From Brexit to the US elections, 2016 was a volatile year with unprecedented uncertainty. The world of marketing was no exception. From changing algorithms across key social platforms to new evolutions in IoT and Virtual Reality to fundamental challenges with trust in advertising, connecting with the right audiences has never been more complex for marketers.

While disruptions caused by technology and innovation are not new, the growing focus with using the latest tools rather than growing the bottom-line seems to be. With no shortage of new solutions that promise to be the one answer, marketers should be careful not to focus too much on the tools they use, but rather what they can achieve using those tools. In the end, what matters most is one thing: business impact.

Our 2017 report focuses on what we see as the growing considerations that will impact brands. Based on changes we observed in 2016, we’ll explore areas such as paid, search, influencers, conversational technologies, B2B and others. These topics all point to the fact that we are still just at the beginning of an era where the customer is at the center. In keeping with our own advice to focus on business impact, we include more than just observations: we also present recommendations to leverage these advances to achieve results.

We hope you find this report informative and insightful. If you’d like to hear more (or share your thoughts), please reach out to us – we’d love to hear from you.

Thank you,
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A TURNING POINT FOR
IMMERSIVE CONTENT
2017 IS GOING TO MARK A TURNING POINT IN THE WAY AUDIENCES INTERACT WITH AND CONSUME VIDEO CONTENT.

With the releases of the HTC Vive™, Oculus Rift, PlayStation® VR as well as Niantic Labs’ Pokémon GO on Unity, both virtual reality and augmented reality became important technological breakthroughs in 2016.

What’s Next

We believe 2017 will focus on more immersive video content that features elements of interactivity as well as more applicability for general usage.

It’s important to note that Snap Inc., Facebook and Google are all heavily invested in virtual reality and augmented reality. These companies will continue to gradually roll out capabilities that leverage immersive video technologies and will help amplify the reach of both virtual reality and augmented reality content to the masses.

MOBILE VIDEO CONSUMPTION

Trends

Efficient Streaming + Data Are Everything

More audiences will begin consuming a majority of their content on mobile devices with the introduction of 5G wireless. Weekly share of time spent watching TV and video on mobile devices has grown by 85% from 2010 to 2016. On fixed screens, consumption has decreased 14% over the same period.

Large telecoms are investing heavily in content and they will need to support video consumption through efficient and quick stream loads.

Strategic Partnerships Matter

Services like Comcast and DirecTV Now may potentially partner with Snap Inc. and Facebook to distribute television content through these platforms. 2016 has shown that networks like NBC are confident in such platforms by creating partnerships with Snap Inc. for The Tonight Show with Jimmy Fallon, the 2016 Summer Olympics and The Voice. In 2017, more networks may take a similar approach.

Length + Formatting May Change

This change in entertainment consumption amongst audiences may provoke a change in the traditional length of content formats. Mobile first content may run shorter than 6 minutes per episode, with multiple episodes being distributed throughout the week. Networks will test mobile consumption habits but they will first reposition existing 30 minute shows for mobile.

Depending on the mobile audience drop-offs, they will make adjustments to the formats. Mobile first content consumption may also lead to a rise in 360 video advertisements between shows. Brands should invest in 360 video advertisements in order to take on companies like BuzzFeed, CNN and Complex who are placing an emphasis on live video. Moreover, many new media companies like Cheddar and TheBlaze are popping up that are strictly focused on live video. Expect to see these trends continuing in 2017.

Major Takeaways

- Expect change in traditional content formats from 30 minute shows to less than 7 minutes.
- Media companies will continue to push “live streaming” as a way to inform their audiences on social. Live-focused digital media companies such as Cheddar will continue to emerge.
- In 2017, there will be a rise in 360-degree video advertisements on mobile devices.
- Anticipate an evolution to 5G wireless which will support telecoms’ emphasis on mobile video content.
- Consumers will be comfortable consuming video on mobile without data charges.
- Networks partner with Snap Inc. and Facebook to distribute shows to targeted audiences watching on mobile devices.

How Brands Should Respond

- Brands should place more emphasis on short form video content since audiences will begin consuming more video content on mobile devices.
- Brands can distinguish themselves by creating mobile highly impactful 360 degree advertisements.
- Brands should partner with video influencers on live streaming, mobile first campaigns via Facebook Live.
- Brands should explore creating live content to document their presence at real-time trending events such as the Daytona 500, SXSW, Super Bowl and Cannes Film Festival.
OUT OF HOME VIRTUAL REALITY

Trends

Interaction + Price Points Matter

Out of home virtual reality could see a major spike in 2017. Only 25% of consumers are willing to spend more than $250 on a VR device and consumer awareness of VR is only 33%. With the HTC Vive™ and Oculus Rift at high price points, the average consumer will first interact with these devices at high foot traffic locations in the form of VR booths or experiential marketing exhibits.

Airports, shopping centers, and landmarks would serve as destinations for these immersive content experiences. Theme parks and shopping malls are already beginning to adopt these technologies. Positive experiences at these destinations will lead to more awareness of the creative possibilities of virtual reality amongst the general population. Similar to how arcades in the ‘70s and ‘80s brought video games to the masses, out of home virtual reality will educate consumers on how impactful immersive content can be.

Major Takeaways

- Consumers will become more educated on virtual reality.
- Virtual reality will impact movie theatre and theme park attendance.
- Expectations for effective virtual reality content will rise.
- Virtual reality pop up booths will be seen at high foot traffic locations.

How Brands Should Respond

- Brands should be fully educated on virtual reality if they want to be seen as forward thinking.
- Brands should consider leveraging virtual reality at conferences and industry tradeshows.
- Brands should consider pop up virtual reality activations at high frequency foot traffic locations.

EVOLUTION IN CONTENT WEARABLES

Trends

Wearables With Purpose

From the days of wearing GoPro cameras on our heads to the built-in convenience of Spectacles by Snap Inc., we anticipate more brands will begin playing with wearables.

More importantly, there is a shift towards wearables that work. For example, the latest version of the Apple Watch was built with a clear purpose (health and fitness) in addition to standard features like GPS, waterproofing and a faster processor.

If you combine these technologies with Apple’s second wearable, Airpods, the combination has the potential to change the future by moving beyond mobile phone technology.

Wearables Will Affect Content

The way consumers capture content will significantly change as a result of this evolution in content wearables. This is one of the lessons learned from the failures of previous wearable technologies such as Google Glass.

**Efficiency + Affordability Are Key**

Spectacles by Snap Inc. are only $130 per pair, making them affordable for the general public. Furthermore, Spectacles connect via Bluetooth to a user’s smartphone and allows users to record, review, then upload content directly to a Snap Inc. account. It is utilizing existing technology to create efficiency and lower the barriers of entry. Most importantly, Snap Inc. has overcome the “nerd factor” by introducing technology that millennials can embrace.

