

DARWINIAN MEDIA:

**THE SECOND COMING OF
BRAND, QUALITY AND CREATIVITY**



**“ADS ARE NOT
COOL...”***

\$12.7B*

Q4/2017

(UP 48% FROM 2016)

*source: Facebook 1/31/18

GOOGLE Q4: \$27.2B
(UP 22% FROM 2016)

(*

*ALPHABET EARNING CALL 2.1.18

HISTORY LESSON

#1...











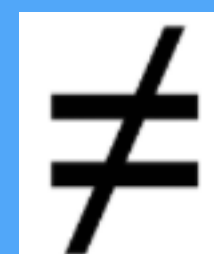
THINGS CHANGE







inventory



audience









2007

Campaign Brief

Droga5 NYC takes out eighth US Agency of the Year title in ten years with AdWeek 2016 honour

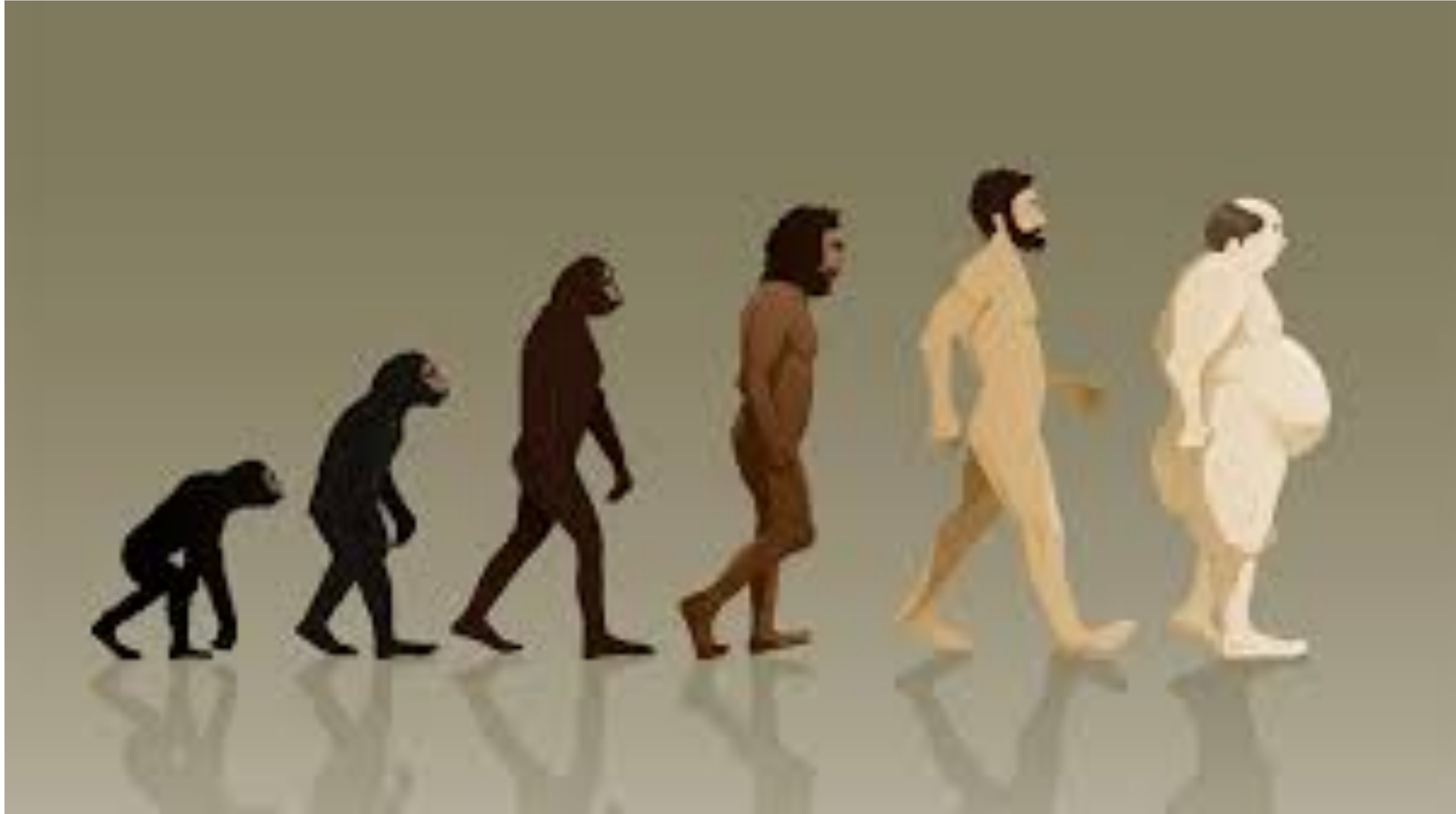
Tuesday 06, December 2016 at 8:21 AM by CB

