

# Insight from the Inside Out

By understanding the *why* of shared media experiences marketers can move beyond disruption into an engaging relationship with their consumers.

by **Stacey Lynn Koerner**

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It seems everywhere we turn these days, marketers and advertising professionals are talking about “putting the consumer at the center.” They speak of understanding the consumer’s needs and desires, crafting finely-tuned segmentation studies and using equal parts art and science to accurately pinpoint the right media environments for brand messages. Gone are the days when advertising told consumers what they needed and *why* (remember simple chronic halitosis?).

So why have marketers begun to prick up their ears? Although advertising has always focused to some degree on modeling (if not outright manufacturing) consumer behavior, today’s emphasis on the value of consumer preference is less about competitive edge and more about survival. Technology’s advances have given rise to a cacophony of amusements that compete for attention amid increasingly facile tools for avoidance.

The result is an ultra-savvy, self-indulgent consumer who moves nimbly between a state of continuous partial attention and complete immersion in highly relevant media experiences. Today, consumer interaction with media (and thus brands) is self-styled, and marketers who capture consumers in their immersive moments win. True?

Well, partly.

Every effort to understand the consumer’s lifestyle, patterns of consumption and media habits culminate in a well-crafted creative campaign and a selective media plan which will be both effective and efficient. This is typically where the rationale for consumer-centric research ends. The problem is that the effort we typically pour into “holistically” understanding the consumer in a “360 degree way” culminates just short of the critical insight we need today to truly connect. Identifying the relevant, engaging media vehicles is only half of the equation.

Consumers have come to expect us to know who they are and what they like. Playing on that level is simply the price of entry. However, when we demonstrate that we understand *why* they like it, we are welcomed into a relationship. The *why* is the critical second half, and marketers who embrace and activate this knowledge win.

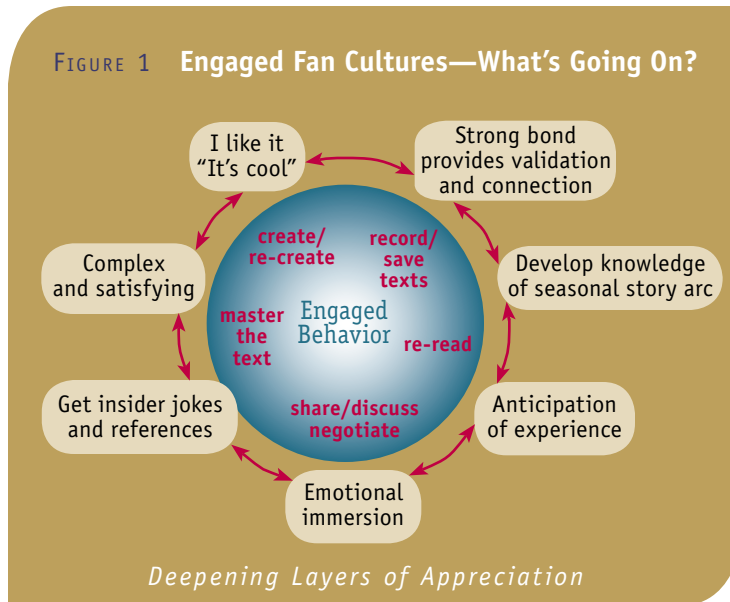
## Fan Cultures: Insight from the Inside

Initiative has done extensive research around fan cultures in recent years for the express purpose of unlocking the *why*. Taking a step back from the conventional observations of our technologically-enhanced world today reveals a series of paradoxical relationships:

1) Technology impedes communication almost as often as it promotes it. The fact that we can email an important file to our colleague next door at the touch of a button never fails to supersede the logic of printing a hard copy and walking it over when our corporate network servers are down. How many of you have spent hours waiting for IT to solve your problem, while you remain staunchly less productive in defense of technology’s promise?

2) Technology speeds our ability to connect to the world, while simultaneously disassociating us from the neighbor next door. Today, everyone is a member of a global village, but woefully disconnected from the local infrastructure that historically defined “community.” We’re intimately involved in events happening millions of miles away because we can manage the routine aspects of our daily lives—banking, bill payment, shopping—without ever

FIGURE 1 Engaged Fan Cultures—What’s Going On?



Source: Initiative Expression Research, 2002

making contact with a real person. The extreme example is the global citizen who’ll step over the neighborhood homeless on the way to the ATM to empty his pockets for the tsunami victims. We are at once connected and disconnected. Humanity in this context is a fascinating study in and of itself.