**Keep an Eye on Snap Inc.**

The release of Spectacles will allow Snap Inc. to unveil their circular video functionality. This technology will allow users to consume mobile video more effectively as the video will conform to movement when a smartphone is tilted. Snap Inc. will have a major impact on how content is shared and consumed in 2017.

They have the opportunity to be pioneers in augmented reality.

Presently, Snap Inc. is the only social network to fully embrace augmented reality through their facial lenses. Millions of users share playful AR content to their Snap Inc. followers every day through this feature.

Spectacles by Snap Inc. may take this one step further to full body augmented reality. Imagine turning your friend into an NFL football player in full pads when he is running for a pass. Alternatively, imagine transforming your child into a Marvel superhero or a Disney character. The possibilities will be endless and, if this feature is released, there will be a viral effect.
Major Takeaways

- Augmented reality will be accessible to the general public via Spectacles by Snap Inc.
- Video selfies will become more prevalent, and increase in quality, with the use of auto-follow drones. This will provide a new wave of content for marketers to pull from.
- More 1st person creative video content will be created (i.e. NBA players dunking with Spectacles, 1st person view at Academy Awards or Coachella with auto-follow drone).
- Audiences will grow to expect circular video from all sources with Snap Inc. leading the way in introducing this technology.

How Brands Should Respond

- Be educated on how to effectively leverage content wearables as a part of the brand’s storytelling platform.
- Consider enlisting an influencer to take over the brand account and capture content via content wearable technology.
- Think about using auto-follow drones for contests and other content capture programs.
- Have a presence on Snapchat. Content captured with Spectacles by Snap Inc. could lead to an uptick of users on the platform.

BY DANIEL BRACKINS | Creative Content Planning
MATT STANTON | Partnerships and Emerging Technology
PAID MEDIA WILL DRIVE A NEW WORLD OF EFFICIENCY & ACCOUNTABILITY
DIGITAL MEDIA HAS REACHED ITS ADOLESCENCE.

Alongside a burgeoning strength in influencing marketing investment, there is also awkwardness in terms of making good on some ambitious promises. Sophisticated targeting technology and programmatic buying were meant to eliminate audience fragmentation and wasted ad dollars. The promise of accountability and ROI was irresistible as programmatic media enjoyed triple digit YoY spending growth up to 2014.

But growth slowed to 51% in 2015 due in large part to valid skepticism concerning non-viewable ads, phantom inventory, blocked ads, bot traffic and cookie bombed attribution models. Fueled by brands and agencies looking for impossibly low CPMs, fraud networks preyed on low quality publishers, networks and exchanges to create false efficiency.

As a result, demand for transparency is at an all-time high. While the ad-tech side (participating brands and agencies included) works feverishly to cure its ills, brands are in a new position to want the best of both worlds: the efficiency and accountability that digital promised coupled with the transparency and sensory impact of traditional media.

HOW THE PAID MEDIA INDUSTRY IS ADAPTING

1) Traditional media companies will accelerate their digital transformation

The collision of digital and linear TV has been slow and messy, punctuated with some milestone moments that have kept hope alive for convergence. From Disney Theme Parks telescoping with BSkyB in 2004 to Twitter live streaming Thursday Night Football in 2016, the industry has teased us with breakthroughs surrounded by long stretches of inertia.

In 2017, we’ll see momentum build as Programmatic TV buying is expected to grow 600% from 2016 to 2018. Additionally, expect multichannel video programming distributors (MVPDs) and Telcos to continue to acquire or partner with digital content companies and offer cross-channel ad programs (e.g. Verizon – AOL – Yahoo; AT&T - DirecTV - TimeWarner; Comcast – Netflix - Sling).

How Brands Should Respond

• Aggressively pursue digitally native, omni-channel buying strategies that go beyond the basics. Programmers like Viacom and NBC Sports are making this possible by introducing enhanced audience insights (via offline data partnerships) to enable marketers to finely tune their TV plans beyond age-gender gross rating point (GRP) guarantees.

• Explore brand integration possibilities that blend together interactivity, response and dialogue with consumers. A great example would be e-commerce furniture destination Wayfair’s partnership with A&E to create a “fully shoppable” series The Way Home.

2) Brands will shift investment to channels that are digital but tangible

We’ll see accelerated investment in channels that provide certain advantages consistent with digital best practices, but require only eyes and ears to verify that ads ran as scheduled. For example, digital Out of Home providers will continue to expand programmatic access to inventory and offer increasingly sophisticated location and behavioral targeting, as well as richer creative options. Podcasting has been a formidable branding and acquisition tool for startups and disruptors for several years, and aggregators like Panoply or Midroll will provide stable platforms to expand and manage this channel best suited to niche or influencer marketing.

It’s also been tempting to think that traditional media only offered contextual targeting as a proxy for audience targeting – that it was the best we could do to get a relevant message in front of our ideal consumers. However, we’ve learned (or re-learned) that mindset and environment make the difference between resonance and ignorance. To that end, 2017 is the year we’ll see a significant uptick in brands embracing interactivity and amplification for event sponsorships via mobile and social platforms.
How Brands Should Respond

• Shed the fear of measurement and make the most out of the advantage of trackability these digital platforms have over traditional outlets. For example, publishers are expanding their partnerships with technologies like Simple Reach to give real-time analysis of earned reach through to business impact.

• Connect the pipes so that impressions across these tangible channels are linked to business outcomes. One way is a modern twist on an ancient tactic: leverage offer codes and incentives which can be customized and organically distributed via influencers to feed directly into internal marketing analytics platforms.

3) Multi-channels will continue to integrate

Digital marketing has grown largely on the promise of its nimbleness – its singular ability to launch or react quickly to market conditions, consumer sentiment or cultural opportunity. To deliver on that expectation, large multi-channel media outlets are re-organizing to provide simplified programs with clear strategic value.

The goal of these integrations is the ability to integrate disparate market capabilities seamlessly and effectively under a single strategic partner. Consider the use case for an Entertainment marketer looking to execute a disciplined, audience-focused program that activates across audio (terrestrial and digital), Out of Home (static and digital), social, events and influencer marketing. Only a handful of media companies (e.g. iHeart Media, CBS and Grupo Globo) have the diversity of assets to deliver real paid, owned and earned value for that scenario.

