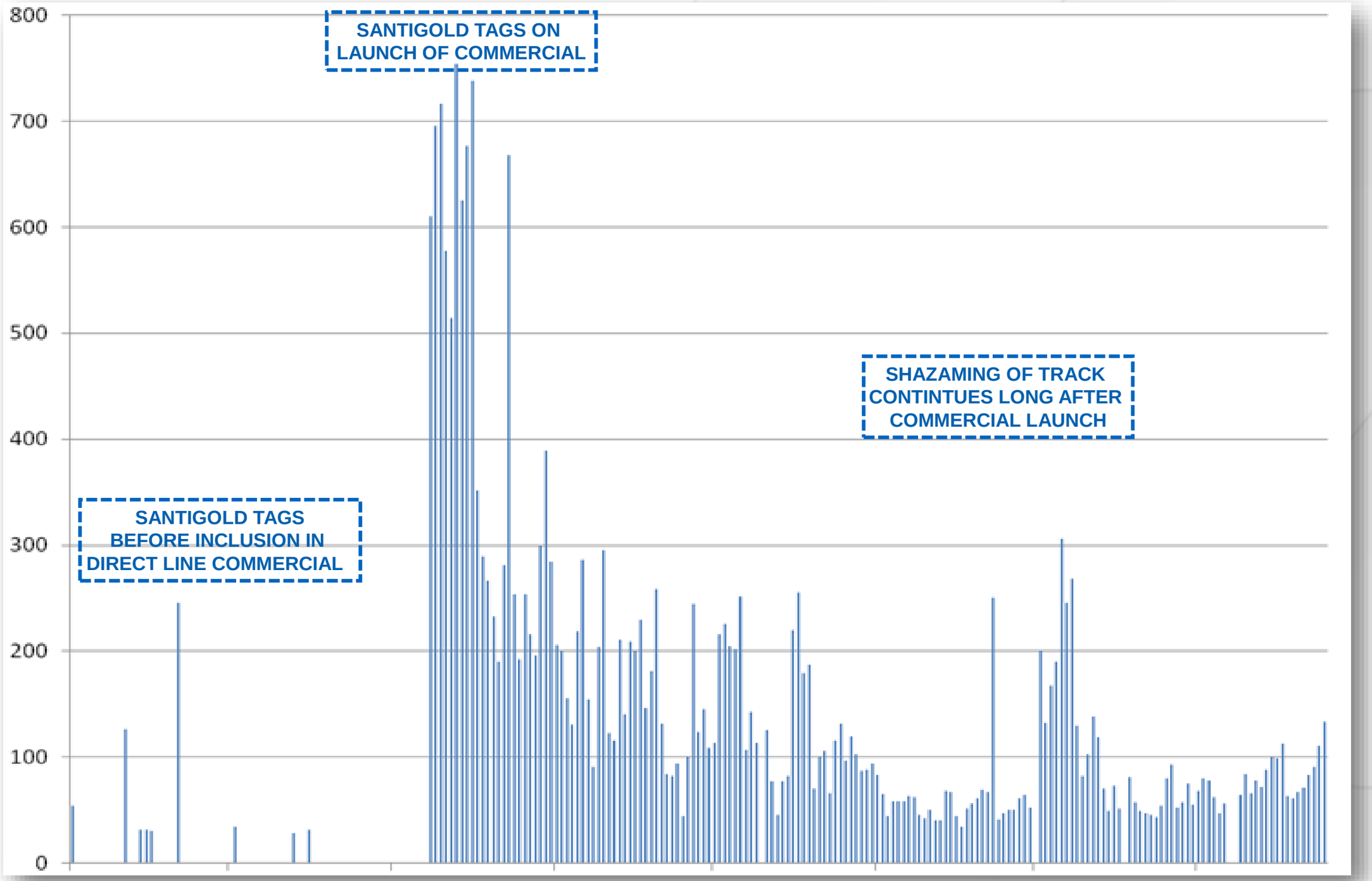
Partner with Shazam and you'll be in good company

400+ Campaigns and growing…



Tagging Driven by Television Ads

Direct Line (UK) uses Santigold's track "Disparate Youth" in their television/radio campaign. Without a call-to-action on screen, music directly influences a response from our users to Shazam the commercial



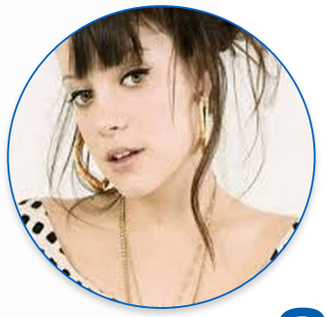
Music drives attention
Number of Shazam's driven by Television Ads

Shazam users have been engaging with music in commercials without any call to action. The behaviour exists, allowing brands to capitalise on Shazam and audio visual advertising.

F&F



380,000 Shazam's



John Lewis

117,000 Shazam's * to date



TESCO

76,000 Shazam's

* To date





62,000 Shazam's

* to date

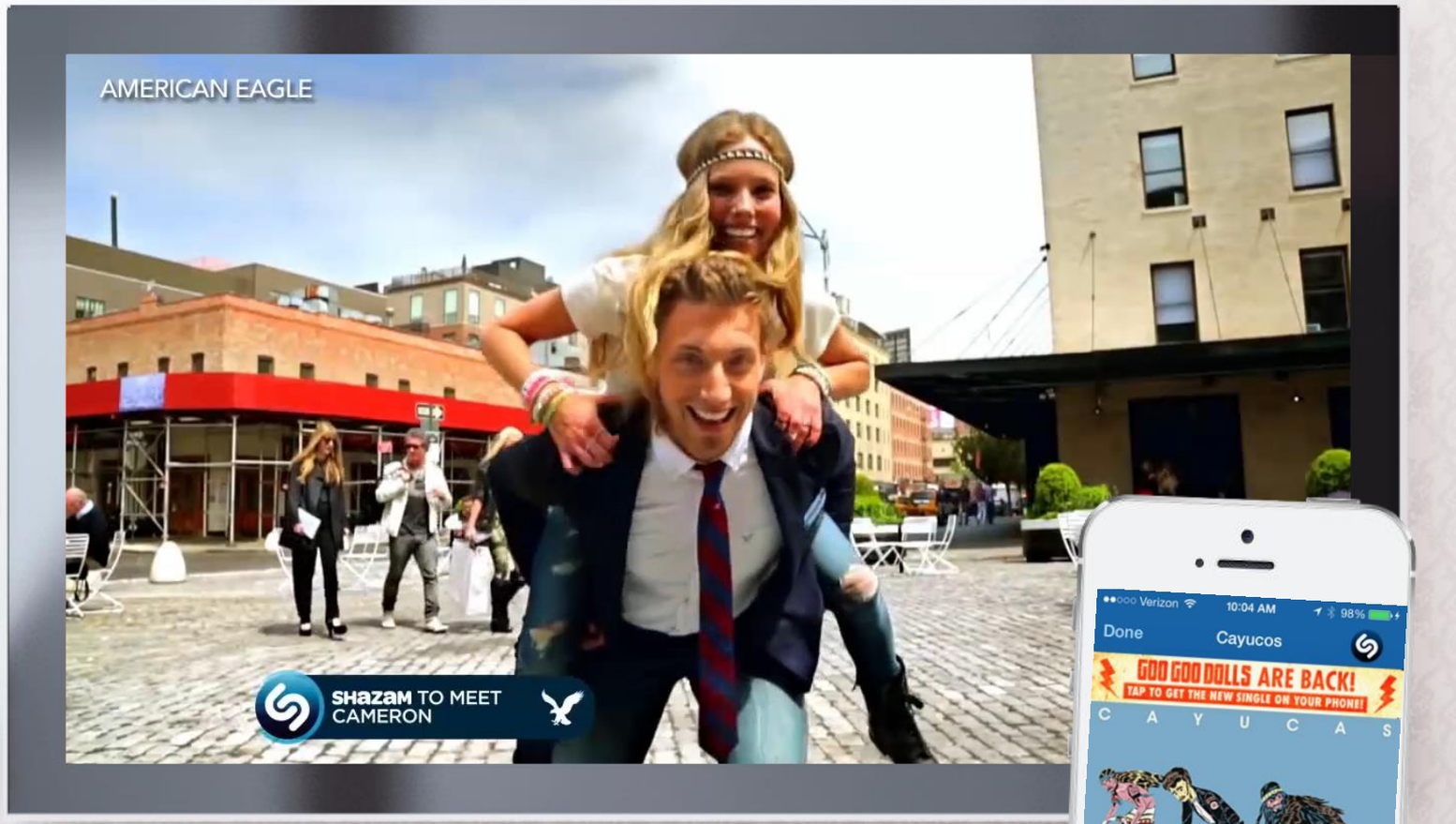
STRICTLY CONFIDENTIAL © Copyright 2014 Shaza

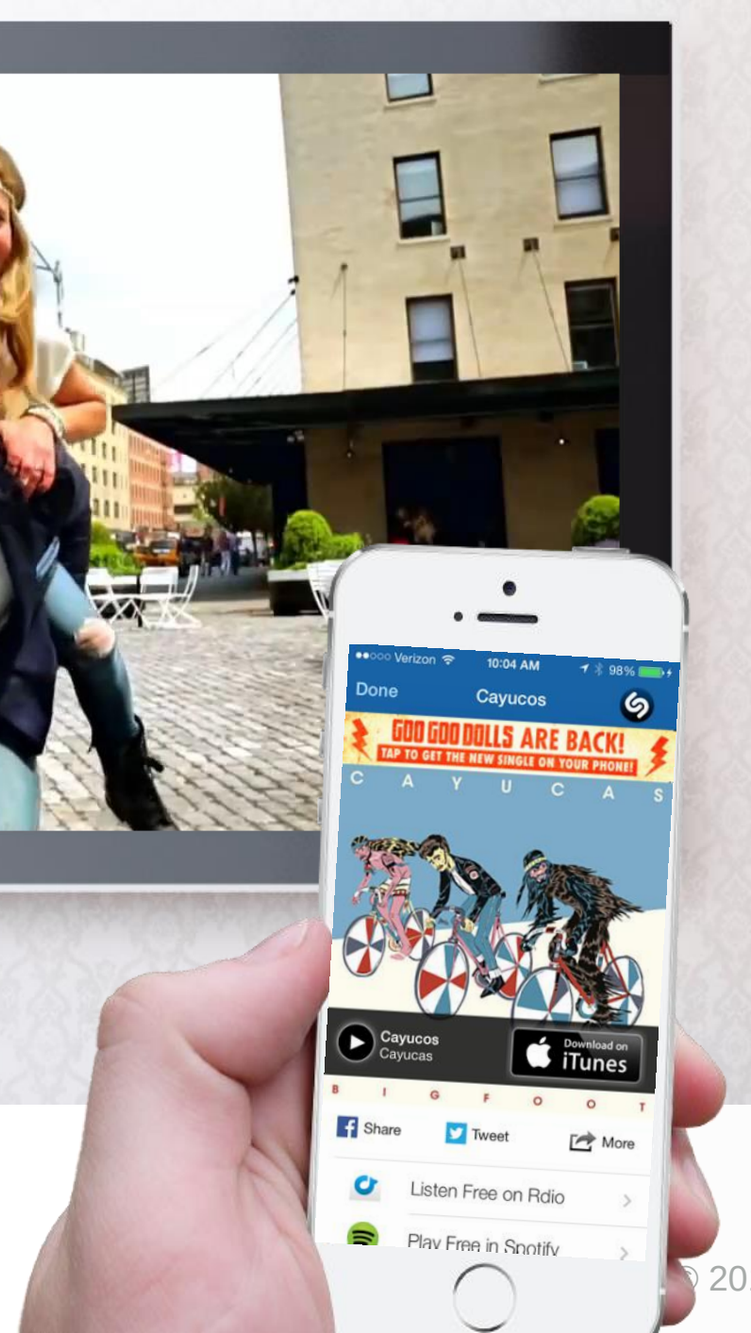
UK examples shown here.
Global examples to follow in v2

SHAZAM FOR TV

Shazam for TV is a revolutionary way to extend your 30 seconds of passive attention into over 3 minutes of active attention – through the app that is already on over 420 million devices.

All with the touch of a single button.





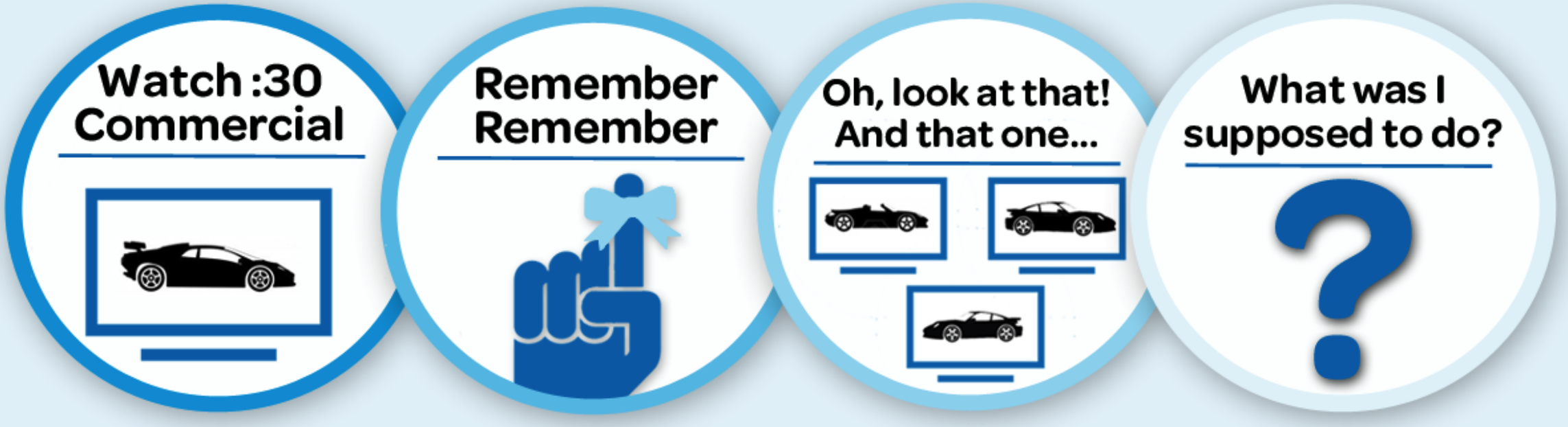
© 2014 Shazam Entertainment

How Shazam for TV Works

Here’s how the user experience goes (1-4):



COMMERCIALS WITHOUT SHAZAM



COMMERCIALS WITH SHAZAM CONTINUE THE MESSAGE



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nielsen

Tells you how many people have **seen** each spot

+

SHAZAM®

Tells you how many people were **engaged** in each spot

Shazam Tags

Nielsen Impressions (for each airing) =

SHAZAM
ENGAGEMENT RATE
(SER)

© 2014 Shazam Entertainment

SHAZAM CINEMA

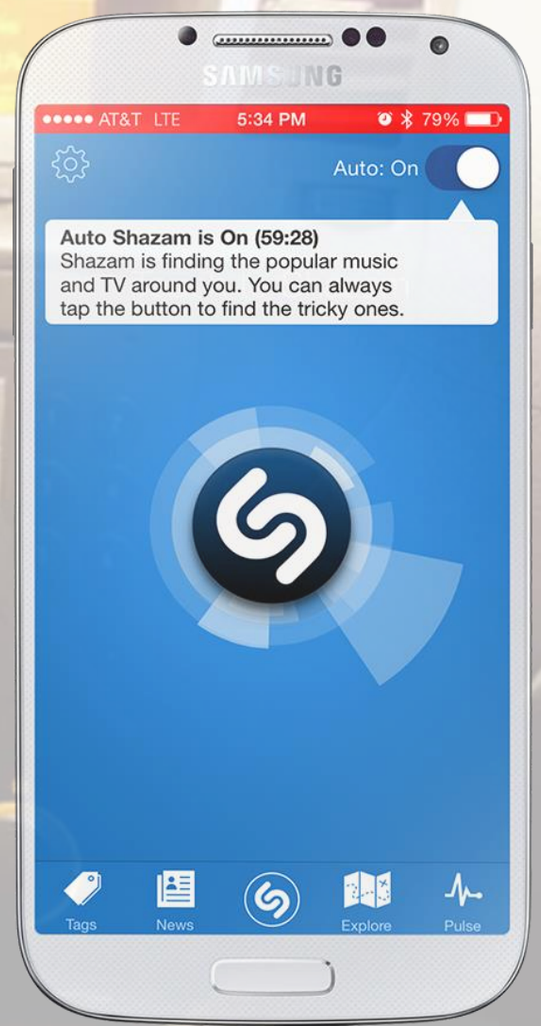
Shazam Cinema allows advertisers to reach a very captive audience before the show in a larger format, either as part of a standalone media effort or as an extension of other parts of the media plan.



SHAZAM RADIO

Since any audio can be made Shazamable, Shazam for Radio allows your radio commercials to be seen.

Their behavior is established, so whenever any of the over 400 million Shazam users want to learn more about what they're hearing, they simply tap the Shazam button.