So what’s the media insight for marketers in these paradoxes? Our “faith” in technology combined with our desire for connection set up our media experiences in today’s world as proxies for “community.” The very technology that allows the choice and control to personalize our media experiences and avoid what is not relevant to us, can simultaneously provide the depth of experience and interpersonal connections we crave as a result of our fractionalization. Understanding how and why media communities (fan cultures) form and what drives their engagement is the critical insight—the *why*—that marketers can activate to move consumers from consideration to purchase.

The plain truth is that when we sit down in front of the TV set or we open up our magazine, we want one of two things—to be informed or to be entertained. What we don’t want is to be advertised to. The technology at our fingertips—DVRs, VOD, etc.—makes irrelevant content a disruption to our engagement with the content we seek. The marketing challenge today is to not only communicate the brand without disruption, but to harness the insight from inside the fan culture in a way that actually *enables* engagement.

Let’s look for a moment at what fan cultures do with media texts (Figure 1).

At the center, fan cultures operate like interpersonal relationships. They are bolstered by shared experiences that are

cherished, revisited and ultimately re-affirmed through personalization. Through the media lens, the behaviors provide a roadmap to better planning strategies that not only allow us to identify the most engaging properties, but to co-opt them in ways that enable richer experiences.

The insight of fan culture behaviors moves from the generic to the specific. For example, the media industry typically values the 30-second spot placed in an original episode of a television program more than a repeat episode because originals generate larger audience levels. Consider, however, that fan cultures make a priority of “re-reading” their favorite media texts (in this case, a TV episode). What generic media insight is to be gained from such an observation? Repeat episodes have an inherent value to advertisers. In fact, if you were to compare the relationship of commercial minutes to program minutes in an original episode versus a repeat, you would consistently find, across genres, that repeats retain a higher percentage of the audience in commercial minutes.

Why? Because the audience of a repeat episode of television is one of two people—(1) someone who has never seen the episode, or (2) someone who has made the conscious decision to view it again. In essence, repeat episodes may have a higher concentration of engaged

fans in the average episode and therefore provide more attentive audiences for marketers’ messages.

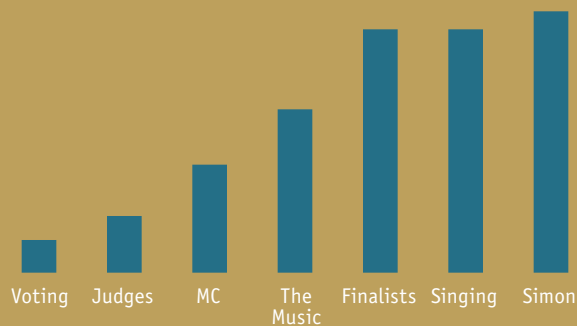
On the more specific side, fan cultures seek opportunities to personalize their connection with content and, in many respects, make it their own. From personalized web pages to publishing of alternative episode versioning, fan cultures

respond to creative applications of their knowledge around the content they love. This is perhaps the richest area for marketers to explore in the new media environment. Brands win with consumers when they enable engagement through tools that enhance their experiences. This can be as simple as a 30-second spot that appropriately co-opts the primary content or as complex as offering related gaming experiences, mobile-phone episodes, new communication channels or the like. As long as the brand content is true to the *why*, it will succeed in its communication.

Which brings us to the converse of the argument. If you’re not true to the *why*, how badly can you lose? The problem is that in today’s marketplace, knowing which media to use to reach your target in the most relevant, engaging way is just enough information to get you into trouble—because if you’re in the right environment with the wrong message, it’s worse than if you’d done nothing at all.

Consider the case study of *American Idol 2*. In exploring the drivers of engagement, Initiative conducted a multi-tiered quantitative and qualitative analysis of the show’s fans. Critical to our analysis was understanding the *why*. What was it about the show that fans connected to the most? How did the marketers associated with *American Idol 2* successfully or unsuccessfully harness the *why* to communicate their brand messaging? →