How Brands Should Respond

• As multi-channels bring integration to program execution, brands should be bringing integrated thinking into the creative process when developing paid media programs to take advantage of new opportunities. While most media infrastructure is built to distribute standard and creatively constrained ad assets, multi-channels provide the opportunity to put content at the core – longer form video, audio, data visualizations, and gaming all enhanced with granular audience targeting capabilities. Explore content-driven programs that provide the best creative canvas for marketers to add to the consumer experience, rather than interrupt it.

• Challenge multi-channel media partners to demonstrate how media dollars spent in each tactic contribute to immersing your target audience and stewarding them along the path to conversion. If they’re still selling spots and dots, they may be too focused on their quarterly goals rather than your brand objectives.
4) Measurement will attempt to keep up

In the race to adopt exciting new marketing technologies, brands, agencies and vendors scrambled to create useful performance metrics. In our haste, we have put our trust in highly fallible measurement systems that were easy to rationalize at best, or game at worst.

Today, the pressure is increasing for marketers to deliver straightforward business value which will lead to a change in measurement direction. Instead of rationalizing a link from engagement to action, we’ll work backwards from incontrovertible business outcomes to meaningful brand indicators.

Programmers like Viacom and NBC Sports have introduced enhanced audience insights (via offline data partnerships) to enable marketers to finely tune their TV impact beyond Age-Gender GRP guarantees. Cross-device audience identification and behavioral measurement should also improve in 2017 with Facebook and Tapad as the primary sources of insight alongside ITN (via their acquisition of Torrential).

How Brands Should Respond

• Start at the desired outcome and create data linkage back to the marketing asset versus attempting to justify the value of impressions or engagements by inferring business outcomes.
• Push online-to-offline delivery and measurement. User-specific data points are powering measurable activity through the funnel, and now marketers should integrate 3rd party purchase data into their back-end BI system to produce one source of truth regarding how media is delivering.
• Encourage discipline around audience focus and key performance indicators (KPIs). Brands should really only have one KPI upon which creative, investment and ongoing channel allocation is optimized. A few other performance indicators are helpful to fine tune campaign or platform variables, but should not distract from the core metric.

BY CHRIS PAUL
Global Managing Director of Integrated Media Strategy
INFLUENCER MARKETING WILL DRIVE BUSINESS IMPACT
THE DIGITAL MARKETING LANDSCAPE IS MORE COMPLEX THAN EVER.

Targeting – and reaching – consumers has become increasingly difficult for marketers. There is no end to the proliferation of content, information and entertainment vying for our attention. To make matters worse, the social algorithms that are filtering brand content are more savvy than ever, making organic reach a distance memory.

As a result, brands and marketers have been forced to rely on paid advertising to bolster the reach of their content. But even using paid media to reach potential customers is fraught with obstacles.

Bot fraud is at an all-time high with the Association of National Advertisers predicting that it will cost advertisers $7.2 billion in 2016. Beyond that, customers themselves can be highly skeptical and avoidant of advertising. By 2020, it is predicted that ad blocking will cost publishers an estimated $35 billion in revenue.

Despite these challenges, paid media remains one of the most effective vehicles for brand messaging. 2017 is predicted to mark a major milestone for digital advertising: for the first time, digital advertising spend will surpass TV budgets.

So, how does a brand most effectively apply its advertising dollars in a way that transcends obstacles and consumer skepticism? The answer is trusted influencers.

According to the 2016 Edelman Trust Barometer, 65% of respondents rate “a person like yourself” as a credible or extremely credible spokesperson. By collaborating with influencers, brands can create the type of content that consumers actually want, ultimately increasing trust and engagement for the brand.

We predict that, in 2017, Influencer Marketing will play a newly central role in the marketing mix. With the right execution, it will become one of the most effective and measurable digital tactics with the ability to deliver brand awareness, sales lift and direct sales attribution.
1. Measurement will evolve in new, meaningful ways

With increasing pressure for marketing organizations to rationalize spend and prove return on investment, Influencer Marketing will become more measurable with the growing presence of new tools and vendors.

- Well-known measurement institutions and technology vendors will evolve their tools and offerings to better measure and get in the game. Nielsen has already started participating in this space. **With ad dollars shifting into influencer marketing, we anticipate additional technology in the space.**

- Custom measurement models will be created using a combination of big data, predictive analytics and technology. These algorithms will be implemented against specific business objectives to determine how brands, based on KPIs, should spend against specific programs.

- Earned media will play a new role in influencer marketing measurement. Specifically, **earned will be used to justify total impression, share of voice and sentiment impact.** For innovative collaborations between brands and influencers, earned will also play a central role.

**How Brands Should Respond**

When identifying influencer programs, look for partners with a combination of:

- Influencer management experience
- Technology tools for identification
- Automation, measurement and CRM

**Platforms are limited right now, with very few able to solve for all of these.** Brands must find partners who both understand the space and how to apply layers of technology. This will ensure all influencer programs are executed flawlessly across strategy, identification, contracting, execution, promotion and measurement.
2. The “mass influencer” deal becomes more complex than ever

As the fame of mass influencers increases, the approach to influencer deals will need more precision than ever before. Dealing with influencers who are in pursuit of fulfilling their star fame will be a challenging endeavor for brands.

• As brands pursue influencers with several million subscribers, it will be important to align the values of the business and the influencer. Social cause and purpose will become priority deals for these influencers looking to use their mass reach for good.

• Deals with mass influencers will need to be presented with incremental promotion packages inclusive of earned media strategies, paid media support and, in some cases, event appearances.

• Advancing the fame of these influencers will be top of mind for their talent agents. Deals will be evaluated based on alignment and exposure.

• Complexities around legal and business affairs will increase. As talent agents get more involved with influencers, points such as usage, exclusivity and content ownership will be key elements of the contracts.

How Brands Should Respond

Brands should consider the value of the overall program when evaluating an expensive influencer partnership.

• With return on investment being a top consideration, brands should weigh the total cost of talent, production and promotion against specific deliverables including total engagement, conversation volume and conversion.

• In some cases, brands should consider leading their offers with what the influencer is expected to deliver first and foremost. Brands also need to leverage internal legal and business affairs for all deals to avoid liability or exposure.
3. The Rise of Micro-Influencers + Engaged Audiences

Micro-influencers, classified as social personalities with 1,000 to 100,000 followers, often have higher engagement and influence over their communities than mass influencers. Micro-influencers “engaged audiences” tend to act with more passion because they feel more connected to the influencer and their content.

Deploying scalable programs with many micro-influencers will help brands extend both their reach and impact. However, in 2017, we will see an increase in quantity which will make identification more challenging.

- Data verification, contracting and human vetting will be critical to ensure important KPIs will be delivered.
- Compensation models for micro-influencers will evolve from time and content to cost per engagement and conversation, with customized KPIs developed at the initial stages of negotiation.