SHAZAM RETAIL



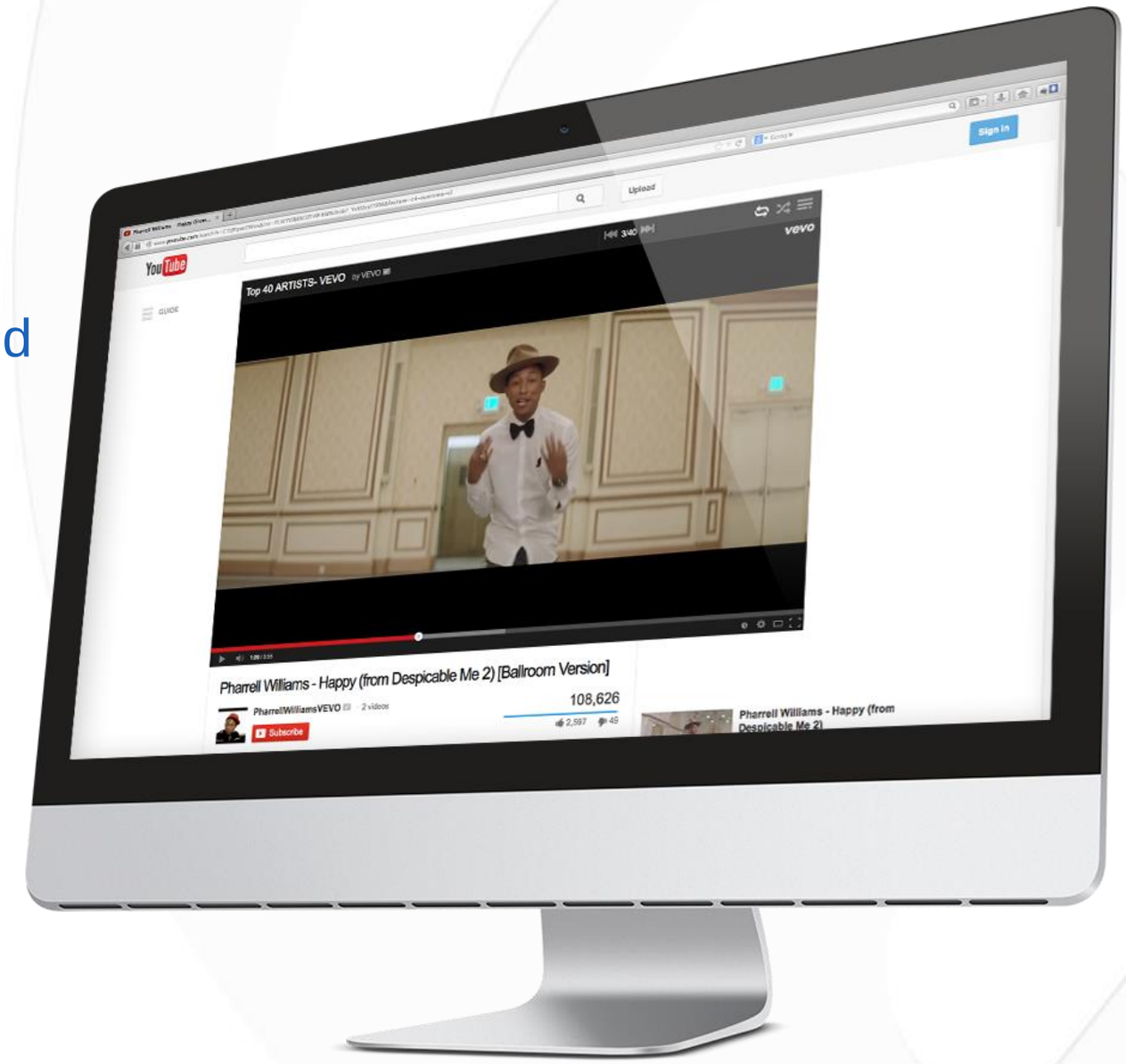
Using the music delivered over each store's audio system, retailers can deliver messages about offers, upcoming sales, product information or even place coupons directly onto the phones of their active shoppers.

© 2014 Shazam Entertainment

SHAZAM ONLINE VIDEO

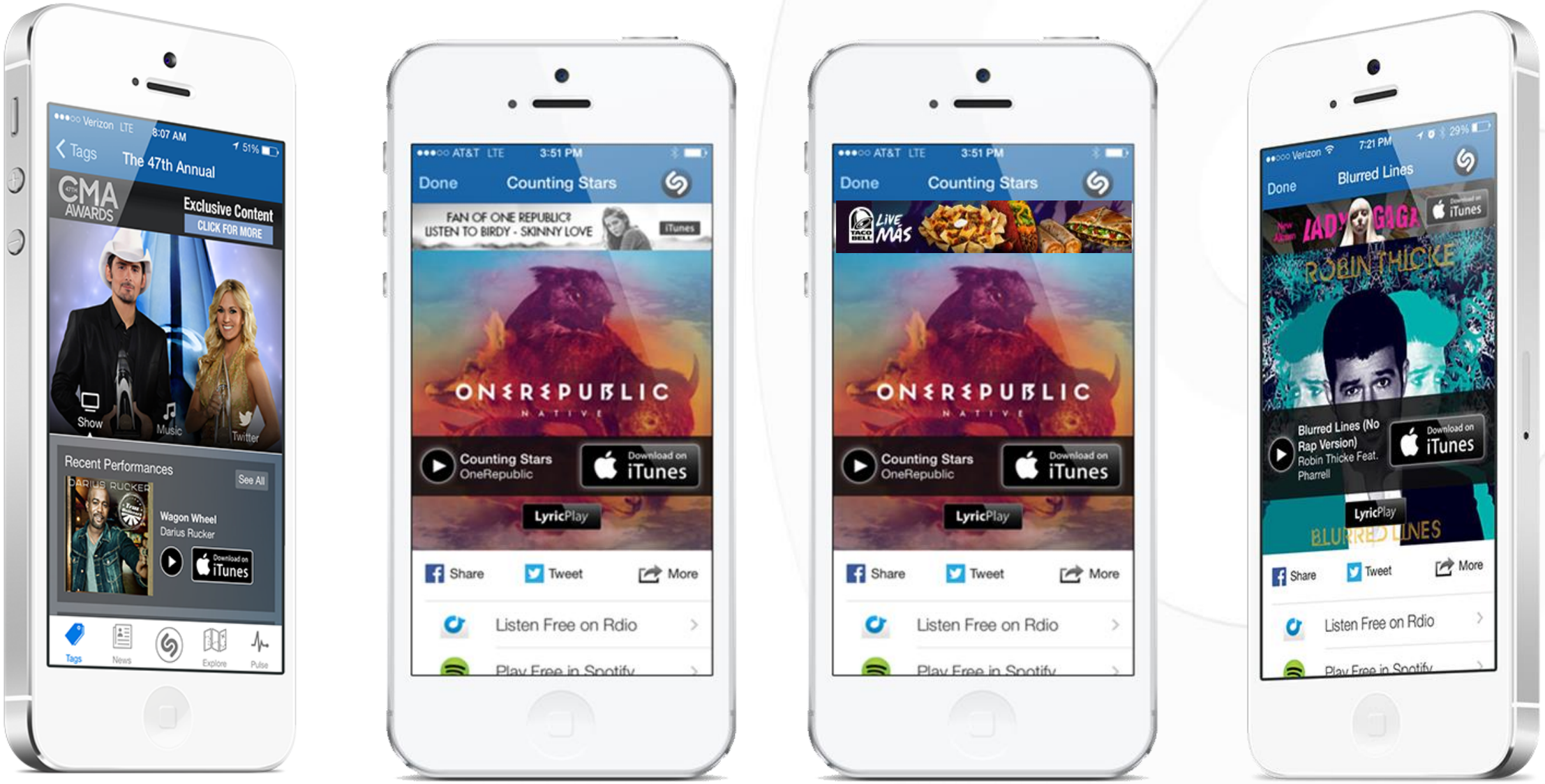
People Shazam online video, so

make your content Shazamable to extend your message and gain data



© 2014 Shazam Entertainment

SHAZAM TARGETED MEDIA

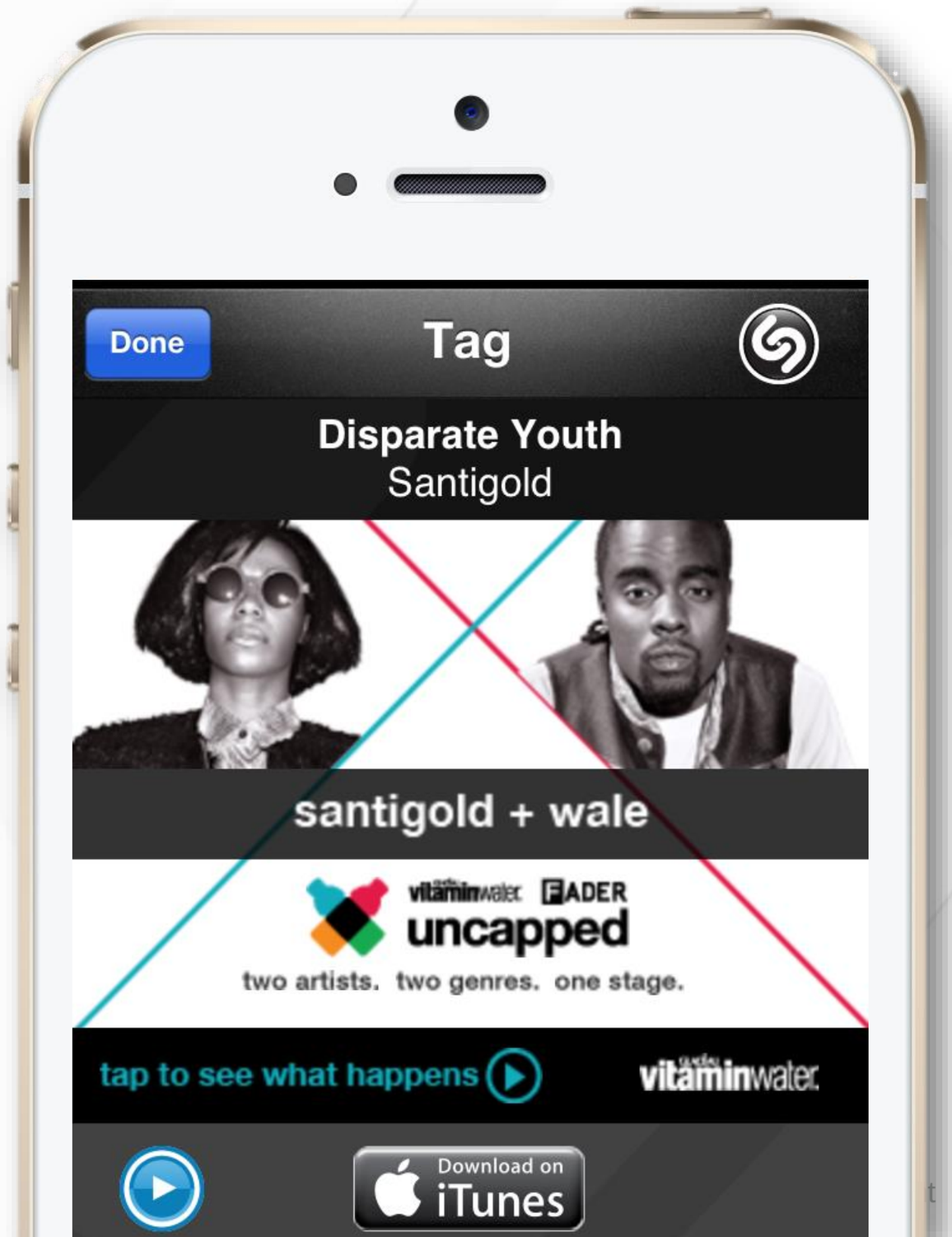


Our in-app media will efficiently reach consumers through advanced targeting based on Shazaming behaviour, or contextual content they've Shazamed including: genre, artist, song and key words in music.

© 2014 Shazam Entertainment

SHAZAM ENHANCED MUSIC TAG

Upon Shazaming select sponsored artists leveraged via Shazam's music label relationships or existing brand relationship with artist, consumers receive a branded HTML5 experience that takes over the album art in the music Shazam result



SHAZAM PULSE



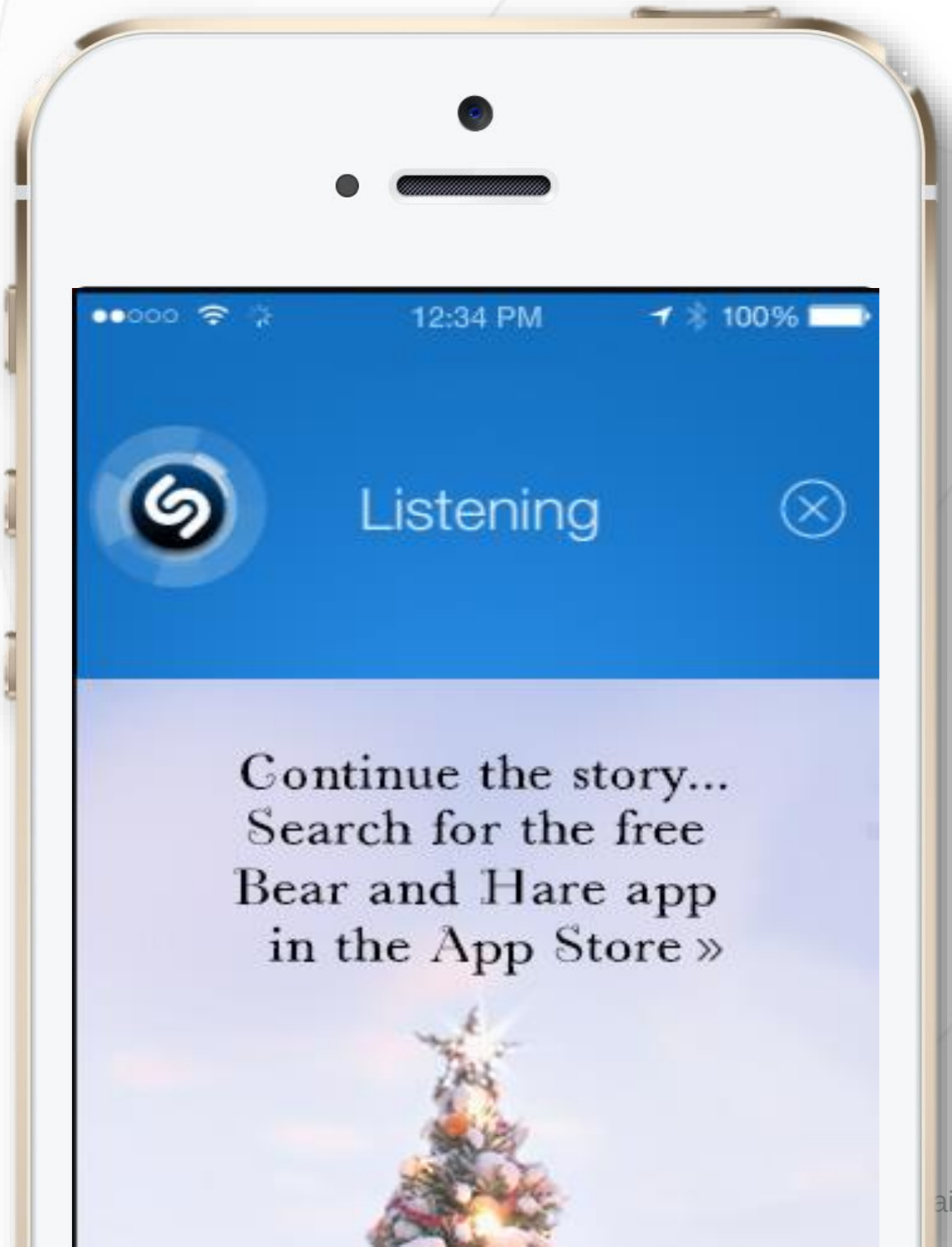
Pulse empowers users to discover, preview, and purchase new music trending around the world.

Your brand will receive an exclusive custom ad integration to reach music enthusiasts as they discover top hits.

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SHAZAM LISTENING SCREEN

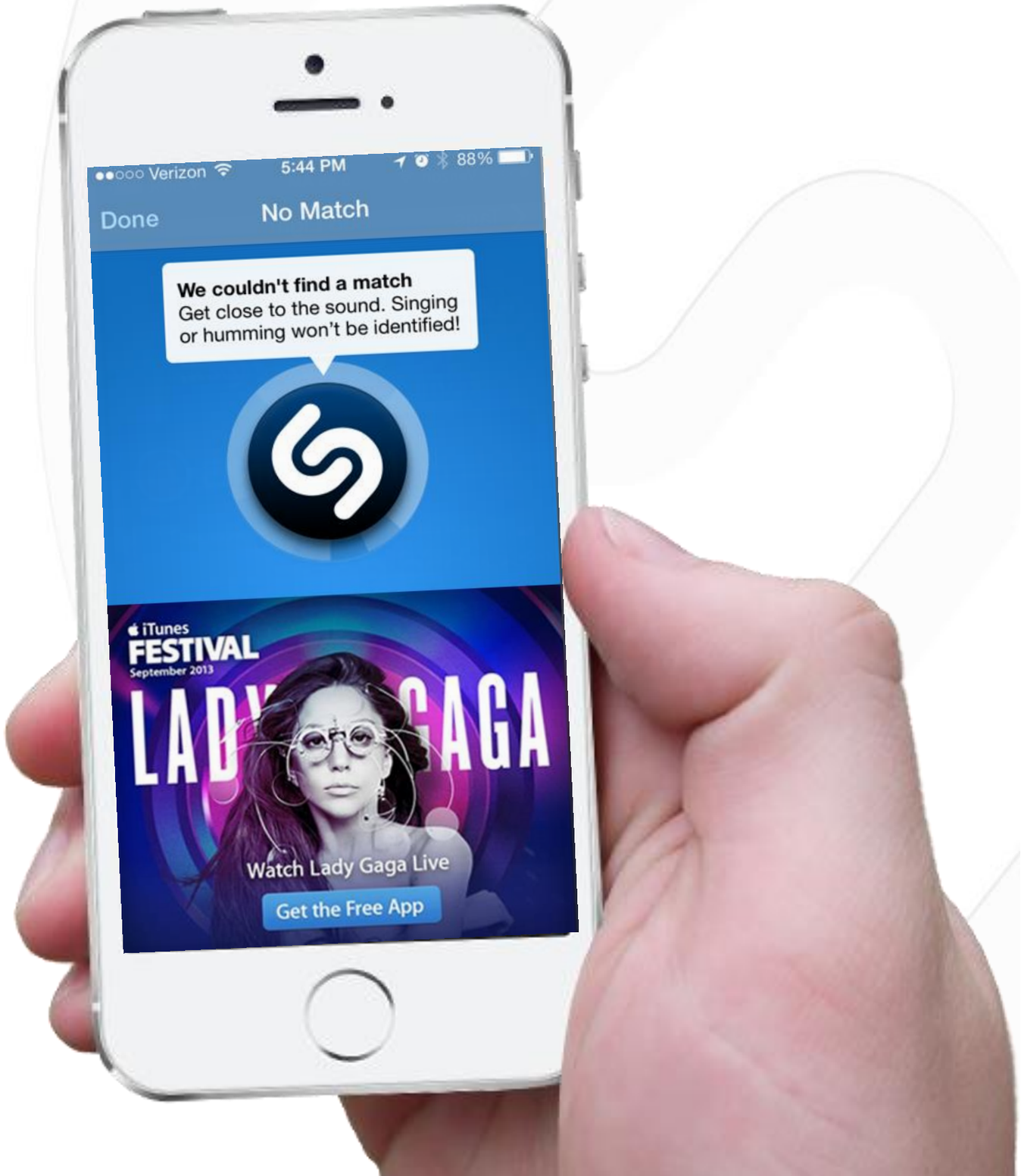
Listening Screen takeovers are essentially our version of a home page takeover. The moment a user Shazam's a song, TV show/ commercial, or online video, the Listening Screen pops-up to reveal your creative within a prime eyes on screen moment.