FIGURE 2 Attributes of Engagement—  
American Idol 2



Source: Initiative/MIT/Fox/Hindsight—April/May 2003 Expression Research

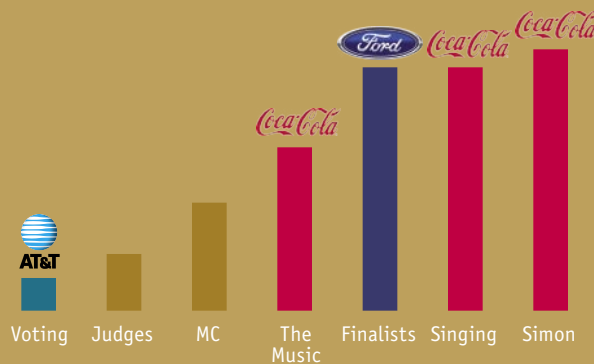
← Figure 2 identifies the core engaging elements of *American Idol 2*—as told to us by 15,000+ fans of the show over the course of the final five weeks of the series. In a surprising twist, what we would have considered the most “engaging” proposition—the interaction via a voting mechanism—was not the dominant element. In fact, it was the *least* engaging element. The personalities of the judges and the bonds established with the contestants proved to be much more powerful connection points with viewers.

In Figure 3, Initiative mapped the major marketers to the core engagement drivers, highlighting the fact that Coca-Cola and Ford accurately tapped into the most resonant elements of the show, while AT&T focused on the least engaging element, the voting. Both Coca-Cola and Ford used the core personalities of the show within their creative. AT&T, on the other hand, used a *Legally Blonde*-esque actress as the core character in an *American Idol* Voting campaign spot.

Each week, the young blonde character would deliver a feverish, high-pitched appeal to the show’s viewers to vote for their favorite contestant through AT&T SMS Text Messaging—and the core fans of the show translated the “ditziness” of the AT&T character as an affront to their commitment to the show and their “fanhood.” They felt as though AT&T was making fun of their entertainment choice. The AT&T spot became clutter. The proof, of course, is in the data (see Figure 4).

*The American Idol 2* Case Study is but one example that points out the return-on-investment (ROI) of enabling versus disruptive communication. Initiative calculated the two marketers’ performances along its proprietary Brand Value evaluation system which measures the impact of marketing actions on a brand’s core value statements. While both marketers made the same on-air marketing investment around *American Idol 2*, Initiative’s tools scored Coca-Cola at a +64, while AT&T delivered a -16. Doing nothing at all would have generated a 0 score. In other words, doing it wrong was worse than doing nothing at all.

FIGURE 3 Leveraging Program Inequities—  
American Idol 2



Source: Initiative/MIT/Fox/Hindsight—April/May 2003 Expression Research

### Know Me, Know My Desires...Just Don't Invade My Privacy

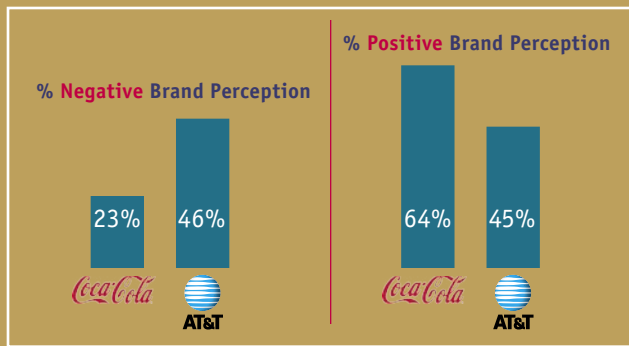
The problem with getting at the *why* is that it requires extensive, qualitative consumer research at a time when “Do Not Call” lists are gaining traction. Syndicated research is battling dwindling cooperation rates each year while fragmented consumer segments demand bigger and better respondent samples. And we’re not even sure we’re always getting accurate information. Survey data, in any form, carries some degree of bias. From questionnaire design to focus group “leaders,” bias can be introduced into the process at almost any access point. If the industry is to turn itself toward a larger scale of softer, qualitative research methods to get at the *why*, then new research methods need to be explored and supported.

Additionally, consumers are well aware of marketing efforts to track their behaviors and purchases, and in many cases they will gladly give up privacy for convenience and personalization. The slippery slope is knowing when and where the line is. The personalization versus privacy debate illustrates the increasingly dichotomous world of marketing efforts to serve and communicate with consumers. In response to an increased demand from consumers for personalized attention, companies are providing greater choice, convenience and customization in all types of products and services.

The trend spans all levels of technological integration and is evident in media (satellite radio and pod-casting), online commerce (frequent shoppers now expect Amazon-style recommendations), and even in-store (Wendy’s allows consumers to choose one of three sides with their value meals).