How Brands Should Respond

Scalability for “always on” programs will be a central strategy to drive sales lift for micro-influencer campaigns. To ensure success, brands will need to invest in technology and staff or turn these programs over to agencies to support the ongoing oversight required to effectively and efficiently manage activations.

4. Strategic amplification will be critical to the success of influencer programs

Breaking through with influencers, and so many emerging paid agencies, means that paid promotion of content will become an industry standard.
Paid budgets will be a part of most deals, and brands will become more savvy by using paid promotion to elevate their content beyond influencer communities. This will ensure broader reach and better return on investment.

• The model for paid amplification of influencer content will evolve by taking a page from the paid social playbook.

• Program managers can use real-time optimization to gauge the virility of content and amplify top performing pieces at precisely the right time.

How Brands Should Respond

Brands will need to understand how content amplification should be applied and coordinate with agencies to ensure paid promotion targets are aligned with the demographics of the influencers’ community.

• Brands can increase content exposure by combining paid social’s precision interest and behavioral targeting with third-party data streams.

• Brands seeking to increase content viewership and, ultimately, performance should look to target associated mindsets and affinity interests.

5. Influencers will become / create their own brands

With the increase in fame and exposure, many influencers will recognize money making opportunities and establish brands of their own in the coming year. While some influencers will use their personality to create a brand and publishing ecosystem, others will pursue ventures ranging from clothing and make-up lines, to technology ventures and apps, to socially and caused-based businesses. Some influencers might even use their community to crowdfund projects.

• With the increase in exposure and visibility, we anticipate agencies and publishers will look to “acquire” influencers to act as media brands. Having started in 2016, we anticipate this trend to gain momentum with media companies like Hearst, Mic, Vox and Complex as the ones to watch.
• Co-collaborations may also increase, where brands give an influencer additional stake in a product or service.

How Brands Should Respond

Understand the motivations of your influencer partner. If they have a true interest in your business and want to partner with your brand because of that, offering them a bigger seat at the table will encourage vested engagements and collaboration.

BY JESS CLIFTON

U.S. Managing Director of Strategic Growth and Development
A RENAISSANCE IN SEARCH
SEO HAS EVOLVED

A Renaissance in Search Engine Optimization (SEO) is upon us, where brands need to fundamentally change the way they think about search to reach consumers in such a significantly changed landscape.

In 1990 the Internet was born and with it came a slew of companies trying to help organize how content on the Internet was organized, catalogued, searched and, eventually, found. From the very early launch of search engines like Excite in 1993 to Yahoo in 1994 to Google, the eventual King of Search, in 1997, search has had its share of ups and downs through the last two decades.

Over the years, as with any technology that makes it easier for consumers to find information, brands and agencies have sought ways to take advantage of the technology. From the very early days of keyword stuffing to the dark days of spam link building to the era of building domain after domain after domain, everyone has tried to “crack the code” on making sure their site ranks No. 1 in search results.

Yet whenever brands think they’ve figured it out, search engines completely change the rules again. Back when social media came into the mix, Google tried to make a very clear connection between social and Search Engine Optimization by launching Google+ which then introduced the concept of personalized search.

SEO THROUGH THE AGES

1991
The first web page

1993
Directories or “search engines” created to organize web pages

1997
Google born

2003
The heyday of spam tactics such as keyword stuffing, domain buying & spam link building begins

2005
First major algorithm targeting spam links are launched – Jagger and BigDaddy

2008
Google introduces the suggestion box – giving a peak at how Google looks at searches

2011
Panda 1.0 released

2013
White hat SEOs focus on content and site health in a new era of SEO

2015
Google introduces RankBrain machine learning
Panda, Penguin and mobile are officially integrated into the search algorithm as ranking signals

2017
The search renaissance
Trends

Packaged Solutions, Packaged Thinking

Nearly every company, large or small, has a website thanks to solutions like WordPress that make it easy to launch a website in as little as a day. Many of these solutions come with their own built-in SEO plugins — just pick a keyword, write a title tag and a catchy meta description and voilà, the site is now SEO’d.

And therein lies the crux of the problem. Search, and (by connection) the consumers that conduct these searches, have been reduced to nothing more than keywords by the companies and agencies trying to reach them. Never mind that with the advent of mobile devices, voice search and devices like Alexa, consumers no longer even need a keyboard or desktop screen to conduct searches.

In two years, voice search has surged and those searches — averaging about five words — are three times more likely to be localized. [Today] voice search makes up 25% of searches.¹

Change is the Only Constant

Search engines have responded to these tremendous shifts in consumer behavior the way they usually do; significant changes to their algorithms, ranking factors and what appears in search results.

Over the last five years alone, Google has had nearly 50 confirmed algorithm updates (three of them incredibly disruptive – Panda, Penguin and Hummingbird) and changed the design of search results nearly a dozen times with additions like sitelinks, auto-suggest, the “Knowledge Graph” and “Near me” map results. Google has even decreased organic real estate by increasing the number of paid search ads on the top of the results from three to four in February 2016, and decreasing the amount of indexed content to get rid of low quality content in May 2016.

Despite all these significant changes, brands and agencies are still well behind. Search agencies in particular have been the most stagnant. Borne of digital shops who built practices around search that eventually broke off into standalone agencies in the early 2000s, many search agencies are still not only keyword-focused versus consumer-focused, but treat SEO and SEM as wholly separate.

Even the way these agencies report has become outdated. For example, tactics like reporting on keyword positions or reporting on only awareness metrics (e.g. traffic) and bottom of funnel metrics (e.g. revenue) are completely obsolete. They don’t truly explain how a consumer came to the site, what they did or, most importantly, if the consumer’s needs were met and what the impact was on the brand’s business. If impact can’t be answered then what was the point of the search program to begin with?

Google is Challenging Brands

Google wants brands to become more accountable in their roles as information providers to the consumer, as was evident with their earnings report in August 2015 where they revealed details about RankBrain.

RankBrain is Google’s latest venture into artificial intelligence and is their third most important ranking factor now. RankBrain was built to add a human element into the algorithm to create a better correlation between search intent and search results for consumers. Google has gone so far to humanize RankBrain that in May 2016 it was reported the tool was reading through thousands of romance novels to learn more conversational techniques.

If search engines are humanizing the way they are serving up search results, agencies and brands will follow suit by focusing on the human conducting the search and not just the keyword.
How Brands Should Respond

Truly Know Who Is Being Targeted

Brands need to keep their customer segmentation fresh. It can be tempting to let the data lapse because customer research can be expensive and hard to tie back to ROI. However, not knowing the various customer segments just isn’t an option anymore. With the amount of data available from analytics and CRM tools, there really isn’t much of an excuse anymore to not know everything brands can about their consumers. For example, it is important to know:

• Are they actually searching?
• What are they searching for?
• Where do they search and what actions are they hoping to take at the end of their search?
• How many times do they search before they make an action?