SHAZAM NO MATCH

With 17 million Shazams daily, every Shazam is valuable – even the results that come back as a “No Match”

Take advantage of this high-impact, interactive placement to deliver your message within an uncluttered environment.



AUTO SHAZAM



The new Auto-Shazam feature allows users to set their iPhone to actively listen and log every song, TV show and commercial playing around them. Around the-clock content discovery

© 2014 Shazam Entertainment

SHAZAM TABLET SPONSORSHIP



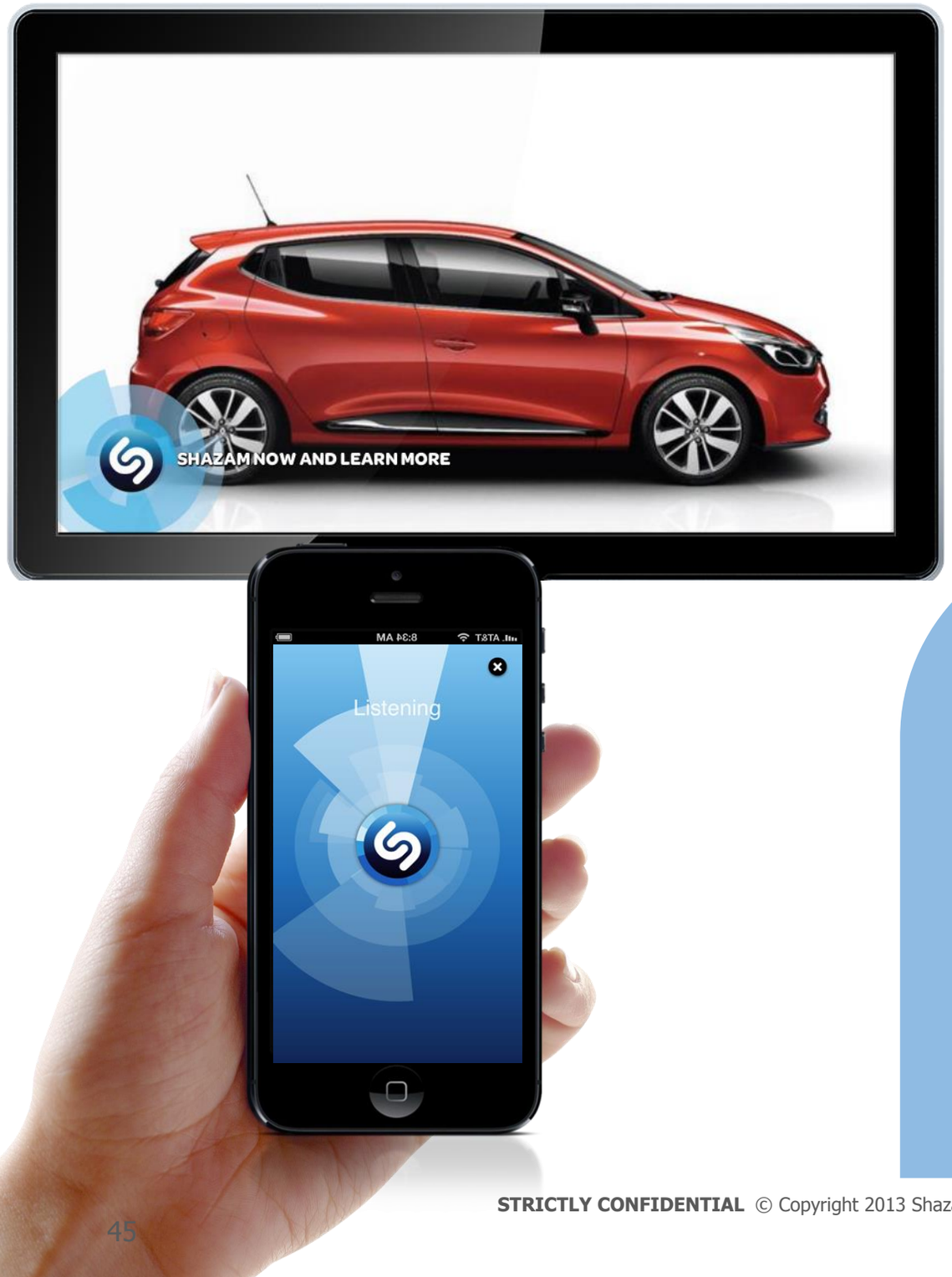
Shazam on iPad & Android t**ablet** brings users a larger and **a richer canvas through which they can experience the magic of Shazam**

© 2014 Shazam Entertainment

SHAZAM® Campaign Experience

SHAZAM CASE STUDY

BEST IN CLASS: AUTOMOTIVE BRAND - GERMANY



A world leading automotive brand partnered with Shazam to create a 2013 Shazam for TV experience in Germany

Campaign Objectives: Bring attention back to the TV spot – make it simple and easy to respond to the ad

Success Story: Brand provided excellent feedback on campaign performance

Call-To-Action:

- Shazam now and learn more

Campaign Highlights:

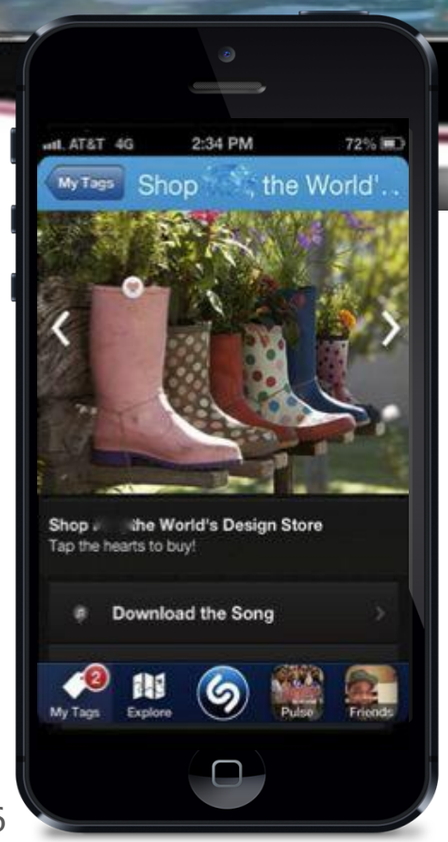
- Total tags: 97,636
- Interaction rate: 24%
- Campaign length: 49 days
- Take away: Compelling "You Sexy Thing" song

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SHAZAM CASE STUDY

Online Retail – Free Song Download US





A popular online clothing company, partnered together with Shazam to create a 2013 Shazam for TV experience in the United States

Campaign Objectives: Drive brand interaction and app downloads. Target Market: Women 18 - 34

Success Story: Had impressive performance results and very positive feedback

Call-To-Action:

Love the song? Shazam for a free download

Campaign Highlights:

- Total tags: 27,632
- Interaction rate: 81%
- Campaign length: 20 days
- Take away: Free song download
- Region(s) - United States

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SHAZAM CASE STUDY

BEST IN CLASS: ALCOHOL BRAND - SPAIN



A popular alcohol brand partnered with Shazam to create a 2013 Shazam for TV campaign in Spain

Campaign Objectives
Primary: Drive product purchase on official site
Secondary: Foster excitement around brand and music artist collaboration

Success Story: Brand was impressed with performance results and will be repeating in 2014.

Call-To-Action:
See full video

Campaign Highlights:

- Total tags: 181,942
- Interaction rate: 59%
- Campaign length: 42 days
- Shares on Facebook & Twitter: 2,221
- Take away: Behind the scenes music video click through

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SHAZAM CASE STUDY

BEST IN CLASS: TELECOMMUNICATION BRAND - ITALY



A globally innovative telecommunications brand partnered with Shazam to create a 2013 Shazam for TV experience in Italy

Campaign Objectives: Drive brand attention by creating a comically creative commercial

Success Story: This brand reported being very pleased with performance results over the two month period. This has led to renewals.

Call-To-Action:

Shazam now. Check out the Special Offer

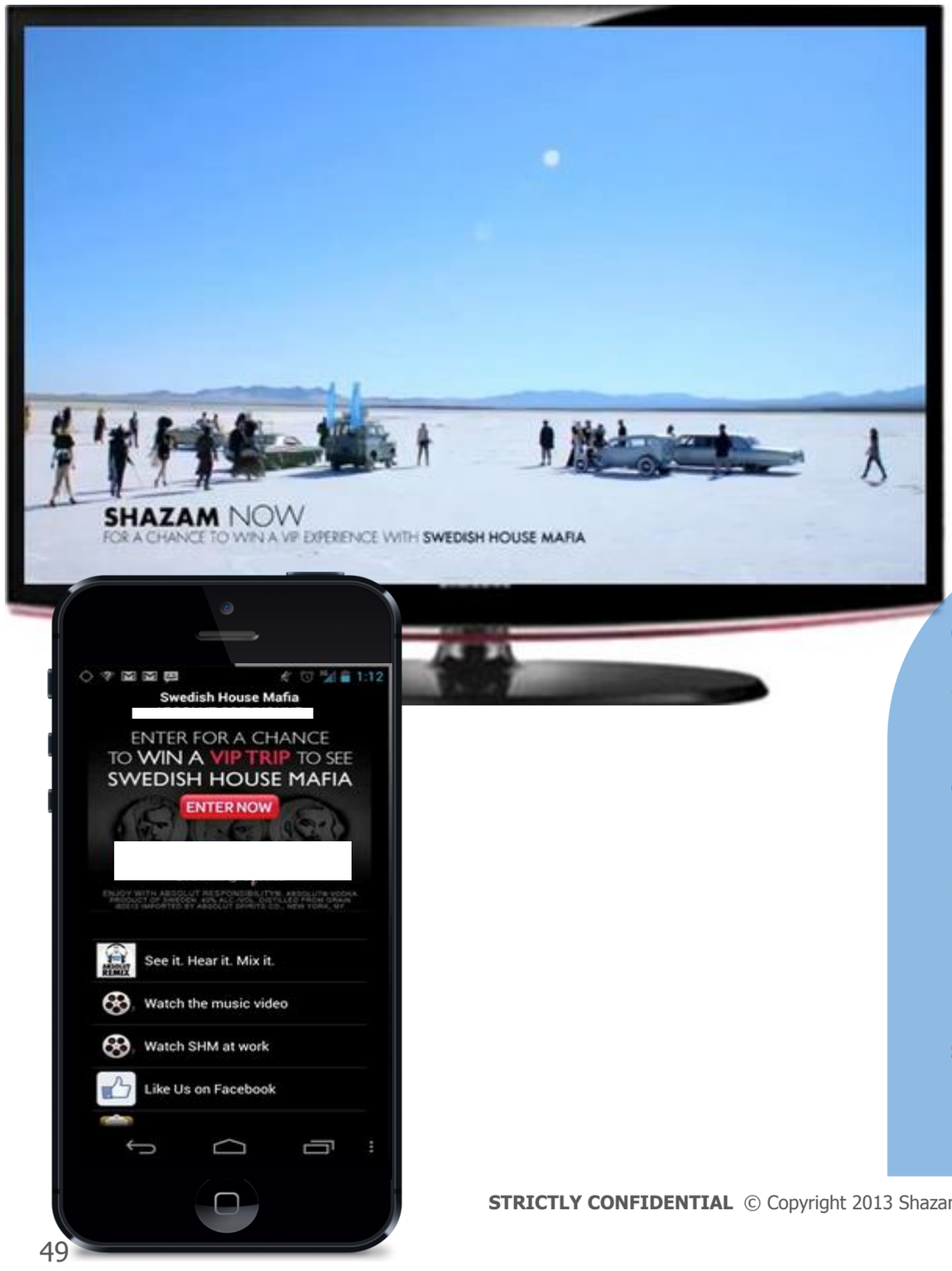
Campaign Highlights:

- Total tags: 227,421
- Interaction rate: 101%
- Campaign length: 51 days
- Social shares: 811
- Take away: Integrated brand advert video in HTML5

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SHAZAM CASE STUDY

Alcohol Contest US



Together, a popular alcohol brand, and Swedish House Mafia, an Electronic Dance Music trio, partnered with Shazam to create a Shazam for TV experience in the United States

Campaign Objectives: Drive engagement with brand and give fans a chance to win a trip to Ultra Music Festival. Target Market: Men and Women 21 - 34

Success Story: Brand was impressed with performance results and worked with Shazam on a further campaign.

Call-To-Action:

Shazam now for a chance to win a VIP experience with Swedish House Mafia

Campaign Highlights:

- Total tags: 13,393
- Interaction rate: 54%
- Campaign length: 26 days
- Take away: A chance to win tickets to Swedish House Mafia's last show at the Ultra Music Festival in Miami
- Region(s) - United States

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SHAZAM CASE STUDY

BEST IN CLASS: FMCG BRAND - SWITZERLAND



A globally recognised FMCG brand partnered with Shazam to create a 2013 Shazam for TV experience in Switzerland

Campaign Objectives: Drive attention to the brand and offer a simple way to interact. Instant gratification possible with competition

Success Story: Brand was impressed with campaign performance.

Call-To-Action:

Every day an adventure! All information can be found here

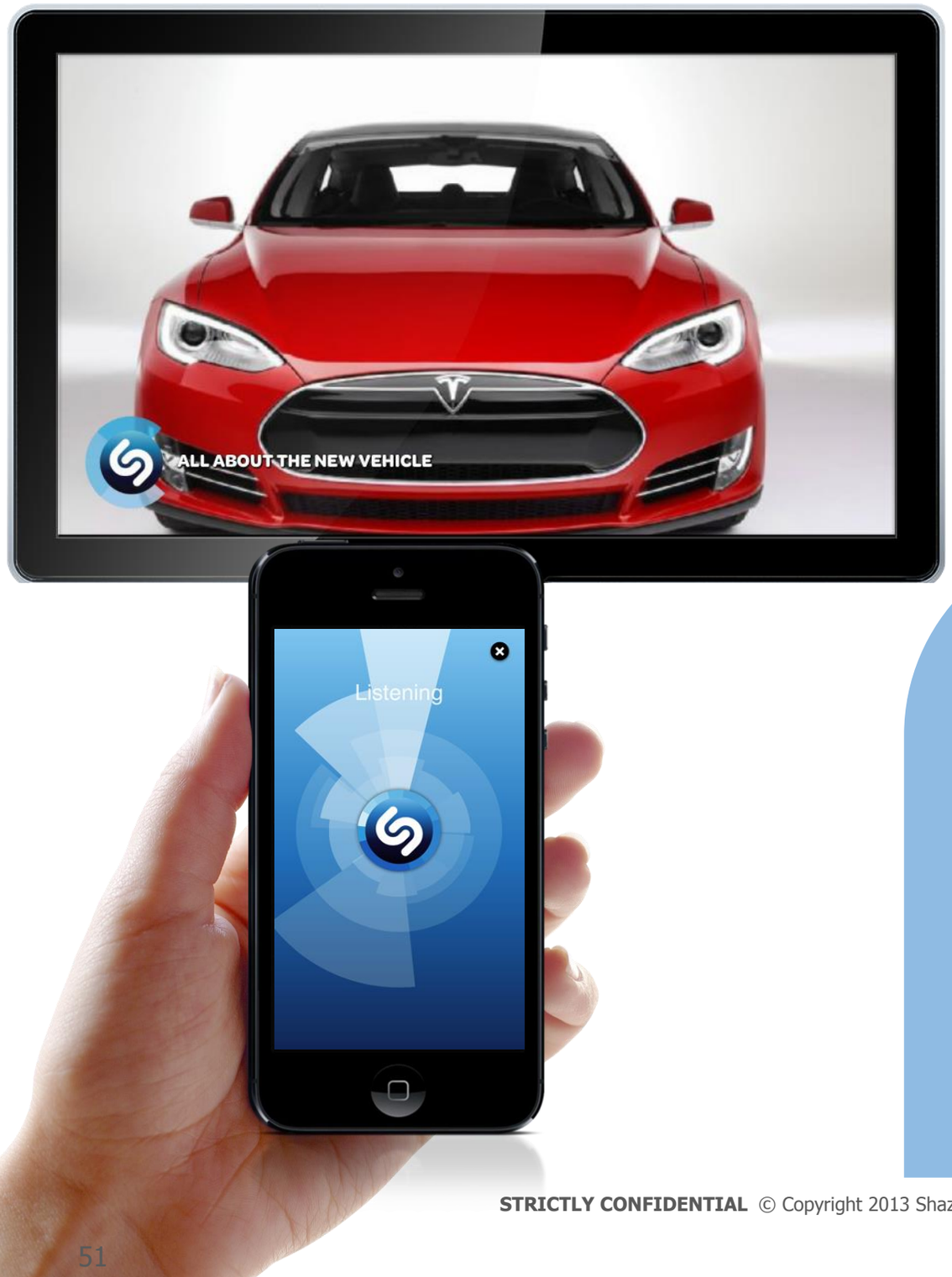
Campaign Highlights:

- Interaction rate: 119%
- Campaign length: 51 days
- Take away: Integrated media swipe functionality and competition with the chance to win various adventure activities

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SHAZAM CASE STUDY

BEST IN CLASS: AUTOMOTIVE BRAND - GERMANY



A world leading automotive brand partnered with Shazam to create a 2013 Shazam for TV campaign in Germany

Campaign Objectives: Drive attention and instant interaction from TV investment

Success Story : Brand was satisfied with campaign performance results and renewed.