The fact that this high level of personalized service and communication requires that consumers share with marketers richer data about their needs and preferences creates the second diametrical aspect of the consumer-marketer relationship: consumers are increasingly wary of providing too much information for fear that their privacy will be compromised. The consequences of decreased privacy in today’s world can mean, at best,

**FIGURE 4** Doing it Right Makes a Difference—  
American Idol 2



Source: Initiative/MIT/Fox/Hindsite—April/May 2003 Expression Research

an over-stuffed email inbox with unsolicited offers for “natural male enhancement” products, to, at worst, identity theft and a crippled credit rating.

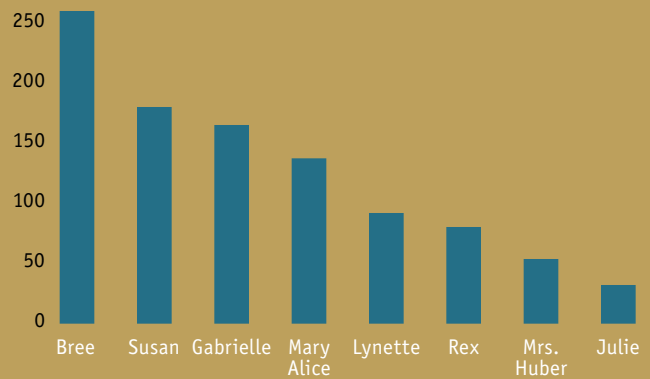
Companies that exceed customers’ expectations for personalized service and use appropriate timing and personalization in their marketing communications are richly rewarded. Isn’t that what consumer-centric research is all about, after all? With email, internet, cable, broadcast and print advertising, the relevance of the content to consumers and the extension of the brand deeply into the experience is the home run we’re looking for. The right combination of marketer-collected data sets and contextual qualitative analysis should yield a complete understanding of the *why*.

### Quality in Quantity: New Windows on Practical Applications

One of the more exciting avenues for research has become the vastly unexplored intersections of online consumer communities. Twenty years ago, media scholars pointed out that Main Street had been usurped by the suburban mall as the point for the intersection and exchange of ideas. Today those intersections exist robustly on the Internet in web logs, discussion groups and chat rooms. In those spaces that are not password-protected, and thus “open to the public,” a wealth of passive, free-form consumer sentiment is waiting to be mined.

Initiative has put that premise to the test in one of its newer tools, PropheSEE™. Based on sophisticated search technology,

**FIGURE 5** Desperate Housewives  
Character Mentions (10/3-12/31/04)



Source: PropheSEE. A joint venture of Initiative, TVtracker.com & Trendum Ltd.

PropheSEE scans public conversation areas on the web for conversations about new television programming. While touted recently as a “Hit Predictor” (the tool correctly predicted 6 of the top 10 new primetime broadcast programs this season—one of which the advertising industry under-valued by over 100%), the inherent value of PropheSEE is the contextual relevance it provides for marketers considering integrated deals with content.

Imagine, for example, that a women’s clothing retailer was seeking an integrated relationship with ABC’s *Desperate Housewives*. Which character should they outfit? (Figure 5) What concepts are most closely associated with that character and how can a marketer incorporate them into its creative? What opportunities exist to extend and enable a fan’s experience outside the principal program in ways that are relevant and engaging? PropheSEE can answer those questions by mining its conversational database about the show and synthesizing the results. Not a single consumer need be asked his or her opinion. These data emerge from a passive, unbiased focus-group of thousands.

Consumer-centric understanding is the right approach for marketers to find the most resonant placements for their brands in today’s cluttered, tech-driven marketplace. The key to success, however, is to focus as much energy in stretching beyond psychographic targeting to unearthing the *why*. Only through understanding the contextual relevance of shared media experiences can marketers hope to move beyond disruption into an engaging relationship with the consumers they seek. ■



**Stacey Lynn Koerner** is the executive vice president, director of global research integration at **Initiative**. Initiative is a leading worldwide independent media and marketing communications network. The company brings together media expertise, global research and technology to deliver media communications solutions for marketers to grow brands and build business. Stacey is a key member of the global research team charged with the integration of Initiative’s leading research endeavors. Her research skills are applied to a wide array of critical research issues, with an emphasis on understanding consumer media behavior. For more information contact Stacey at [stacey.koerner@us.initiative.com](mailto:stacey.koerner@us.initiative.com) or visit [www.initiative.com](http://www.initiative.com).

Note: Jason Hehman, Senior Research Analyst contributed to this article