Know What Customers Are Finding About the Brand Online

Since how consumers search has fundamentally changed, brands can no longer just care about their websites when they think about search. Brands need to catalog their entire online presence of owned and social channels, as well as any knowledge graph or auto-complete data that shows in search for the brand. Brands need to know exactly where they’re showing up (e.g. could be other non-traditional search engines such as Amazon for retail brands), who is showing up against them and the brand’s general sentiment online.

Finally, brands more than likely need to redo their websites. Often, websites were done with a developer who might have done “SEO” but actually just updated title tags. Conduct user testing to find any disconnect between site design and user experience for target consumers, and then use the data to build a better site. Keep in mind that mobile search outnumbers desktop (and operates completely differently than desktop) so take a mobile-first approach.

Ask the Tough Questions Internally and Externally

Whether brands manage search internally or through a search agency, they should take an honest look at how they approach search and whether or not it’s the right approach.

If a brand is using a search agency and they:

• Keep SEO and SEM separate
• Aren’t helping solve complicated business problems
• Aren’t being proactive and bringing creative ideas and blowing the brand’s mind every day

Then it’s probably time to find a new agency. And if a brand is choosing search agencies based on the lowest price provider versus those that are actually going to help them solve their business problems, it’s time to rethink that strategy and find a true partner that does not view search as a commodity.

BY ALYSSA ESKER
Search Engine Optimization and Marketing
THE OTT ENTERTAINMENT REVOLUTION
OTT WILL CHANGE EVERYTHING

The TV viewing landscape is changing with the popularity of Internet-based “Over The Top” (OTT) video systems. This increase will create a shift from traditional ad-supported linear TV programming to Internet-delivered platforms.

Nowadays, consumers are offered a variety of programming consumption choices. Networks are going direct-to-consumer to capture cord-cutters and cord-nevers by developing OTT platforms and unbundling paid cable TV programming.

Over the next 12 months, more Internet-based TV platforms will continue to hit the market ranging from non-traditional, multi-channel video programming distributors (DirecTV Now, Sling TV) to stand-alone offerings (CBS All Access, HBO NOW) to live events (NFL Now, Red Bull TV) to technology platforms (Samsung TV, PlayStation Vue, Roku).1

The migration of TV consumers to a predominately ad-free environment, will have brands and advertisers taking notice and finding new ways to reach the viewer.

More Audience Control

The traditional media landscape is shifting as control moves to the hands of the audience. The audience now has the ability and the freedom to decide how, when and where they watch and how much they want to pay for it.

As an example, consumers have been using their mobile devices for short form video content consumption but those viewing habits are starting to change. According to the 2016 State of the Broadcast Industry Report, appetites for longer-form content on mobile devices are growing. Thirty percent of North American smartphone owners now watch full-length TV shows on their smartphones, and 20% watch full-length movies.2

As OTT services and TV consumption options increase, audiences can now cycle through different apps to cherry pick streaming services for a particular TV show.

Content producers are feeding into demand by developing over 500 scripted shows projected to launch in 2017 alone. Content is king with Netflix spending an upwards of $5B and Amazon $2.6B on programming investments. Gaming, shopping & socializing are all finding their way into OTT services.

Despite the popularity and demand for OTT, traditional linear TV advertising continues to be the dominate mass market reach vehicle.

That being said, as audiences continue to migrate away from traditional TV and consume their content via multiple devices in ad-free environments, brands and advertisers must discover new, meaningful and integrated ways to connect with them.

Industry Impact

Advertising budgets shift to social + digital

As OTT platforms and streaming services look to social media to promote their TV shows and content, advertisers and brands will start to see this as an opportunity to create branded integrated campaigns and partner more closely with content-makers to promote their product.

TV and movie advertising budgets will increasingly move to social and digital, versus traditional media marketing, since tailored ad products on social deliver more tangible ROI versus traditional ad buys focused on buzz and awareness.

Social platforms are addressing this need by developing more custom paid ad products specifically built for entertainment brands. For example, Snap Inc.’s desire to partner with Fandango to build in-app ticket purchasing or Twitter’s flock to unlock programs delivering exclusive first-look TV and movie trailers.

We’ll continue to see more live-streaming opportunities like TV episode sampling and talent Q&A’s on Facebook Live. Meanwhile, Twitter will continue to live-stream big TV moments like NFL games and the presidential debates while Snap Inc. will continue to partner with brands and networks on content for their Discover platform.


HOW BRANDS SHOULD RESPOND

With so many consumers using ad-free streaming services as their source for TV content, it’s impossible for brands to not take notice. Predictive thinking sheds light on a few opportunities:

SOCIAL MONETIZATION

TV shows with a large, passionate fan base could partner with companies to monetize their social channels, giving brands and advertisers real estate and the ability to create integrated subversive branded content.

NATIVE OTT

Brands can create their own OTT platform to attract consumers. Red Bull TV has an OTT platform, inclusive of original programming, for its niche audiences, and the HSN OTT service with an integrated live feed are just two examples.  

BRAND INTEGRATION

A natural migration of an already proven tactic. Even though the majority of TV viewing is still consumed in the form of traditional ad-supported linear programming, the migration of consumers to OTT systems has brands and advertisers taking notice.

“The traditional media landscape is shifting and control is moving into the hands of the audience...”

↑ 52%

U.S. cord-cutters cancelled their paid TV subscription due to lack of affordability

1,000 hours

Number of hours of original programming Netflix will produce in 2017

3.5 years

Number of years it would take to watch all the original programming Netflix offers

BY TOBI KULUKJIAN | Senior Vice President of Digital Entertainment

BOTS AND THE EVOLUTION OF CONVERSATIONAL EXPERIENCES
Conversational technologies, like chatbots, are reaching a maturity level that enables marketers to deliver a quality, one-to-one marketing experience at scale on popular social messaging apps, including Facebook Messenger and Twitter. Having been around since the 1990s, today these technologies enable automated, engaging conversations and can be as smart/advanced or simple/scripted as needed.

**Trends**

**Messaging Apps Are Becoming The New 2\textsuperscript{nd} Home Screen**

This evolution is primarily being fueled by the adoption of chatbots by major social and messaging platforms including Facebook Messenger, Google, Microsoft Skype, Salesforce, Slack, Twitter DM, WeChat, Kik and Line. Now that billions of people use messaging platforms daily, and are used to engaging with brands on their feeds, these platforms hope that they will enable marketers the ability to scale creative one-to-one engagement opportunities called “Conversational experiences.”