Call-To-Action:

All about the new vehicle

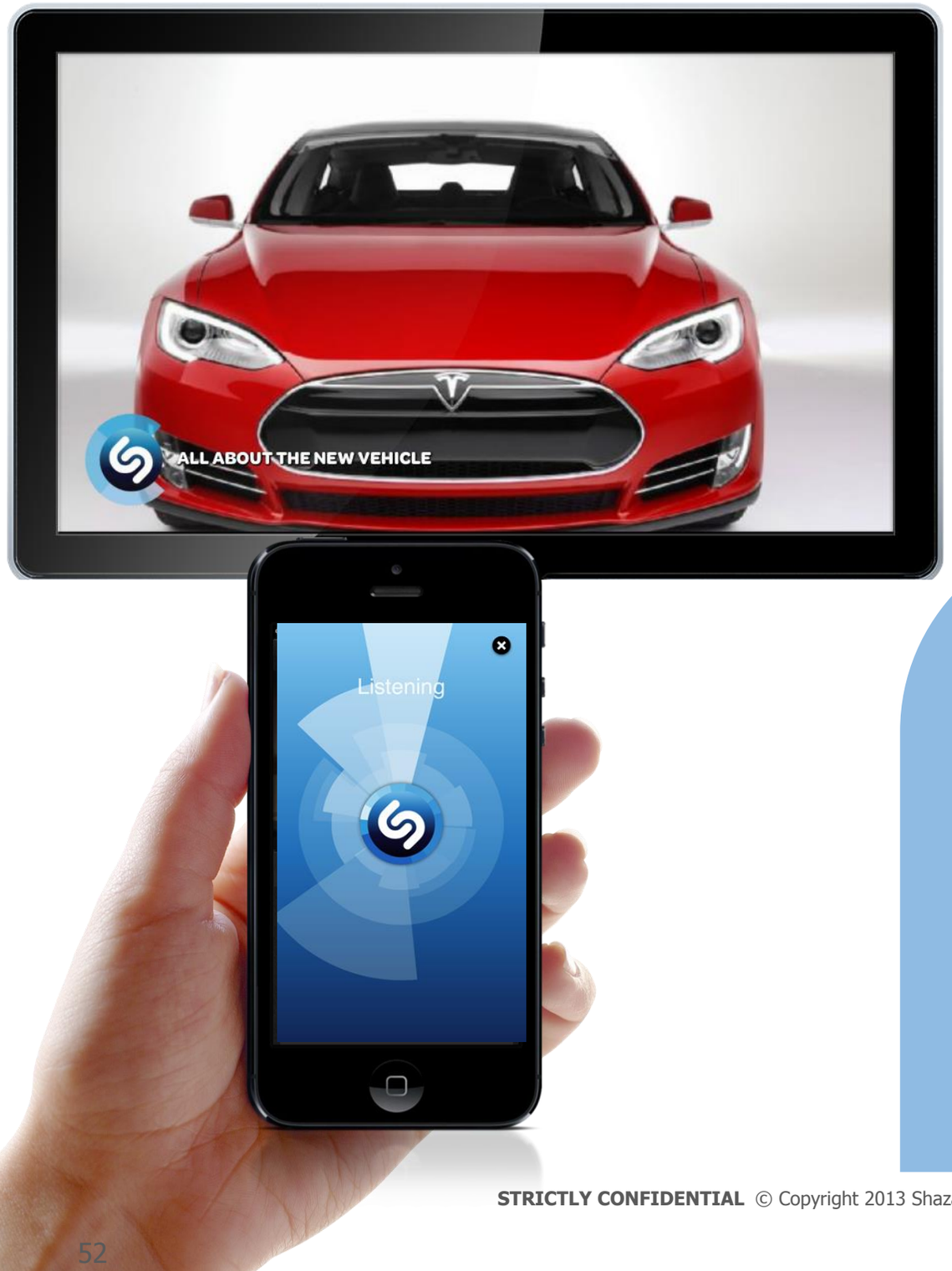
Campaign Highlights:

- Total tags: 94,318
- Interaction rate: 45%
- Campaign length: 43 days
- Take away: Behind the scenes video cuts from “I Did It My Way”

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SHAZAM CASE STUDY

BEST IN CLASS: AUTOMOTIVE BRAND - SPAIN



A world leading automotive brand partnered with Shazam to create a 2013 Shazam for TV campaign in Spain

Campaign Objectives: Drive brand engagement and interest around new vehicle model and drive engagement for test drives

Success Story: Brand provided excellent feedback on campaign performance and have extended Shazam across further models.

Call-To-Action:

All about the new vehicle

Campaign Highlights:

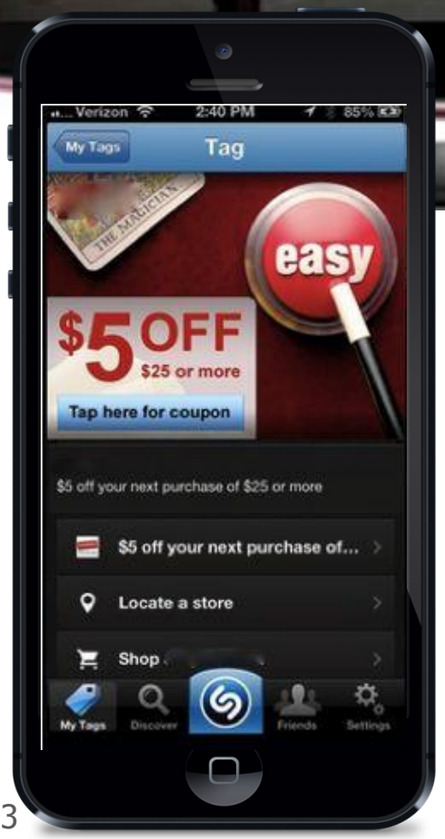
- Total tags: 119,072
- Interaction rate: 42%
- Campaign length: 30 days
- Information requests: 7,246

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SHAZAM CASE STUDY

Retail Coupons US





A world leading office supply chain store, partnered together with Shazam to create a 2013 Shazam for TV experience in the United States

Campaign Objectives: Drive brand engagement and coupon redemptions. Target Market: Men and Women 18 - 34

Success Story: Was the first in store coupon campaign, and had an amazing interaction rate

Call-To-Action:

Shazam for $5 Coupon

Campaign Highlights:

- Total tags: 20,968
- Interaction rate: 100%
- Campaign length: 76 days
- Take away: Users were able to receive a $5 coupon and download the app from the add on links
- Region(s) - United States

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SHAZAM CASE STUDY

BEST IN CLASS: AUTOMOTIVE BRAND - UK



A world leading automotive brand partnered with Shazam to create a 2013 Shazam for TV experience in the UK

Campaign Objectives: Drive brand engagement and interest around new vehicle model and foster interest by offering users the chance to explore the vehicle inside and out

Success Story: Mindshare very pleased so ran across second campaign!

Call-To-Action:

Shazam to get inside the vehicle

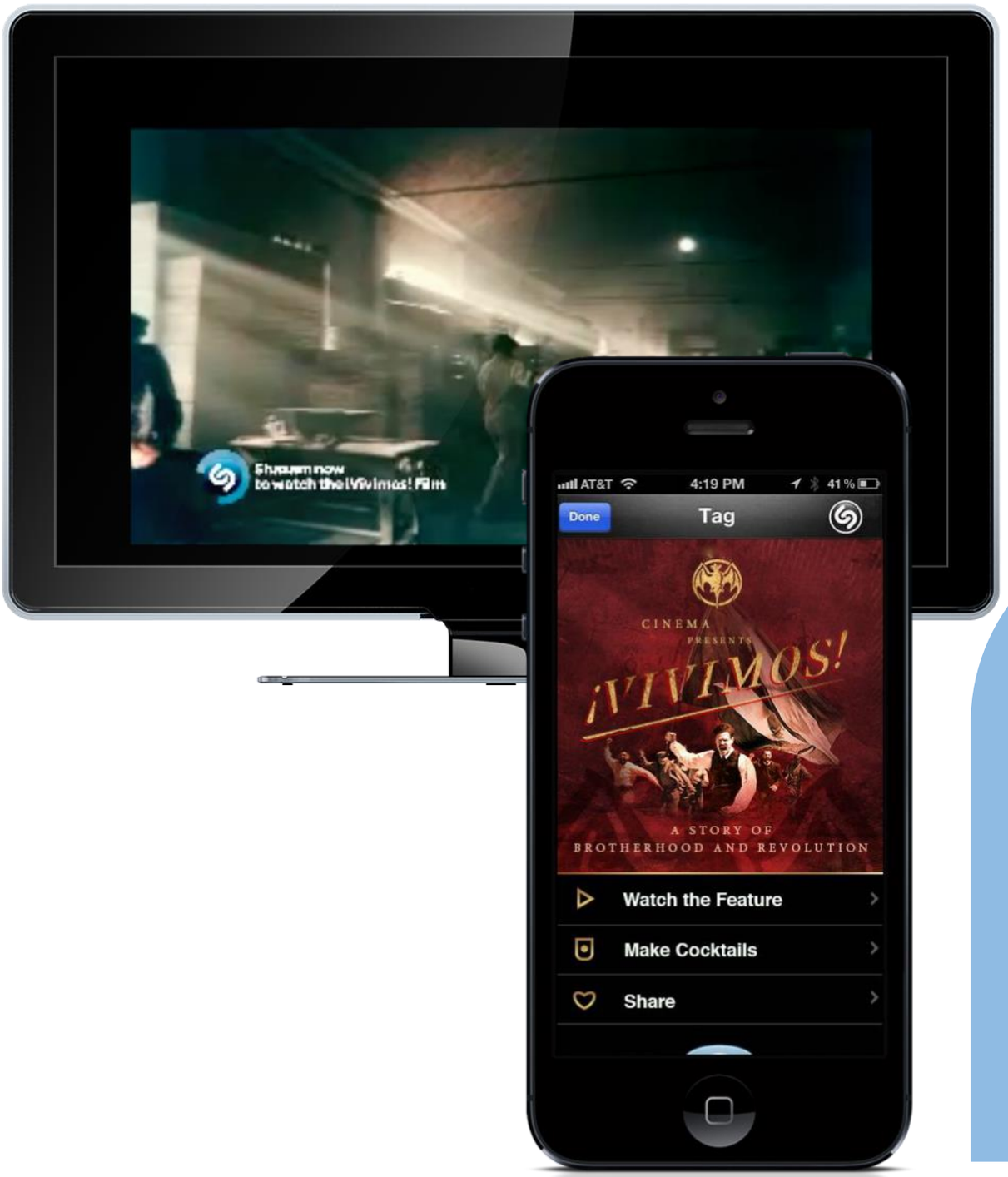
Campaign Highlights:

- Interaction rate: 109%
- Exterior clicks: 6,763
- Campaign length: 68 days
- Build your vehicle: 1,417 clicks
- Take away: Drove users to an external 360° vehicle experience with information hotspots as well as a 360° interior experience

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SHAZAM CASE STUDY

Alcohol – In Cinema



A popular alcohol brand, partnered together with Shazam to create a 2013 Shazam for Cinema experience in the United States

Campaign Objectives: Drive brand engagement, highlight Viva Cuba and watch exclusive video. Target Market: Men and Women 21 - 34

Success Story: Great in cinema campaign with over 10k tags

Call-To-Action:

Shazam now to watch the Vivimos film

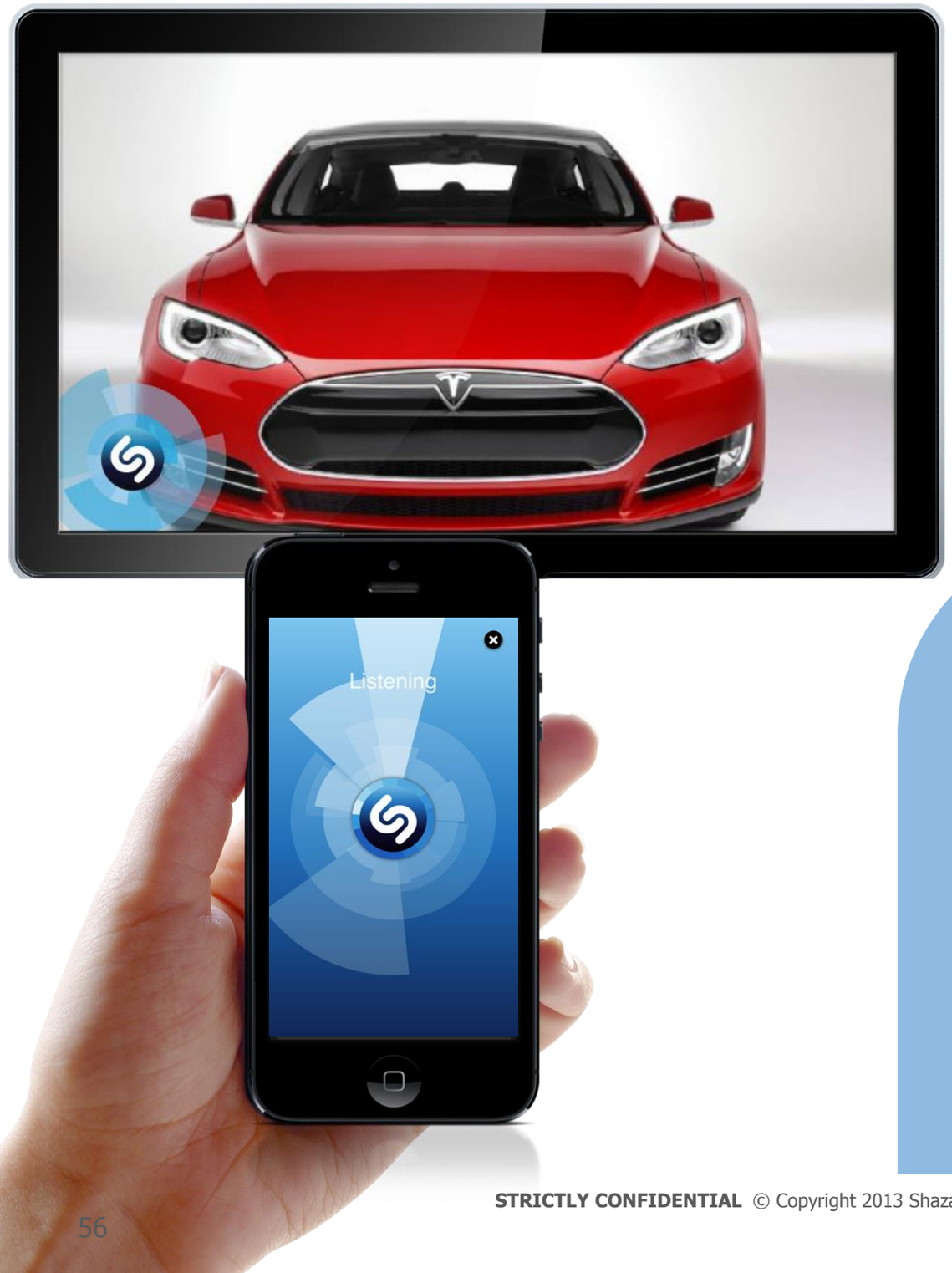
Campaign Highlights:

- Total tags: 10,140
- Interaction rate: 37%
- Campaign length: 26 days
- Take away: User can watch exclusive video and get recipes for cocktails
- Region(s) - United States

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SHAZAM CASE STUDY

BEST IN CLASS: AUTOMOTIVE BRAND - SWITZERLAND



A world leading automotive brand partnered with Shazam to create a 2013 Shazam for TV experience in Switzerland

Campaign Objectives: Drive brand engagement and interest around new vehicle model and encourage engagement by offering users the chance to win this vehicle

Success Story: Shazam drove interaction on a larger scale than in Germany. And Switzerland is a 10th of the size…