[Comments \(0\)](#)

HISTORY LESSON

#2...

Soap





Babylon, 2088 B.C.



Cincinatti, 1840 A.D.

then...

a great leap forward



1874

b.o. + brand

gave birth to an industry



201 I: new look, new ads

Ivory Soap Refreshes Its Ads and Its Look, but Is Resolutely Simple

By JANE L. LEVERE NOV. 7, 2011

[PROCTER & GAMBLE](#) is bringing one of its oldest and one of its most known brands, Ivory soap, into the 21st century with new packaging, advertising and social media initiatives.

P.& G. announced the advertising, by Wieden & Kennedy, based in Portland, Ore., and packaging, by the Cincinnati office of Sterling Brands, last month. The company introduced an online community hosted by the actress Melissa McCarthy at a news conference in New

York on Nov. 7.



One of the new print ads running for Ivory in select magazines in November and

30x



I.O.

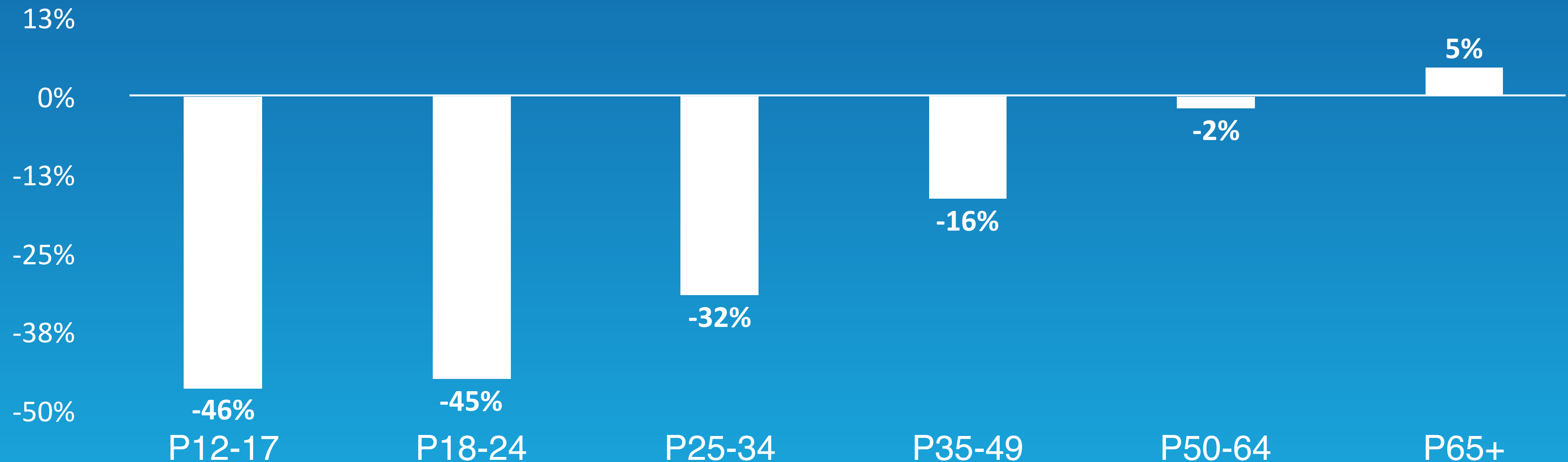


336x280

not such a great leap forward

THE DECLINE OF TRADITIONAL TV VIEWERSHIP

Change in Traditional TV Viewing by Age Group | Live + Time-Shifted Viewing
Q2 2011 vs. Q2 2017