Conversational experiences will foster a new marketing era of personalized and engaging experiences with virtually any type of content, from images and video to polls, forms and much more.
Major Platforms Have Embraced and Enabled Conversational Experiences

Facebook Messenger ("Messenger") has over one billion users and is nearly globally available. Previously, the only way for brands to interact with a person on Messenger was when they reached out through customer service or when someone sent you a direct message. The conversations were only able to be controlled by humans. Now, anyone who sends you a message can be automatically be directed to the bot experience within Messenger.

**Messaging Apps Have Surpassed Social Networks**

Global monthly active users for the top 4 messaging apps and social networks, in millions

**NOTE:** Big 4 messaging Apps are WhatsApp Messenger, WeChat, Viber
Big social networks are Facebook, Instagram, Twitter, Snapchat

Source: Companies, BI Intelligence
There are over 30,000 bots already on the Messenger platform alone. Brands are taking advantage of these technologies in many ways including:

1. Broadcasts/alerts (via subscriptions)
2. Contests
3. Coupons
4. Customer Service
5. E-commerce and donations
6. Games
7. Interactive text and photos campaigns
8. Knowledgebase and product onboarding
9. Lead generation
10. Polls
11. UGC campaigns

Explore these messenger bots from brands:

- **1-800 Flowers** (e-commerce)
- **Absolut US** (coupons)
- **Burberry** (behind the scenes and product info)
- **Charity:Water** (donations)
- **Domino’s** (ordering)
- **eBay ShopBot** (product search)
- **NFL** (alerts/subscription)
- **Trolli USA** (choose your own adventure)
- **Whole Foods** (recipes)

Previously launched campaign bots includes:

- Activision’s Call of Duty
- Disney’s Judy Hopps (of Zootopia film)
Now is the Time

It is early days (we estimate about 50 – 100 large brands with Messenger bots that are live) but that means there is an advantage. As we’ve seen with all social and messaging platforms, those who are there early grow the largest audience.

Now is the time to test and learn with audiences. Now is the time to garner earned media from unique never-been-done-before executions. Starting now gives brands a chance to learn and scale conversational experiences to larger audiences before the competition.

Getting Started

• Start small and use a test and learn approach to inform strategy.
• Take the customer’s needs and expectations into consideration.
• Choose which platforms resonate most with target customers.
• Identify which areas make the most sense to pilot (e.g. customer service, social, product launch). Look to target areas that both add value to customers and make business impact.
  • Determine how these experiences fit in the overall mix of platforms and touchpoints with target customers – what does it create, replace or complement?
  • Develop the concept through discussions and brainstorming. Use current examples or examples from technology partners to get started.
  • Testing is key to success. Like websites and apps, bots should always be thoroughly tested before going public.

Getting the Word Out

Brands should have a comprehensive understanding of where bots fit into overall channel strategy and the target customers’ journey. Bots, like content, are not just found.

Marketing a bot is similar to marketing content but with a unique call to action that varies depending on the conversational experience. Remember, a new audience must be built from scratch as only those who opt-in to the experience can engage with a new bot.

1. Post to social channels to let current followers know that the bot has launched
2. Use targeted paid media to amplify those posts to current & new target audiences.
3. Facebook and Twitter have specific “click to message” ad units that can be leveraged to promote a message via their platforms.
4. Seek to promote off-platform on company websites, via search, display and TV ads or even on product packaging.
Study + Learn: WeChat

Platform innovation in China, led by WeChat, is providing a strong indicator of how global messaging platforms like Facebook Messenger are evolving beyond apps into ecosystems.

If you are looking for an indication as to where Facebook is headed as it builds automated conversations and engagement through bot technology, look no further than Tencent’s WeChat. For consumers not familiar with how ubiquitous WeChat has become into Chinese lives, it’s easy to hold onto the long-held belief that China isn’t innovating. The reality is quite the opposite.

Without ever leaving the WeChat ecosystem, here is a taste of what users can do from WeChat, which now has more than 800M users in China:

- 1-1 and group messaging
- Share their lives in their Moments feed and share real-time locations
- Make in-store payments, shop online, pay utility bills, play games
- Access a personal WiFi hotspot
- Hail a taxi
- Transfer money to friends, split bills amongst friends
- Follow a brands’ official accounts
- Order and have food & drinks delivered
- Send instructions to virtual concierge services, book daily deals, scan barcodes in-store for instant showrooming
- Send bitcoin to a friend
- Manage a personal wealth fund, make charitable donations
- Developers now build their services within WeChat, instead of building standalone apps, with all the chat app’s features at their fingertips. Global players like Facebook are following suit.

Looking Ahead: Beyond 2017

- Conversational experiences will continue to rapidly evolve and get better over the next few years, especially as forms of AI-like machine learning continue to mature.
- Expect more integrations into home and auto devices following on the heels of technology like the Amazon Echo or Google Home
- Bots will enter the larger consumer environment through integrations of conversational experiences on iMessage and Android messaging platforms.
- Bots will permeate the workplace via integrations into internal business platforms like Microsoft Office, Salesforce and Oracle.
- Conversational experiences will go mainstream.

Suggested Reading:

“The Upcoming Social Media Evolution of ChatBots and Conversational Apps”

“Facebook Messenger for Business: Six Ways Brands Can Use Chatbots”

“Why bots are the ultimate marketing tool”

“Conversational Marketing: A New Paradigm for Brands”

BY ADAM HIRSCH | Executive Vice President of Partnerships and Emerging Technology

ANDREW RYDER | Strategy Director of Asia-Pacific Region
EFFECTIVE B2B MARKETING WILL FORCE INTERNAL ALIGNMENT
B2B: SUPPORTING THE CMO’S NEW REVENUE RESPONSIBILITIES

As CMOs are on the hook to drive revenue, the opportunity for—and responsibility of—B2B marketers has never been greater.

In the not-too-distant past, CMOs had ultimate responsibility for building and driving a company’s brand, ensuring that customers maintained a set of positive associations with the company’s products and services. This, it was assumed, would inevitably result in higher levels of customer acquisition and retention—in other words, revenue.

This is almost certainly true—most customers do business with companies that inspire positive association. However, it lacks a degree of specificity and measurability in times that demand certainty, particularly when it comes to attributing marketing efforts to revenue generation.

Whereas a B2C marketer may demand “Get me in front of at least 500,000 Hispanic males between the ages of 35 and 45 in the American southeast,” a B2B marketer may say “I need to talk to the purchasing manager at Acme Sprockets.” Examination of this fundamental difference has resulted in companies adopting account-based marketing (ABM) approaches, exploring any one of hundreds of marketing automation technologies and increasing the sophistication of customer journey mapping to reach target audiences at key touch points for pipeline impact.