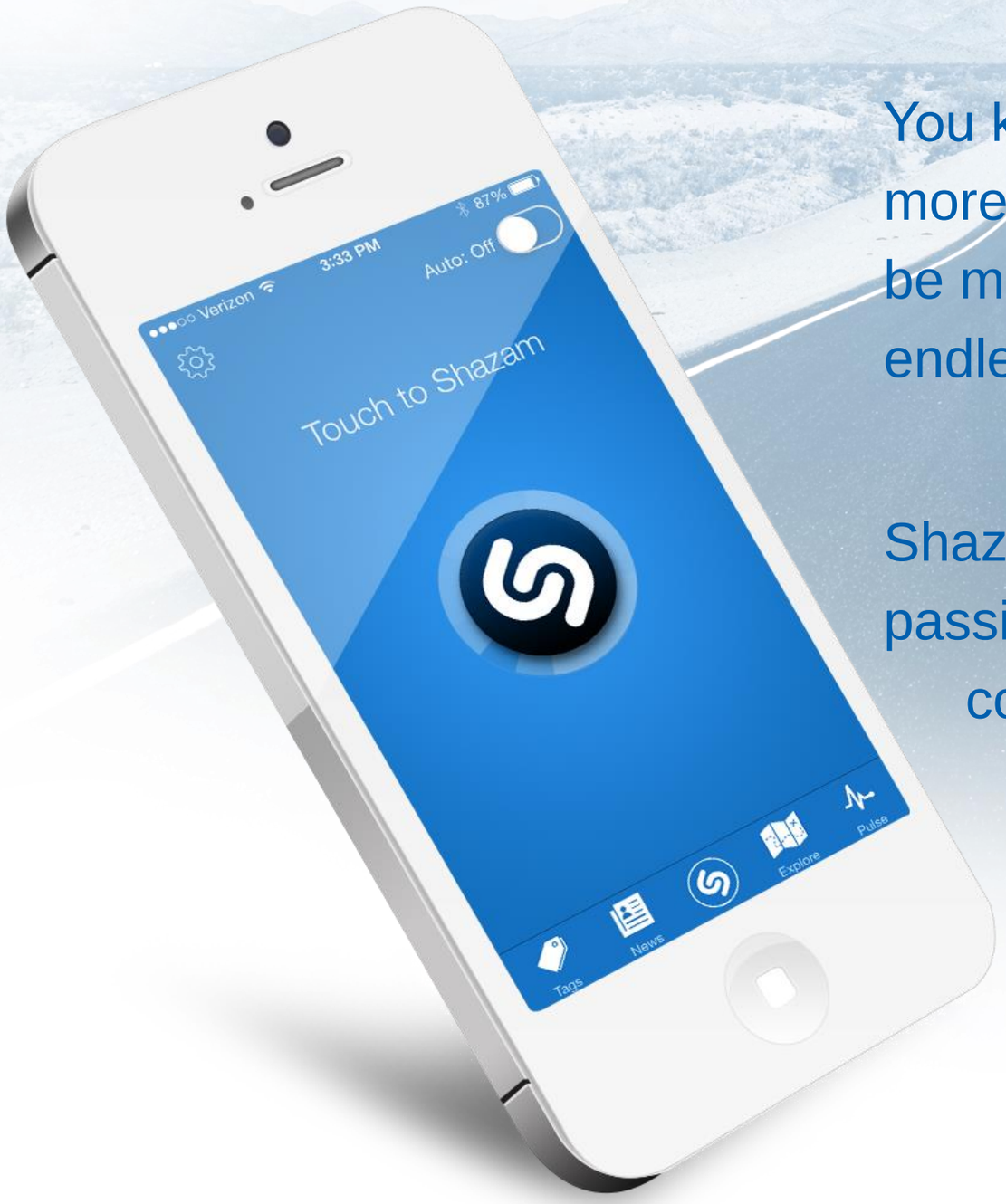
Call-To-Action:

Shazam logo

Campaign Highlights:

- Interaction rate: 109%
- Campaign length: 30 days
- Take away: Win this vehicle

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You know where we started…but Shazam is so much more than music recognition. Because any audio can be made Shazamable, the marketing possibilities are endless.

Shazam delivers your message by invitation. We take passive experiences and deliver them to engaged consumers that provide their active attention.

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SHAZAM®

MINDSHARE	Mobile Becomes Dominant	Ciaran Norris	12 Feb 2014

Background
Recent Nielsen figures suggest that mobile devices are now the single largest access point for the internet. According to the report, US adults now spend 34 hours on the mobile internet versus 27 hours on desktop devices. The report is in line with recent figures from Facebook and Twitter which now receive the majority of their users and traffic through mobile devices; but it is a significant tipping point nonetheless.

Details/Implications
Whilst commentators have been proclaiming the 'year of mobile' since almost the turn of the millennium, this data is a sign that if such a thing existed, that year has been and gone: we are now in the mobile age. Whilst this will generate a lot of analysis, a few key points are clear.

Mobiles are or will be the primary media devices: Whilst Americans still spend an incredible amount of time watching TV, in markets such as Australia mobile is soon likely to become the largest single media device by usage, at least amongst smartphone owners (who make up >70% of the population and are most attractive to most advertisers).

The mobile internet is very different to the desktop web we're used to: A majority of internet access on mobile devices is spent on apps, and a majority of that on games and then social apps, many of them ad-free. The likelihood of one-size-fits-all properties like portals emerging on the mobile internet seems unlikely, which changes the nature of reaching people using the net dramatically.

Personal computing is just getting started: There's really nothing personal about a large computer which sits on a desk, or even about a laptop. But mobiles, or at least smartphones, are almost ubiquitous in their owners' daily lives and also have much more personalized services. The existence of the address book and camera roll means that it is much easier for services to get the sort of data it took Facebook years to build up.

Targeting is going to change: Although it's not entirely true to say cookies don't work on mobile, it's definitely the case that they don't often work in the way we're used to. On top of that there's the fact that mobile devices actually carry and emit a multitude of other targeting signals, though that doesn't mean we should always use them. App scraping is just one of a number of new methods being pushed that brands would be wise to think long and hard about before using.

Classification and measurement are still to be solved: Arguments that media dollars should shift to mobile because people spend so much time with them are misguided and simplistic. As an industry there is a need to prove the value of 'traditional' display and video formats on mobile, particularly on smartphones; strategies need to be more sophisticated in understanding the differences in usage between smartphones and tablets; and the answer might not always be ads, but often might be branded apps or using mobile as connecting devices in trans-media campaigns. But, equally, doing nothing is simply not an option any more either and the clients that get on board now and help to solve these problems will be the ones that win in the long run.

Summary
The rapid spread and evolution of the mobile internet since the release of the iPhone in 2007 has left many publishers, advertisers and agencies gasping. But this most recent data shows that now is definitely the time for clients to embrace the challenges and opportunities that mobility brings. As the computing power and capabilities of these devices continue to increase at the same time as prices come down (in the Android world at least), this shift is only going to speed up.

Background

The EU Commission and Google agreed on 5th February to a number of concessions in how the search engine displays competitor's listings on its results page.

Details

EU regulators have been investigating Google's search business practices since 2010, after accusations leveled at the search company that they were favouring their own services and products by displaying them more prominently in the results page. The EU Commission and Google came to a consensus after the third proposal was submitted, addressing four areas of concern:

1. Google favoring their own specialist search listings over competitors
2. The use of content from competing specialist search services in Google SERPs
3. Exclusivity of Google advertising on publisher's websites
4. Migration of AdWords accounts to competitor platforms

Under the new proposal, Google will have to display three competitor results (including logos) alongside Google results, when using a specialized search product.
Google will also remove the restrictions in place when migrating Google campaigns over to competitor platforms, such as Microsoft's' Bing. The proposals have come under fire from parties protesting against the fact the exact terms of the settlement will not be made public until the deal is finalized.

Implications

Search Market
Google already displays competitor links within its listings, though the impact on Google's own specialist search products is unclear. The proposal also raises the issue of which three competitors will have their results displayed alongside Google's. Presumably this will be decided algorithmically, but will still leave a lot of competitors out in the cold.

Advertisers
With up to 45% of overall organic traffic being generated through specialised search services (Google Places, Images, Shopping Feed), we could see click through rate (CTR) negatively impacted on those services as users are exposed to a wider range of results from a broader spectrum of services, all offering similar results. Consequently, advertisers should place greater emphasis on optimizing their listings across all these services, not just Google, in order to remain visible and not decrease overall traffic volumes.

On the Paid Search side, there is no proposed change to the current algorithm which determines where advertisers are placed on the results page. However, the number of competitors in the specialist search product space (e.g. Product Listing Ads – PLAs) will increase, resulting in higher cost per clicks as more advertisers compete for less space. However, advertisers will be able to opt out from appearing in Google specialist services, without it impacting their natural search rankings.

Summary

Google's third proposal has not been accepted yet, with the Commission reviewing the complainants' commentary and feedback before deciding to make it legally binding. However, if implemented, this will be the biggest change to the Google SERPS in recent times. All future launches of Google's specialist search products will be subsequently monitored by the commission's trustee.

SecondSync

WATCHING WITH FRIENDS

How TV drives conversation on Facebook



A SECONDSYNC WHITE PAPER

FEBRUARY 2014

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Different Engagement Patterns 8

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Sport 11

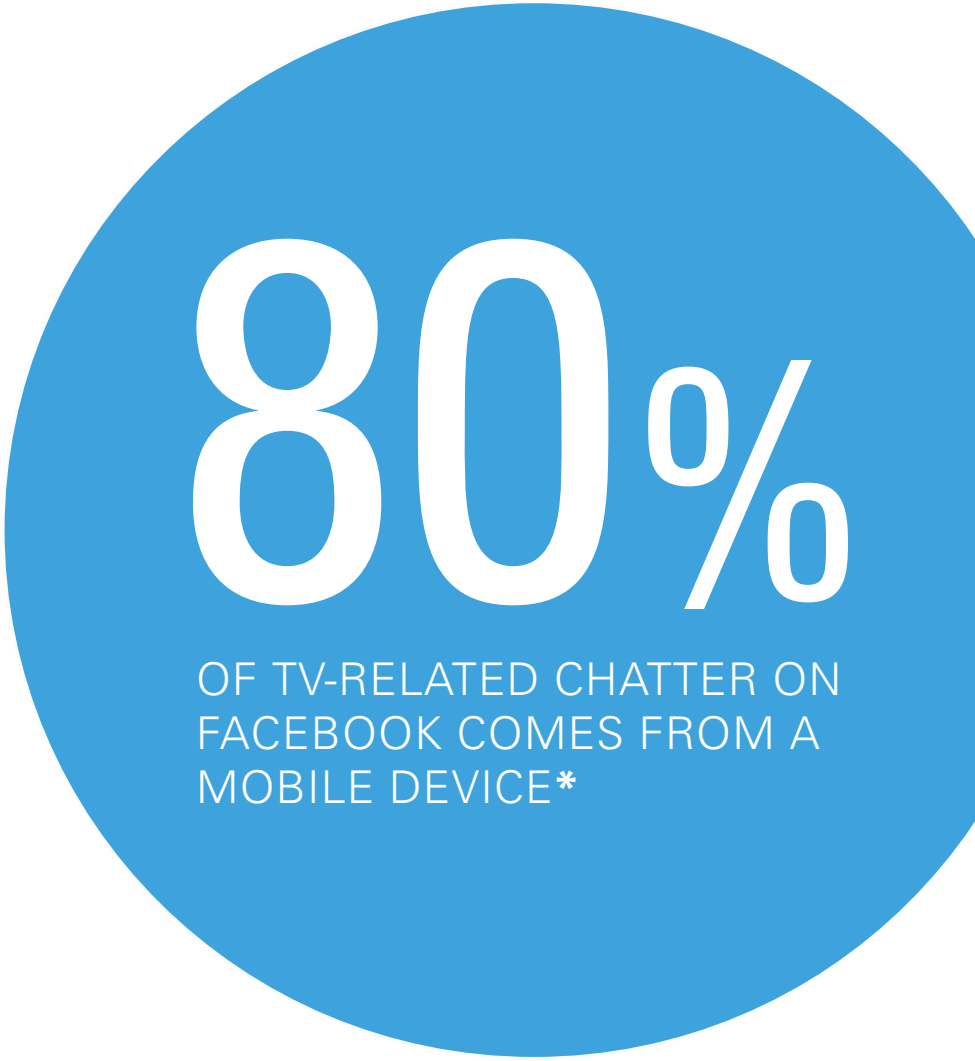
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*Across all telecasts analysed for this paper

Introduction

Social TV analytics has moved from the media lab to mainstream media research in just four years. SecondSync has played a leading role in pioneering the real-time, big data analysis of social interactions mapped to TV programmes, working with the UK's leading broadcasters and advertising agencies. The company is now spearheading the next stage in the evolution of social TV analytics.

This white paper – the early fruit of that innovation drive – presents the initial findings of a major study, using SecondSync's social listening technology and social TV expertise to analyse total discussion levels on the Facebook platform in the US, UK and Australia. This is the first in-depth analysis of Facebook's social TV data across multiple territories, and the first time Facebook has released social TV analytics to the industry at this scale.

The huge volumes of public conversations on Twitter have meant that until now social TV has largely been synonymous with one social network. SecondSync's findings offer an additional perspective, one that is able to draw on Facebook's rich demographics, broad reach, and multiple interaction types. My hunch is we'll be debating the efficacy of each platform well into 2014 and beyond because they are different and we use them differently.

As other social platforms emerge SecondSync will further broaden the sources of its social TV analytics, and present a more nuanced view based on different platform functionalities, and ever-changing audience behaviours. It all points to a more complex, but at the same time even more exciting future for social TV analytics.

Graham Lovelace
Non-executive director, SecondSync Limited
Director, Lovelace Consulting Limited

This is the first in-depth analysis of Facebook's social TV data across multiple territories, and the first time Facebook has released social TV analytics to the industry at this scale

Executive Summary

1

Contrary to previous assumptions, most TV-related Facebook Posts happen within the show airing.

2

Up to a quarter of the TV audience is posting content related to the show they are watching on Facebook.

3

The scale of social TV chatter seen on Facebook corresponds to the broad reach of the social network.

4

Posts are the catalyst for TV-related conversations that continue in the form of Comments.

5

80% of TV-related chatter on Facebook comes from a mobile device.

TALKING ABOUT TV



Real-time Engagement

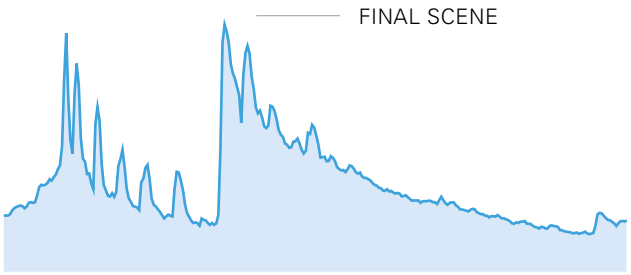
The fact that people talk about TV on Facebook has never been in doubt. However, it has often been assumed that TV-related Facebook interactions happen outside the show airing and not in real-time. Our analysis challenges this assumption.

Looking at a minute by minute breakdown of anonymised aggregated TV-related Facebook interactions it is clear that audiences are talking about TV while they are watching it. The majority of TV-related activity happens during the show and we see huge peaks of activity that map directly to key events in the telecast.

60%

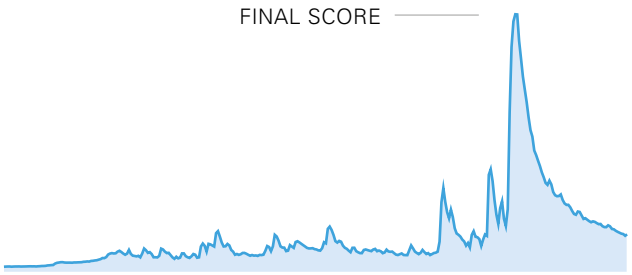
OF DAILY FACEBOOK INTERACTIONS ABOUT A TV SHOW OCCUR DURING THE AIRING*

INTERACTIONS
4,477,454



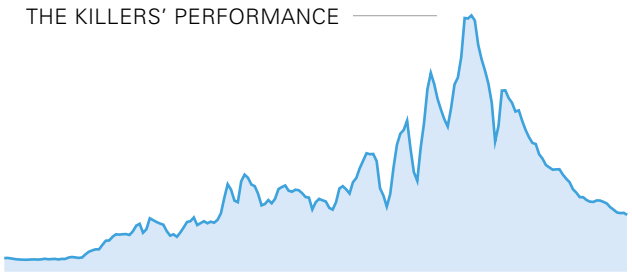
BREAKING BAD
AMC | 29TH SEPTEMBER 2013

INTERACTIONS
7,084,697



CHIEFS VS COLTS NFL PLAYOFF
NBC | 4TH JANUARY 2014

INTERACTIONS
1,987,972



X FACTOR UK
ITV | 14TH DECEMBER 2013

*Across all telecasts analysed for this paper

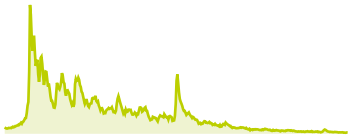
Types of interaction

We looked at how TV audiences engage with shows using four different types of Facebook interaction: Posts, Comments, Likes and Shares. Each type exhibited distinct repeating patterns of engagement that were consistent across the TV schedules.

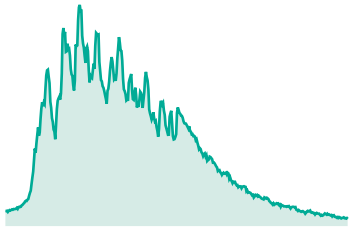
THE SOUND OF MUSIC LIVE | NBC | 5TH DECEMBER 2013

INTERACTIONS

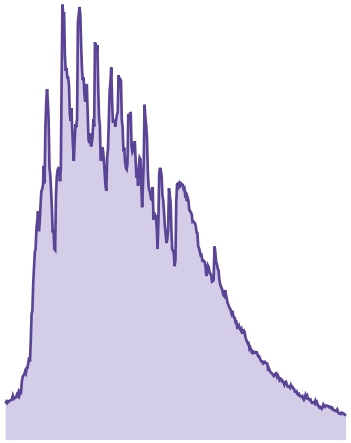
7,348,936



POSTS (501,073)
Posts are most closely aligned to real-time TV 'events'.



COMMENTS (2,097,815)
The bulk of TV conversations are contained in Comments.



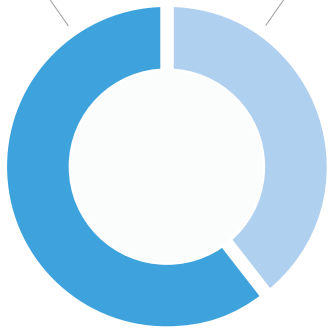
LIKES (4,730,608)
Interactions from Likes of TV-related content have a long tail of engagement.



SHARES (19,440)
Shares are used less in TV chatter than the other interaction types.

CIs 65%

TIs 35%



CIs VS TIs
For The Sound of Music Live there were more click interactions than text interactions

Different engagement patterns

Viewers use Posts to start conversations that cluster around events in the show. In turn, Posts often seed huge volumes of Comments and Likes that have broader peaks of engagement which are sustained for a much longer time period as friends continue discussions long after the show has aired.

THE WALKING DEAD | AMC | 13TH OCTOBER 2013

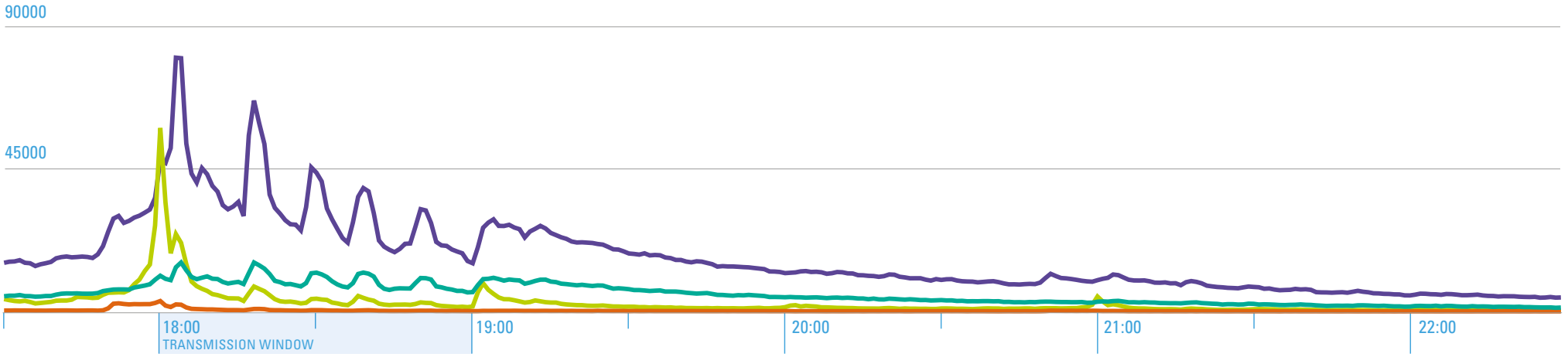
INTERACTIONS
6,682,474

POSTS
11%

COMMENTS
21%

LIKES
67%

SHARES
1%



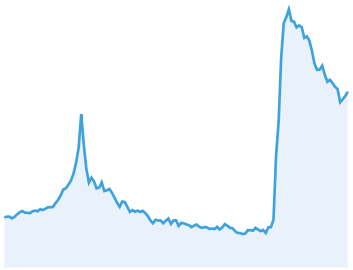
SOCIAL TV PATTERNS



Genres have distinct engagement signals

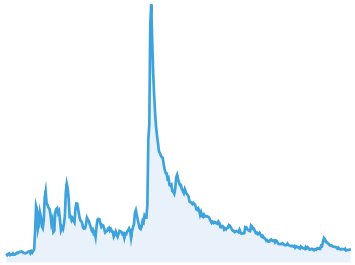
We analysed many types of shows and by visualising the results we were able to identify distinct patterns of engagement that are consistent across different genres. These genre differences reflect the nature of the content and demographics of the audience.

DRAMA
Dramas generate a bookend pattern of engagement with Facebook activity peaking at either end of the telecast.



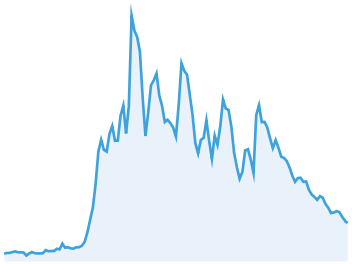
DR WHO
BBC | 23RD NOVEMBER 2013

COMPETITIONS
Posts around competition shows map directly to performances.



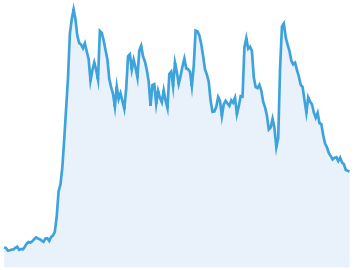
DANCING WITH THE STARS
ABC | 27TH NOVEMBER 2013

DOCUMENTARIES
Documentaries are a catalyst for Posts that generate high volumes of conversation in Comments.



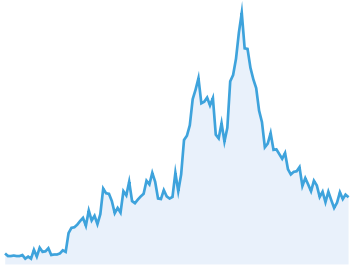
BOUNCERS
C4 | 5TH SEPTEMBER 2013

FILMS
Films are big drivers of social engagement. Iconic scenes from films tend to drive the biggest peaks in engagement.



INSIDIOUS
C4 | 7TH SEPTEMBER 2013

DAYTIME
Tabloid talk shows also drive real-time conversations with guests generating significant Facebook reaction.



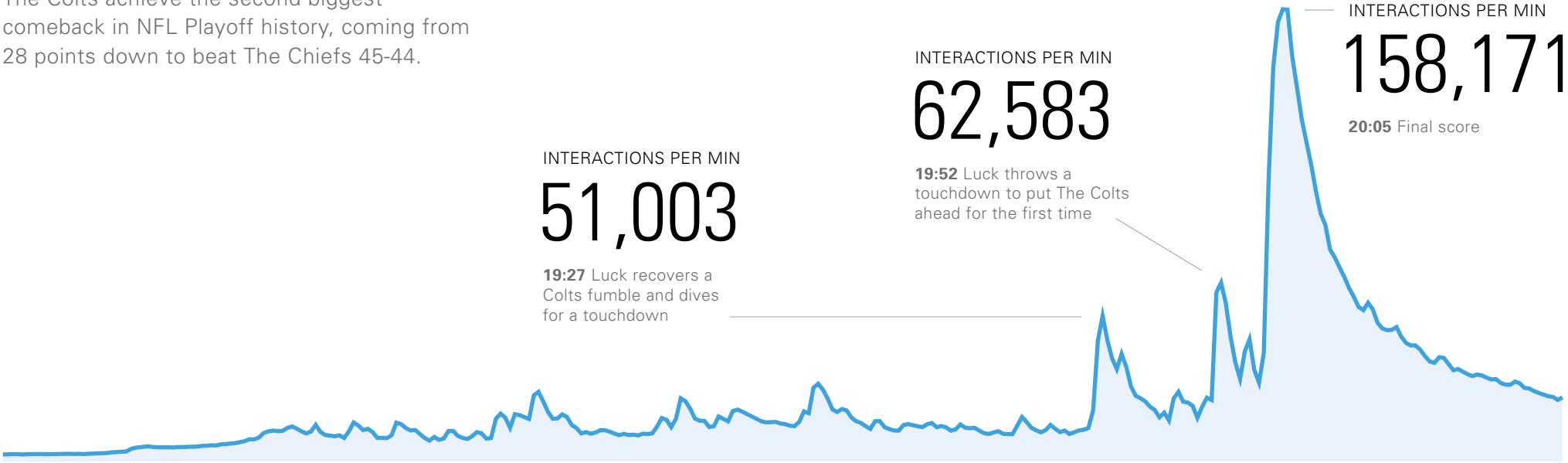
JEREMY KYLE
ITV | 5TH SEPTEMBER 2013

Sport

Sport is a huge driver of engagement across all interaction types. For instance, 2014's Super Bowl generated 185 million Facebook interactions from 50 million unique users. However, it's not just marquee finales like this that are able to generate significant volumes of engagement. As can be seen below, patterns of engagement map directly to events on the field with the biggest volumes of interaction seen after big plays, controversial officiating decisions and directly after the end of games.

NFL PLAYOFF, INDIANAPOLIS COLTS VS KANSAS CITY CHIEFS | NBC | 4TH JANUARY 2014

The Colts achieve the second biggest comeback in NFL Playoff history, coming from 28 points down to beat The Chiefs 45-44.



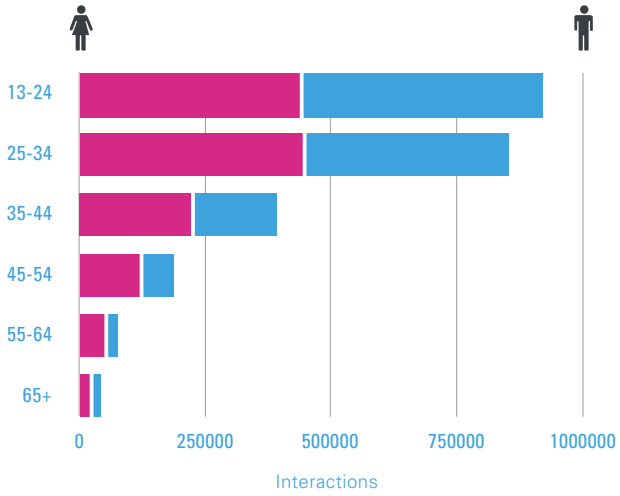
DEMOGRAPHICS



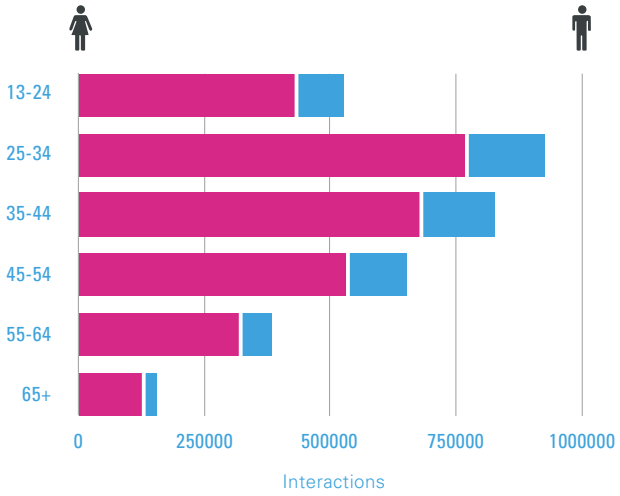
Age and gender

Facebook has a very broad user base that is spread across all demographics. Using the depth of demographic information coming from anonymised, aggregated Facebook data we can see which segments of the TV audience are most engaged and how that changes across the schedules.

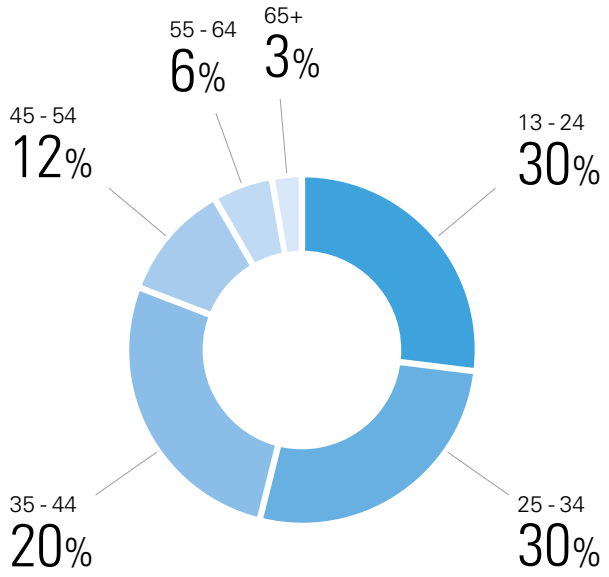
BREAKING BAD
AGE AND GENDER BREAKDOWN



SOUND OF MUSIC LIVE
AGE AND GENDER BREAKDOWN



FACEBOOK SOCIAL TV*
AGE BREAKDOWN



*Across all telecasts analysed for this paper

Devices

In keeping with the concept of second screening, most TV-related engagement on Facebook occurs via a mobile device.

80%

OF TV-RELATED CHATTER ON FACEBOOK COMES FROM A MOBILE DEVICE*

Despite a trend towards mobile, the devices used to generate Facebook interactions vary depending on the genre of show, illustrating the contrasting social media habits of different demographics.



Facebook.com in the browser is most popular with the News and Current affairs audience.



Entertainment show interactions are more likely to be generated by mobile apps.

*Across all telecasts analysed for this paper

A Global Phenomenon

Using Facebook's detailed geo-location data we can accurately analyse activity by country and filter out chatter from other regions. Here we see total interaction figures for the X-Factor final across three different territories.

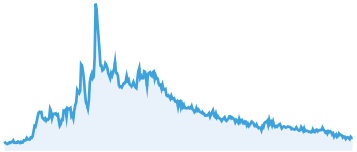
INTERACTIONS
1,987,972



X FACTOR FINAL (UK)
ITV | 14TH DECEMBER 2013



INTERACTIONS
246,909



X FACTOR FINAL (US)
FOX | 18TH DECEMBER 2013

INTERACTIONS
265,447



X FACTOR FINAL (AUSTRALIA)
7 | 28TH OCTOBER 2013

THE TV AUDIENCE



Conversion

Because of Facebook's size (71% of adults online in the US[1]) and broad demographic spread, interactions are generated by a group that is broadly representative of the general population.

For a two week period we tracked all prime-time UK television-related interactions on Facebook.. We also looked at high profile, prime time shows in the US and Australia.

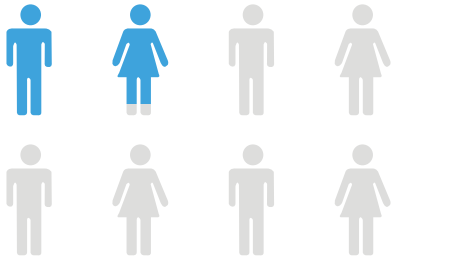
We found that the number of individuals engaging with shows in real-time on Facebook accounted for a significant proportion of the TV audience when compared with ratings data. In some cases, this was almost a quarter of the TV audience.

PERCENTAGE OF TV AUDIENCE INTERACTING WITH FACEBOOK[2]



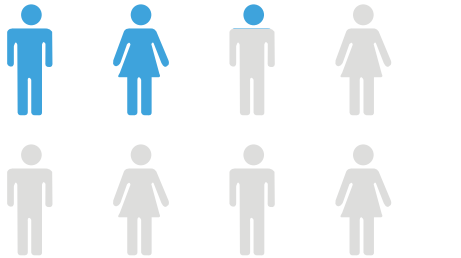
10%

UK X FACTOR FINAL
ITV | 14TH DECEMBER 2013



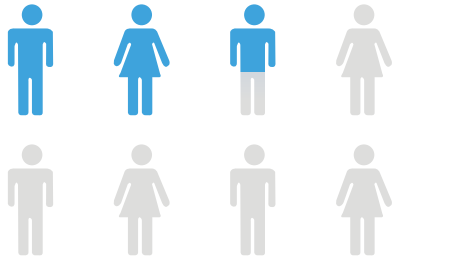
19%

THE SOUND OF MUSIC LIVE!
NBC | FRIDAY DEC 5TH 2013



22%

THE WALKING DEAD
AMC | 13TH OCTOBER 2013



24%

BREAKING BAD FINALE
AMC | 29TH SEPTEMBER 2013

1 Pew Research Center, Social Media Update 2013
2 Calculated using publicly available average audience figures

CONCLUSION



Conclusion

When looked at holistically, real-time activity around TV and Sport on the Facebook platform is hugely compelling and there are important commercial implications. Audience measurement, TV planning, content discovery, direct response advertising, TV commissioning and research are just some of the sectors that will benefit from the insights coming out of the world's biggest social network.

TV is an important area for Facebook and it has been actively encouraging activity in this space for some time. Pages for shows, the adoption of the hashtag and the 'Watching' status update have all contributed to the high volume of interactions.

SecondSync will continue to work closely with Facebook to surface actionable insights. Areas of future research will include investigating the extent to which Facebook drives TV tune-in, measuring the reach of TV-related interactions, and looking at the effectiveness of Facebook calls to action in TV advertising.

Areas of future research will include investigating the extent to which Facebook drives TV tune-in and measuring the reach of TV-related interactions

METHODOLOGY



Methodology

SecondSync and Facebook worked together to make sure the data was of the highest quality without impacting on the privacy of Facebook users and clients.

Using proven techniques established over three years of analysing social TV data, SecondSync generated complex search terms based on show titles, talent and narrative, which were then provided to Facebook. Facebook used these search terms to calculate anonymised statistics of total discussion volumes for the search terms, aggregated at telecast airing window, daily and minute level. In addition, Facebook used these search terms to randomly select a small number of anonymised public Facebook posts that SecondSync used to test the accuracy and quality of its search terms. Terms that did not pass QA testing were revised and re-submitted to Facebook. Facebook provided the resulting statistics to SecondSync for analysis and use in preparing this study. No private posts, user contact information or client advertising data whatsoever was made available to SecondSync by Facebook.

Demographics and minute level data generated in this study came from a sample of high profile, predominantly prime-time shows, which aired between September 2013 and January 2014 in the UK, US and Australia. Chatter distribution statistics came from a study of 1500 prime-time UK TV shows, broadcast between 1st September 2013 and the 15th September 2013.