In the past few years, CMOs have found themselves more squarely in a position where their efforts must be seen within the organization as driving revenue. Fortunately, the continued maturity of data platforms and sales management technology makes sales and lead attribution much easier than even just a few years ago.

To successfully become a revenue-driver at an organization, however, CMOs will have to adopt mindsets that look a lot more like management consulting, both from a systems integration and organizational improvement perspective. This requires a new set of concerns and necessary decisions that CMOs typically have not had to address before. Welcome to the era of “CMO as Integrator.”
The End of Vanity Metrics

First and foremost, a CMO has to re-examine the presumed key performance indicators related to digital engagement.

In the earlier days of the social web, business and trade media tended to frame social media as a consumer marketing platform rather than a business-focused one. This resulted in B2B marketers initially inheriting B2C KPI schemes, which were ill-suited to the task of establishing attribution and, therefore, served as blunt tools for assessing the overall economic value of online engagements.

Over the next 12 months, the most important goals for B2B content marketers will be lead generation (85%) and sales (84%).

Digital engagement has to possess every bit of rigor as a company’s back office general ledger and ERP systems. The quest for attribution will drive B2B marketing leaders to connect identity, attention metrics and low funnel activity to understand how marketing results in customer actions.

A Move to Cross-Functional Alignment

It seems almost trite to assert that a multitude of corporate inefficiencies can be solved if only the different silos in an organization would just talk to one another. Obviously, uniting these groups around a common purpose and shared goals is not an easy task. Further, even the most savvy marketers, by themselves, may not necessarily have the skills and framework to succeed in this capacity—internal partnership is essential. Marketing leaders have the opportunity to lead here; those who do will elevate the role of marketing within their organizations and be rewarded for it.

The Science of Marketing Needs More Art

Marketers that rely solely on tools at the expense of creativity and personalized experiences will struggle to fully capitalize on marketing technologies.

For marketing to be effective and meaningful, it needs to exist in the same range-of-motion as the customers’ everyday activity. It also needs to behave like the kind of content that the customer would naturally consume. Anything else is more or less a parasitic element on a customer’s attention.

Considering that many major advances in media-consumption technology—from DVRs to ad-blocking—have enabled people to avoid marketing messages, the idea of relying solely on interruption to capture attention is to go against decades of media consumption habits.

This expands the integration topic to include a group that is rarely mentioned in such discussions: creatives.

Despite wide adoption of technologies such as marketing automation, account based marketing and predictive data, creating powerful content that resonates with audiences remains a significant challenge—one that does not have an elegant technical solution. To say nothing of integrating creative thinking across other functional silos in an organization, even the composition of the creative team itself will also demand examination.

In addition to producers, copywriters, and visual communicators, companies will need to seek out professionals from the worlds of journalism, design & art.

How Brands Should Respond

Embrace the Integrator Role

One expects an integrator to not only synthesize systems but organizational skills as well. This starts with identifying champions within each functional group that will help marketing tie efforts to revenue. This kind of accountability is vital, since any effort that is everybody’s job eventually becomes nobody’s job.

A cross-functional initiative to support a stronger bond between marketing activities and revenue will have to empower champions within each group. Since they’re all invested in the success of the organization and can provide the expertise that the CMO needs to capture leads from myriad sources, they can also identify their provenance, convert them, and ultimately drive revenue.

Focus on Key Integration Partners

Sales: They are focused on engaging customers and qualified prospects that represent revenue potential. In most B2B organizations, these customers are likely tiered and segmented by a variety of attributes such as size, industry, needs, etc.

Marketing should adopt a similar framework to focus resources, tailor efforts to key segments and effectively create demand with qualified prospects. Moreover, the sales force has a wealth of valuable in-the-trenches insights that are often underutilized by marketers. Sales needs to feel support from and partnership with marketing, and to share ownership in the demand generation strategy.
IT: This group can provide the necessary glue between customer facing marketing assets and back-office systems that can assist with lead-tracking, customer history, revenue forecasts, and so on. This could include taking a tweet, checking it against a customer database and determining whether sales or customer support should investigate. Also, very often, it is IT rather than marketing that manages the company’s web site. This alone makes the internal partnership essential.

SiriusDecisions research shows that highly aligned B2B organizations achieve 19% faster revenue growth and 15% higher profitability.

We recommend B2B brands move beyond these basic awareness metrics toward deeper metrics that indicate identity and desired behaviors, such as the frequency and depth of interactions.

Awareness metrics like impressions, clicks and basic engagement with content are useful for diagnosing the day-to-day health of tactical executions, but those metrics ultimately should be viewed in support of KPIs that are more closely tied to demand generation.

When you identify outside-the-firewall behaviors that indicate progress toward sales-readiness, that data should somehow be made useful inside the firewall. This requires aligning the organization around how marketing qualified leads (MQL) and sales qualified leads (SQL) are defined and measured. Some organizations may have a single qualified lead metric depending on the type and depth of interaction that must occur to obtain the level of customer information needed to qualify as ready for direct engagement by the sales force.
Bring It Back to Marketing to Develop Content and Syndication that Drives Results

It’s difficult to capture a prospect’s interest when the marketing content doesn’t look anything like what potential customers would want to interact with in the first place.

Ultimately, your target audiences are drowning in information just like everyone else; the ability to communicate with compelling content will be critical to breaking through the noise and drive meaningful engagement that leads to action.

A 2016 Content Marketing Institute survey indicated that only 30% of marketers described their content marketing as effective.

Note that much of the success in the publishing world relies upon a deep understanding of an audience, especially since repeat behavior translates more directly to revenue. Therefore, audience insights should be the foundation for all marketing and communications efforts. This means attaining a deep understanding of their needs, motivations, and challenges.

This is where the participation of creative talent is essential, since they can not only help ensure quality tactical execution, but alignment on brand values, tone of voice, key messages, and core themes. Syndicating this content through paid, earned, and owned channels, tied to your new revenue-focused KPI scheme, will ensure that it has the “surround sound” necessary to reach your audience where and when it will hold the most mutual value.

Finally, think about why any B2B customer goes on the Internet when not explicitly in the market to purchase something. Typically speaking, they are looking for insights and information that will help them do what they do better—to get ahead, be competitive, and shine in front of those who evaluate them. Content that helps that buyer accomplish this will bind him or her more closely to your company.
BLOCKCHAIN EVOLVES FROM "FINTECH" TO "STORYTECH"
With the advent of blockchain technology, it has become possible for a group of stakeholders to operate from a single, immutable version of “digital truth.” In a few years, this will be more impactful than “Web 2.0” was in the early-2000s.

People probably don’t want to think about it too hard, but many of the important systems we rely on every day exist as several versions of “digital truth” that are periodically reconciled but nevertheless differ at any one time.

For example, even in today’s fast-paced world, trading certain financial instruments sometimes takes up to three days from the time the trade is initiated to its eventual settlement. This is because there are versions of digital truth at every step in that process that, one hopes, square with each other at the end. The same is true of the health records at your hospital, sometimes within the same building to say nothing of the gaps between the hospital and your insurance provider.

Not only must there be a single version of digital truth, but the facts and records that comprise that truth must be immutable, that is, resistant to tampering.

As it turns out, the primary innovation that supports Bitcoin, called a “blockchain,” allows organizations and consortia to build a shared “digital truth” in a way that solves some of the issues described above. In essence, what many approach as a financial technology can, with a little imagination, hold great potential as a storytelling technology.

To comprehend this potential, however, requires understanding Bitcoin and core blockchain concepts.
There are many species of “blockchain,” even at this nascent stage of the technology. In the most general terms, though, a blockchain is an ever-growing, sequential list of digital records, written and maintained by consensus and distributed across its participants. It’s therefore decentralized, meaning there’s no single-point-of-failure, while still serving as a shared ledger.

Blockchain technology makes true, shared digital permanence possible & allows stakeholders to operate from a single, immutable version of digital truth.

Each group of records is grouped into a “block” and each block is timestamped and unbreakably tied to its predecessor. This makes the data within a blockchain economically infeasible for attackers to corrupt or delete. (See sidebar: “‘But What About…’: A Note On Security.”)

In the case of Bitcoin, funds move from user to user without necessarily requiring trust in other individuals or institutions. What is required is trust in the system itself, which is “open source” and, therefore, open to inspection. (Think about the systems we trust every day that aren’t open.)

While sound digital money is truly an important invention—as much of a breakthrough as the Web itself, even—it is this core blockchain technology itself that merits consideration by marketers and communicators. This technology makes true, shared digital permanence possible and allows stakeholders to operate from a single, immutable version of digital truth. This will someday enable digital storytelling that is both open and secure (Fig. 1).

FIGURE 1:
In traditional media and communications, publishing was “secure” (that is, the content was relatively immutable) but not “open” (major publishing companies and services owned the means of production and distribution). With the advent of the Web—and, more dramatically, social media—publishing was open (anyone could do it) but not really secure (the content could change, often with little indication of having done so). With the advent of blockchain technology, companies can now explore publishing that is both open and secure, which is vital in communications around supply chain and social responsibility. (The average mailbox is neither open—only the mail carrier can legally place mail there—nor particularly secure—as this author’s occasionally disappearing Amazon deliveries may indicate.)
Perhaps given blockchain technology’s anti-authoritarian roots in hacker culture, the communications industry has been reluctant to explore it. We’ve seen this posture from the industry before. After all, we observed similar attitudes during the advent of the World Wide Web and, later, social media.

$1.4 BILLION in VC money in last three years.

24 COUNTRIES investing in blockchain technology for government services

90+ CENTRAL BANKS engaged in related discussions

10% OF GLOBAL GDP to be traded via blockchain technology by 2025-2027.

(Source: World Economic Forum)
**Blockchain Tech in Action: Implications Beyond Financial Applications**

Consider the following applications of blockchain technology, all of which rely on the concept of secure digital truth:

- **Ethical, Secure Supply Chain:** A fishing company works with an NGO and a technology provider to assure shippers, retailers, and consumers that its catch does not rely on slave labor, providing a complete, unbreakable digital provenance record. (http://provenance.org/) Also, Walmart is working with IBM and Tsinghua University to secure pork from China.

- **Loyalty programs:** One company seeks to defragment and integrate customer loyalty programs using blockchain technology, proposing that such an approach creates higher interoperability, redemption, and customer value. (http://loyyal.com/)

- **Uncensorable Social Networking:** Borne of violent protests and a fear of censorship, a decentralized Twitter-like service is conceived in Brazil. No post can be taken down, even if the network’s creator wanted to do so. (http://twister.net.co/)

- **Micropayment-based Social Network:** A physics Ph.D. candidate drops his studies to develop a social networking idea that is not only uncensorable but allows members to encourage quality participation through micropayments. (http://yours.network/)

- **Anti-trolling:** In this speculative whitepaper, reputation would be tied to a blockchain identity record. Sites could use such a service to gate access to the commenting feature—only people with four-out-of-five-star reputation scores need attempt, for example. This approach also makes managing multiple identities infeasible and world serve to combat trolling. It would also feature a forgiveness algorithm since, well, everyone has a bad day. (https://openreputation.net/)
How Brands Should Respond

Perhaps given blockchain technology’s anti-authoritarian roots in hacker culture, the communications industry has been reluctant to explore it. We’ve seen this posture from the industry before. After all, we observed similar attitudes during the advent of the World Wide Web and, later, social media.

It’s easier to make a prediction based on a five-year horizon, versus one year. And though some observers may place blockchain technology at the “inflated expectations” peak of the Gartner Group “hype cycle,” now is the time to start understanding core blockchain concepts and think about applying them to stakeholder management.

At this very early stage, Edelman recommends:

Ask the fundamental question: Explore the benefits that can be attained if you or your stakeholders could operate from a single, immutable version of “digital truth.” Those are the use cases for which blockchain technology is uniquely suited. (See sidebar “Blockchain Tech in Action.”)

Talk to trade bodies, universities, technology providers, relevant NGOs, and other stakeholders: Only through wide and diverse collaboration can any blockchain effort be successful & credible.

Prepare to do a lot of explaining: If your efforts are meant to benefit consumers or others outside of the business-to-business or technology arena, explore ways that they can be made to value a truly permanent digital record.

Wean your communications marketing function from hierarchies: From print, to the Web, to social media, influence has flattened while companies’ reliance on hierarchies has remained relatively unchanged. Blockchain technology will be a part of The Next Great Flattening, where the only way to exert influence is to participate meaningfully.

Finally: A blockchain doesn’t magically deliver absolute “truth” any more than publishing a blog in 2002 conjured “transparency.” A blockchain-based solution is only as good as the information fed into it, which means that collaboration and openness—lots of sets of eyeballs—are the sine qua non to a successful deployment. That said, even a shared, permanent truth among stakeholders—such as partners, customers, and even regulators—has immense value.

BY PHIL GOMES
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THANK YOU!

www.edelmandigital.com