APPENDIX

SAMPLE US SHOWS

NFL Wildcard Round - Chiefs at Colts

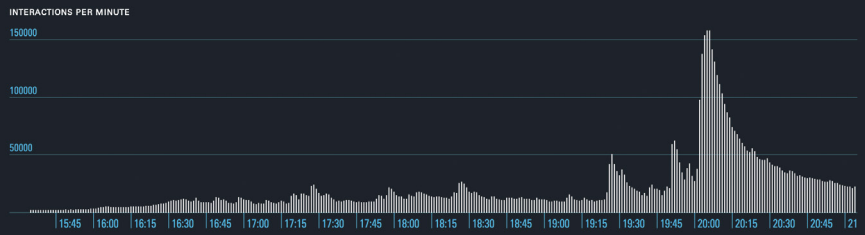
NBC | 4 JAN 2014 | 16:05 (EST)

TOTAL VOLUME
7,084,697

POSTS	COMMENTS	LIKES	SHARES
922,343	1,931,978	4,176,747	53,629

UNIQUE USERS
2,701,154

MALE 52% | FEMALE 48%



The Walking Dead

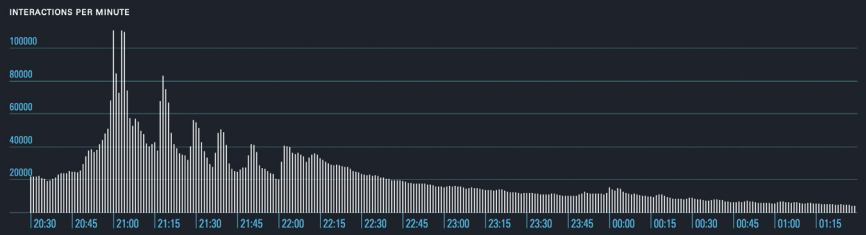
AMC | 13 OCT 2013 | 21:00 (EDT)

TOTAL VOLUME
6,682,474

POSTS	COMMENTS	LIKES	SHARES
740,882	1,397,266	4,483,855	60,471

UNIQUE USERS
3,623,981

MALE 37% | FEMALE 63%



The Sound of Music Live!

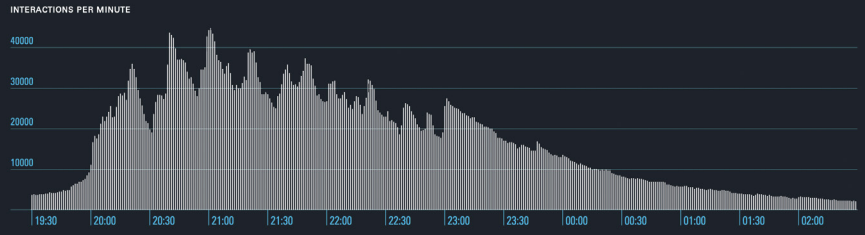
NBC | 5 DEC 2013 | 20:00 (EST)

TOTAL VOLUME
7,348,936

POSTS	COMMENTS	LIKES	SHARES
501,073	2,097,815	4,730,608	19,440

UNIQUE USERS
3,496,838

MALE 17% | FEMALE 83%



Breaking Bad

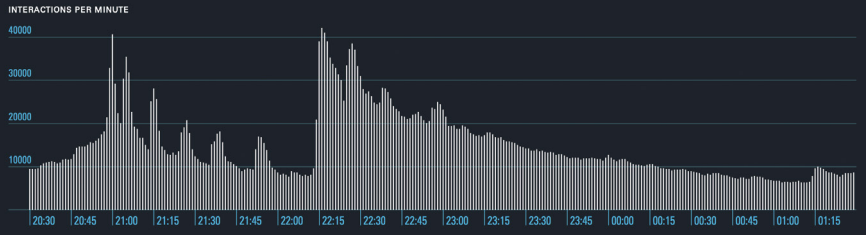
AMC | 29 SEP 2013 | 21:00 (EDT)

TOTAL VOLUME
4,477,454

POSTS	COMMENTS	LIKES	SHARES
564,058	974,144	2,899,367	39,885

UNIQUE USERS
2,491,473

MALE 47% | FEMALE 53%



SAMPLE US SHOWS

Scandal

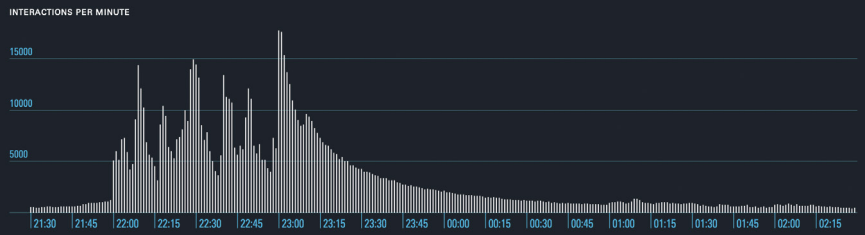
ABC - USA | 12 DEC 2013 | 22:00 (EST)

TOTAL VOLUME
971,140

POSTS	COMMENTS	LIKES	SHARES
106,902	140,324	717,519	6,395

UNIQUE USERS
390,253

MALE 15% | FEMALE 85%



Blackfish

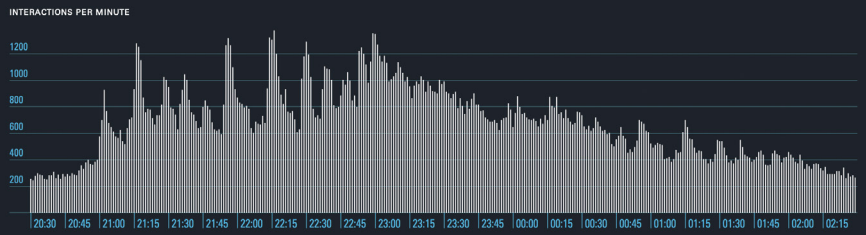
CNN | 24 OCT 2013 | 21:00 (EDT)

TOTAL VOLUME
245,926

POSTS	COMMENTS	LIKES	SHARES
33,161	71,653	132,203	8,909

UNIQUE USERS
129,319

MALE 26% | FEMALE 74%



Dancing With the Stars (US)

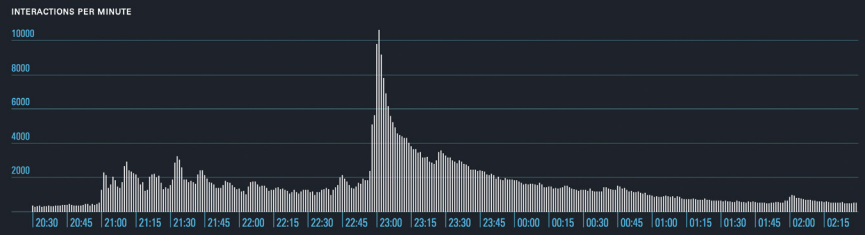
ABC - USA | 26 NOV 2013 | 21:00 (EST)

TOTAL VOLUME
577,773

POSTS	COMMENTS	LIKES	SHARES
57,437	107,496	406,098	6,742

UNIQUE USERS
352,968

MALE 12% | FEMALE 88%



The X Factor USA

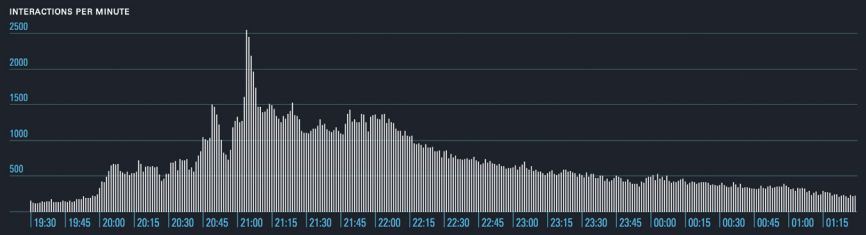
FOX USA | 18 DEC 2013 | 20:00 (EST)

TOTAL VOLUME
246,909

POSTS	COMMENTS	LIKES	SHARES
33,367	51,910	160,579	1,053

UNIQUE USERS
162,262

MALE 19% | FEMALE 81%



SAMPLE US SHOWS

The Blacklist

SecondSync

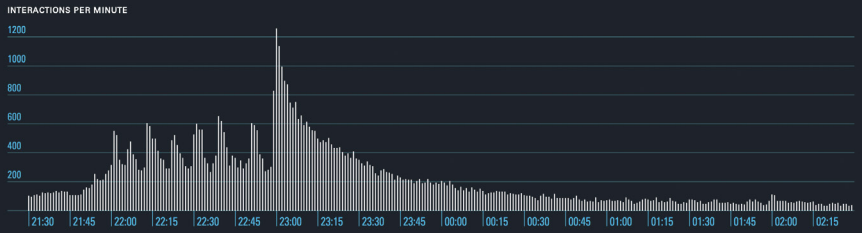
NBC | 2 DEC 2013 | 22:00 (EST)

TOTAL VOLUME
67,331

POSTS	COMMENTS	LIKES	SHARES
10,718	21,965	34,587	61

UNIQUE USERS
41,129

MALE 24% | FEMALE 76%



Marvel's Agents of S.H.I.E.L.D (US)

SecondSync

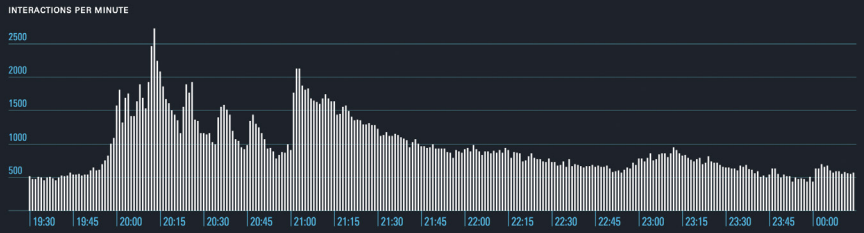
ABC - USA | 24 SEP 2013 | 20:00 (EDT)

TOTAL VOLUME
274,587

POSTS	COMMENTS	LIKES	SHARES
40,319	82,108	150,800	1,360

UNIQUE USERS
176,215

MALE 52% | FEMALE 48%



SAMPLE UK SHOWS

The X Factor

ITV | 14 DEC 2013 | 20:00 (GMT)

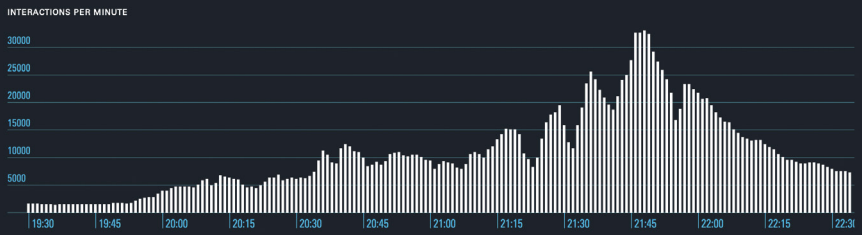
TOTAL VOLUME
1,987,972

POSTS	COMMENTS	LIKES	SHARES
249,190	547,130	1,186,187	5,465

UNIQUE USERS 876,503

MALE 23%

FEMALE 77%



Doctor Who

BBC 1 | 23 NOV 2013 | 19:50 (GMT)

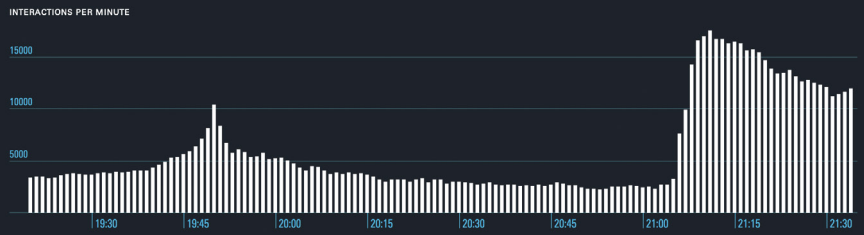
TOTAL VOLUME
809,492

POSTS	COMMENTS	LIKES	SHARES
142,088	212,731	449,100	5,573

UNIQUE USERS 443,250

MALE 37%

FEMALE 63%



I'm a Celebrity, Get Me Out of Here!

ITV | 8 DEC 2013 | 21:00 (GMT)

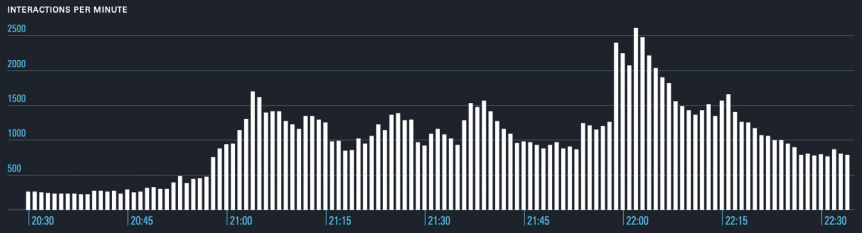
TOTAL VOLUME
129,401

POSTS	COMMENTS	LIKES	SHARES
17,665	27,875	82,918	943

UNIQUE USERS 91,330

MALE 21%

FEMALE 79%



The Only Way is Essexmas

ITV2 | 11 DEC 2013 | 22:00 (GMT)

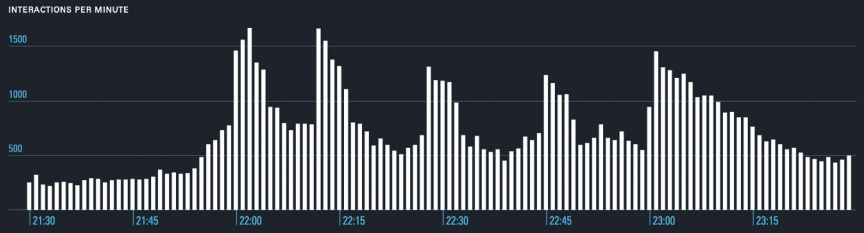
TOTAL VOLUME
86,964

POSTS	COMMENTS	LIKES	SHARES
14,766	21,893	50,272	33

UNIQUE USERS 56,310

MALE 18%

FEMALE 82%



SAMPLE UK SHOWS

Question Time

SecondSync

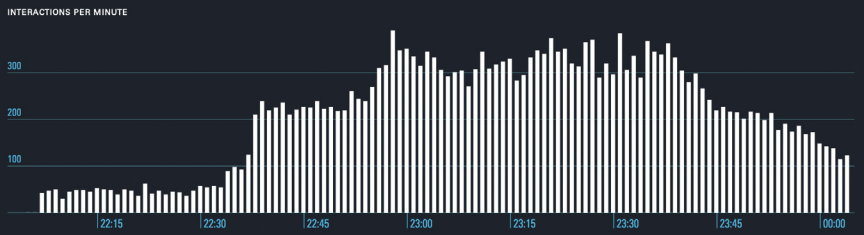
BBC 1 | 7 NOV 2013 | 22:35 (GMT)

TOTAL VOLUME
25,366

POSTS	COMMENTS	LIKES	SHARES
4,676	9,080	11,483	127

UNIQUE USERS
12,497

MALE 57% | FEMALE 43%



EastEnders

SecondSync

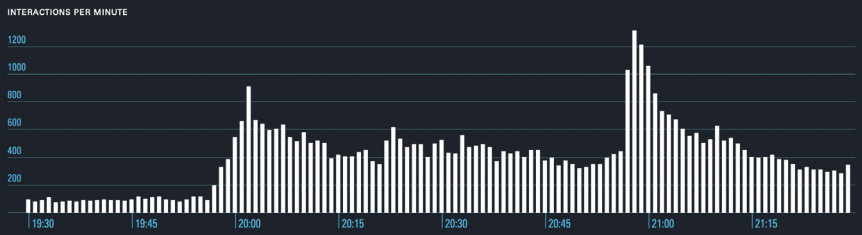
BBC 1 | 2 DEC 2013 | 20:00 (GMT)

TOTAL VOLUME
48,811

POSTS	COMMENTS	LIKES	SHARES
7,158	12,341	29,165	147

UNIQUE USERS
34,868

MALE 24% | FEMALE 76%



Made in Chelsea

SecondSync

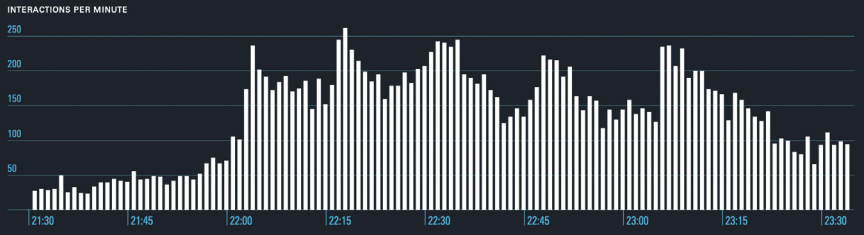
E4 | 16 DEC 2013 | 22:00 (GMT)

TOTAL VOLUME
17,137

POSTS	COMMENTS	LIKES	SHARES
3,073	4,803	9,220	41

UNIQUE USERS
11,894

MALE 27% | FEMALE 73%



SAMPLE AUSTRALIAN SHOWS

The X Factor Australia

7 | 28 OCT 2013 | 19:30 (AEDT)

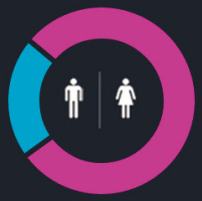
TOTAL VOLUME

265,447

POSTS	COMMENTS	LIKES	SHARES
14,956	45,872	201,870	2,749

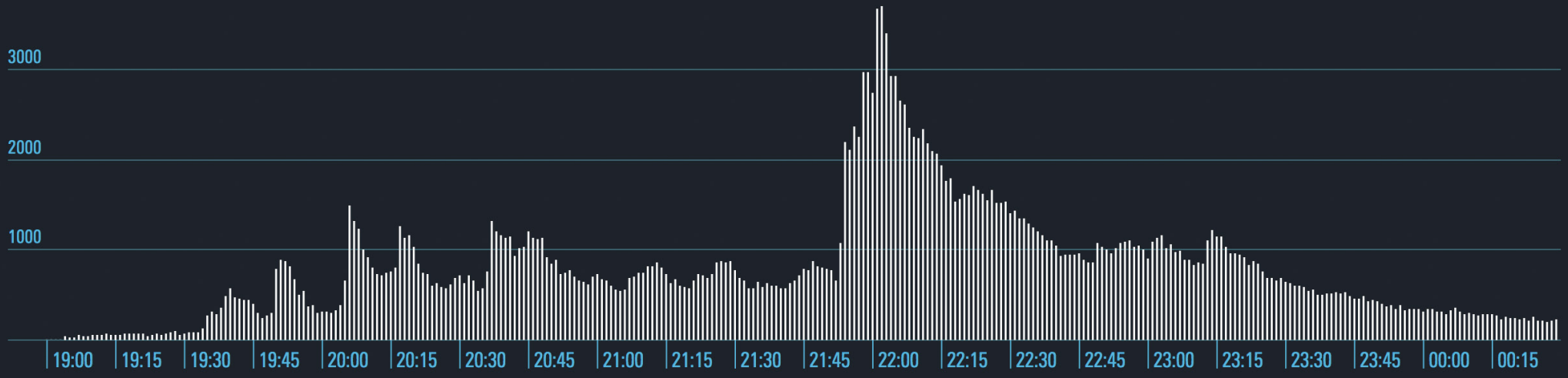
UNIQUE USERS
147,080

MALE
21%



FEMALE
79%

INTERACTIONS PER MINUTE



SecondSync

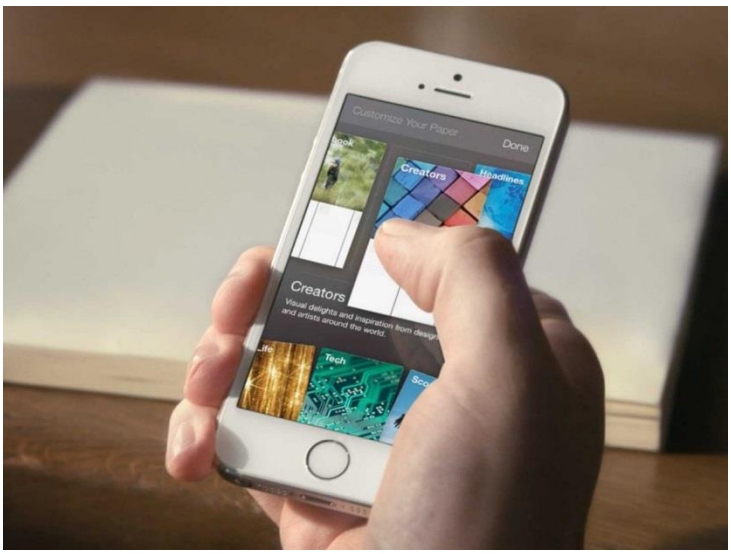
CONNECT

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info@secondsync.com
www.secondsync.com

MINDSHARE	Facebook Paper app released in US	Briony O'Connor @brionykate14	5 Feb 2014

Background



Facebook has been a hot topic of discussion recently: there was the research and industry debate around whether teens are abandoning the social network; the hefty year on year rise in revenues announced; the complete overhaul of its positioning and the 10th birthday celebrations. Amidst all of this Facebook has released the 'Paper' App on iOS in the US offering 'beautiful storytelling from friends and the world.'

Details/Implications

Paper is the first project to come out of the new Facebook Creative Labs.

The Paper app plays upon a growing need for highly customized personal content, within attractive and user friendly 'visual stories' (also very similar looking, perhaps intentionally, to Flipboard). The functionalities of the app also really play upon mobile specific features – users can swipe through content, tilt their phone to explore high-res, panoramic views of pictures, and stories/ videos appear full screen.

With smartphones more widely available it is easier for people to create and share their own miniature life stories with friends, family and followers. Beautiful images and videos are no longer restricted to those with large, expensive camera equipment and image editing software. Users can capture a moment in time, funk it up with an Instagram filter, and share it across their whole social network within minutes. Not only are users creating more content than ever before, but also increasingly becoming 'curators' of content. With all the content 'noise' there is a growing desire among consumers to weed out irrelevant information and see only that which interests them. The rising number of apps aiding this content discovery and curation (and the popularity of them) is testament to this trend: Pinterest, Tumblr, Flipboard, Zite and Foodspotting to name just a few and they all have one thing in common - they are extremely visually focused. And so is Paper.

So could the more visually appealing Paper eventually take out the main Facebook app altogether? The new Paper format does include the majority of the most popular site features including friend requests, messages and notifications. And given the success of Paper in the US already - rising to number 4 within the App Store only hours after its release - it is definitely one to watch. It is no doubt that other curation apps (Flipboard in particular) will be keeping a close eye on how the app grows within the US and elsewhere when it is available.

There are currently no advertising opportunities available within the app as its initial focus is on the native user experience. The release of the app is however an interesting move from a company that has recently repositioned its advertising focus towards reach opportunities, rather than engagement, with the app seemingly encouraging much more of the latter. If the functionality remains the same once commercial opportunities are introduced it would suggest that any brands attempting to push out content through it will have to think about content quality, and how it will cater to individual needs and interests. If anything, it will put more of a focus upon how community managers consider speaking to consumers and the content that they produce for them for this platform.

Summary

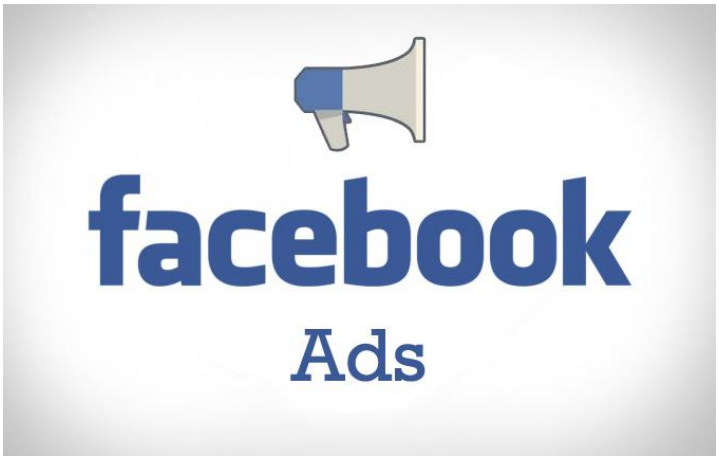
This app has been developed as a result of a growing consumer trend and results in the US to date appear to be strong. Flipboard and the like will be closely monitoring any progress to gauge the threat but it appears as though there is still a thirst within the market for such an app, despite the sheer amount already existing. While there are currently no advertising opportunities within the app it is definitely one to watch and community managers will have to consider longer term content creation plans for brands.

MINDSHARE	Facebook Kills Sponsored Stories	Hector Niel-Mee	30/01/2014

Background

Those of us that use Facebook on a regular basis would have experienced ads on our newsfeeds revealing actions taken by our friends e.g. 'Rachel likes Topshop'. For a male, this would probably seem irrelevant and equally, having your own picture and name attached to an advert on a friend's newsfeed may be considered a breach of privacy.

Last Thursday, Facebook made an announcement which could see an end to these issues – by April 9th, the Sponsored stories ad format will be cut. This comes as part of an effort announced in June last year to streamline Facebook's ad functions. Previously, Sponsored stories and page post ads were served separately; however, in future the best of both formats will be combined into one single unit.



Details

Sponsored Stories have proved a problem for Facebook in the past, eventually leading to a $20 million class-action lawsuit over the fact that users never consented to their names and profile pictures being featured on sponsored stories. This may have induced the cut, but officially Facebook are saying this new ad format is simply a continued streamlining of their advertising offerings.

In actual fact, not all that much is going to change. Wherever possible, ads will continue to include social context (your friend liked/commented on the post, or liked the page); the only difference being that you will no longer be able to create an ad with social context as the sole purpose, content will have to take center stage. Furthermore, users will be given full control over who sees what activity, with the ability to unlike or delete the content at any time. In addition, there will be the option to limit when stories about social actions are paired with ads shown to friends, using the 'ads and friends' setting.

As part of these changes, Facebook has redefined its targeting functions as having four key areas (locations, demographics, interests, behaviours). This organization creates more flexibility and precision when reaching audiences in terms of the and/or logic between groups. Historically, for example, if you selected "Parents", "Photography", "Photo uploader" within interests, the audience constructed was for people that are Parents OR interested in Photography OR People who upload [many] Photos. However, the intended audience was: "Parents that are interested in Photography and upload Photos". Now, the specific audience can be targeted as intended.

Summary/POV

The purging of Sponsored Stories comes as part of Facebook's attempt to make advertising on its platform more streamlined and relevant. Brands will importantly still be able to maintain social context, but marketers will have to rely increasingly on content rather than using the sole power of friend advocacy.

MINDSHARE	Facebook's Demise Grossly Exaggerated	Norm Johnston @ntjohnston	30 Jan 2014

Background

It's been a tumultuous week in Silicon Valley. First, Apple reported disappointing results amidst lower than expected iPhone sales and growing impatience over its next big product. Second, Google raised the white flag on its $12.5b Motorola acquisition, keeping the patents (perhaps always the main reason behind the purchase) while selling the rest to Lenovo for a bargain at $3b. Today it was Facebook's turn to announce its 2013 Q4 earnings, and it didn't disappoint. Quarterly revenues were up 63% from last year driven by strong growth in mobile advertising. Overall in 2013 Facebook chalked up $7.9b in revenue and $1.5b in profit. Not bad at all.

Details/Implications

Facebook must have been pleased with its results, particularly given recent industry debate over the last few months. There has been much discussion on Facebook's repositioning as a reach proposition rather than as a pure play social network. In other words, Facebook now sells advertising primarily on its ability to use its extensive scale and data to accurately target vast numbers of people around most of the world; this is in contrast to its historical sales pitch on building fan bases, engagement via newsfeed posts, and periodic paid ad boosts. While organic reach remains, it has diminished significantly simply due to more people and more content fighting for an increasingly small space on your mobile newsfeed. So the only way to guarantee what was previously free newsfeed reach is to buy Facebook ads or to create incredibly compelling content that satisfies Facebook's secretive and constantly evolving algorithm.

The second industry debate centers on whether teenagers are abandoning Facebook for other largely parental-free social networks like SnapChat. According to the Global Social Media Impact Study, Facebook is essentially dead to teens. While acknowledging some decline in usage, Facebook deny any such mass teen exodus. In reality, nobody really knows but Facebook, although recent research from Pew and others suggests the answer may lie somewhere in between, e.g., teens are still on Facebook. However, they're using more social networks to socialize with different people in different ways for different reasons. And regardless, they may all come back when they are older. Facebook has simply become too ingrained in too many lives to totally abandon.

What's a marketer to do? From a media perspective, Facebook will need to demonstrate better ROI than the other big display networks fighting for online video and mobile budget. Facebook is arguably well positioned given recent Datalogix and Kantar studies. And of course it still has some remaining albeit diminishing extra earned media bounce. Marketers will also need to rethink their overall user experience architecture. Based on your target audience, do you still want to drive people to Facebook from your TV ads, or will other destinations give you greater social bounce and engagement? Should Facebook be your main online content hub, or simply another distribution destination, supported by more cost-effective and integrated content management systems? If so what type of content best resonates on Facebook and optimizes your chances of algorithmic success? As consumers, particularly teens, evolve their usage of Facebook, how will you evolve your efforts? Ultimately it boils down to what are you really trying to achieve, what do your customers really want, and is Facebook a good place to do it?

Summary

Facebook's quarterly results indicate that it continues to grow despite recent noise around declining organic reach and disappearing teens. In fact, Facebook enters 2014 as arguably the world's largest scaled online targeting opportunity across multiple markets, particularly in the mobile space, which now makes up over ½ of its total advertising business. In fact, today's earnings results means Princeton University's recent report on Facebook's forthcoming demise may have been grossly exaggerated.

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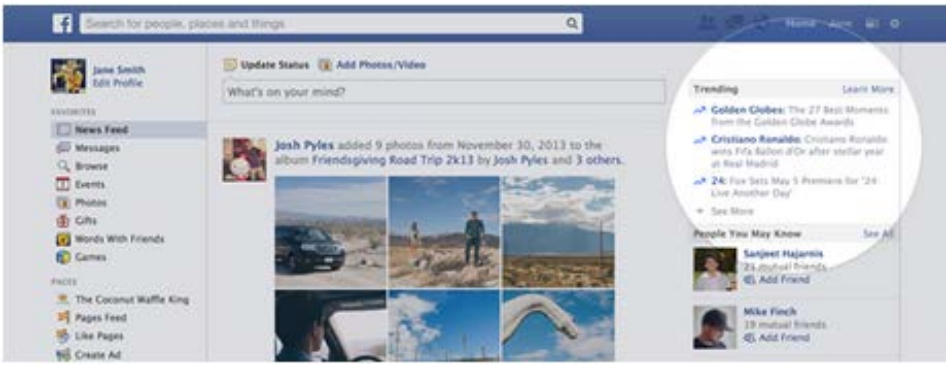
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MINDSHARE	Facebook's 'Trending Articles'	Valentina Pacheco	22 Jan 2014

Background



Facebook has just launched a feature called 'Trending Articles' on its desktop platform across selected countries such as the US, UK, Canada, India and Australia, which allows users to discover what kind of topics are most popular within their Facebook's newsfeed. This is very similar to Twitter's trending Hashtags, where users are able to see a list of the hottest topics everyone is talking about. Facebook's Trending Articles will appear on the top right hand corner of users' newsfeeds. The Trending section will show a personalized and more detailed list of topics, each with a heading and a few lines explaining why the topic is popular. When clicked on, a separate feed opens showing articles, photos, videos, status updates from friends and public pages.

Details/Implications

People from all over the world visit Facebook almost every day to express their thoughts, experiences and participate in discussions. It is also a source they turn to find out about the latest news, whether it involves their closest ones or the outside world. After Facebook saw increasing spikes amongst authentic topics of conversation around Nelson Mandela, The Golden Globe Awards, Polar Vortex and 24, the social platform was motivated to add this feature onto its interface. For the attention of advertisers, this could bring them closer to their audience in a real-time conversation space; this is the space that Twitter now dominates and the space that Facebook wants to seize in order to be seen as the place to visit for cultural related stories and breaking news.

Nevertheless, Facebook could be seen as 'stepping on Twitter's toes' with this move and with the previous roll out of the hashtags back in June. The only difference is that Facebook's Trending seem to be personalized and helpful whereas with Twitter's trends it is sometimes difficult to understand what a trending topic is about. Facebook's 'Trending Articles' gives the user better context to what it's trending by having a description next to the topic. The company is also working to select informative, concise and accurate headlines.
An advantage for Facebook is it can rely on its vast and well organized data on what people like and who they are close to, allowing Facebook to personalize based on trending topics across Facebook worldwide as well as what peers are interested in.

At the moment, traffic from Facebook to media sites has increased by over 170% throughout 2013. Facebook has not yet stated whether it is planning to sell sponsored trends like Twitter does, but this of course could be of great advantage for marketers and advertisers. A Facebook spokesman said that if they do, the offering is expected to be different from Twitter's promoted trends. Moreover, the social giant's 'Trending Articles', is still a very early version and is only appearing in 20 percent of its 1.2 billion users' pages and hand-picked countries.

Summary

With this new feature, users will have a separate 'trending' news section added to their feeds, enabling publishers to increase readership on their site. This means publishers can increase the efficiency behind targeting specific audience groups who 'share' and 'like' relevant stories that are culturally trending.

iHealth It's not just steps you can monitor with a wristband or a dongle; it covers heart rates, weight, sun exposure, calorie burn, breathing, CO2 exposure and anything else you can think of. What was interesting was to see the convergence of iHealth, wearable tech and connected homes. We're moving past a moment where we want to know how many steps we've taken; now we want to know how many steps, what calories we burned, how much sun we were exposed to during that workout, what the O2 levels are in our glass walled gym where we did the work out and how many times that post we tweeted just before we started has been RTd – it points to a future where consumers want integration and single points of contact to simplify a complex world.

Wearable Tech Again, this is a massively growing area. Last year the wearable tech companies were few and far between, this year they dominated the South Hall. There were watches, bracelets, dongle, pendants, pebbles and more. Some are going for the all-in-one approach – which may or may not work as it rivals the capability of the device in your pocket – others were going for niche audiences and even emotions. The Love Bracelet made me smile; allowing you to share messages and moments between loved ones when apart. Smart brands will work out a way of integrating themselves into these utilities in meaningful and useful ways for consumers.

Iteration, Not Necessarily Innovation TVs got bigger, but they also got bendier. HD became UHD and 4K became 8k. Smart watches got more apps and 3D printers (again another massive growth on last year) could print more things; did any of it really shake our world like when we first saw the iPhone or a tablet? I don't think so. It was a cautious approach from the majority of those exhibiting at CES – even the big boys like Samsung, LG and Panasonic were showing off devices that we're unlikely to see in consumers hands any time soon. Who wants a curved phone? The first time you sit down its going to snap. CES 2014 showed us the possibilities of technology, without necessarily showing us the killer devices we're going to own in 12 – 24 months.

Google Glass (Augmented Humans) and Fashion Anybody else notice the amount of people who were walking around wearing Google Glass? There were literally hundreds. Now, the common theme is that they all looked a bit silly, but maybe all we are waiting for is a good designer to come along and make these devices look cool? Everyone is waiting for the one player not at CES (Apple) to make its play into this world, and the hiring of Burberry's Angela Ahrendts suggests that Apple understands better than Google the influence of design and fashion. If you spotted them, there were also quite a few design / fashion related booths. The convergence of fashion and tech is underway and will undoubtedly speed up the adoption of devices that at present look a bit clumsy.

Autos of the Future Anyone who made it into the North Hall couldn't help but be impressed by the auto tech mash-up that was on offer. Aside from all the new and exciting integrated navigation and entertainment devices on show, there were also some full-on concept cars to wow the crowds. These may be way off into the future, but the focus was very much on sustainability, not engine size, an interesting play for the car manufacturers in a world where people are placing more emphasis on the sustainability credentials of companies.