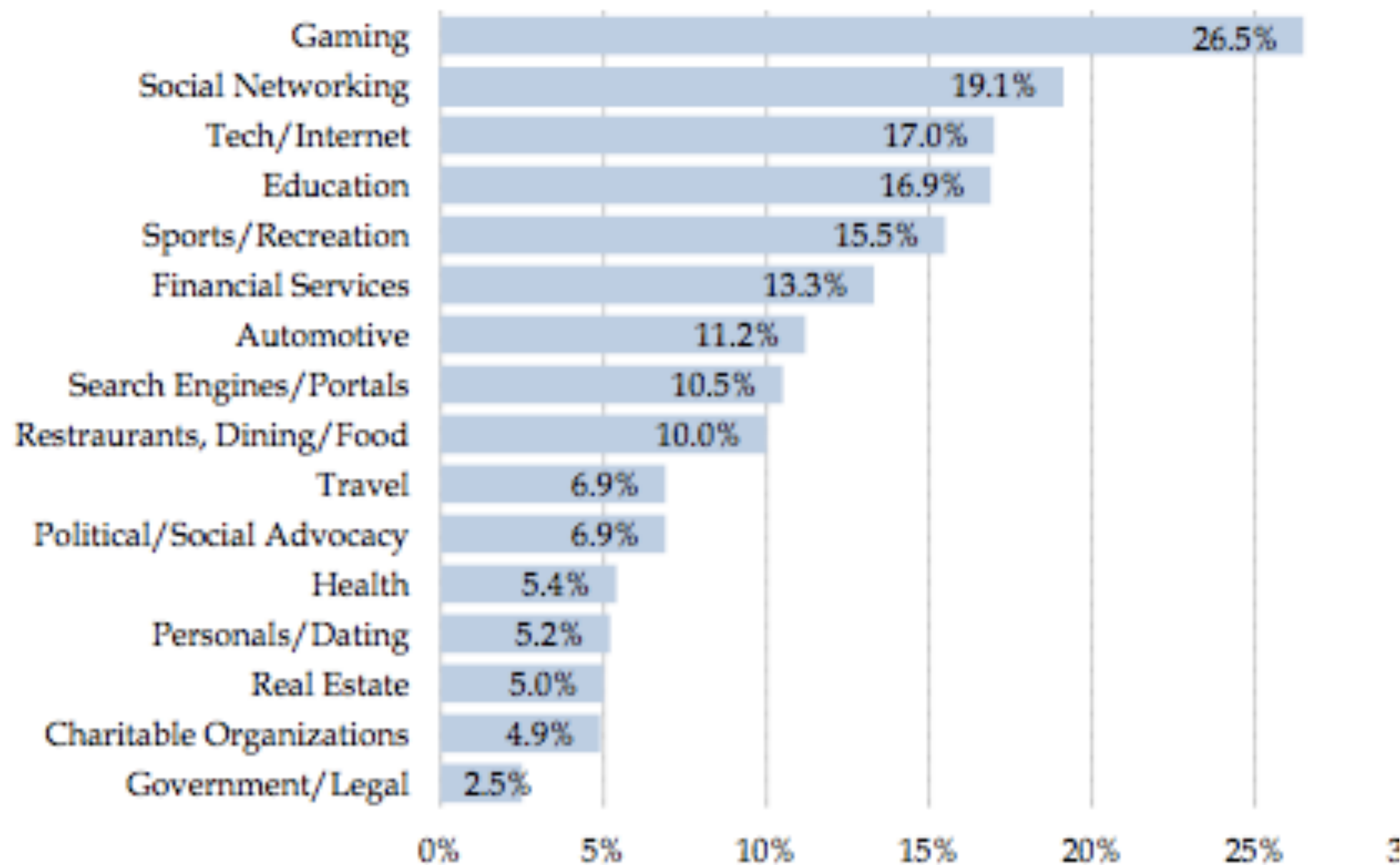


The Not-So-Glossy Future of Magazines

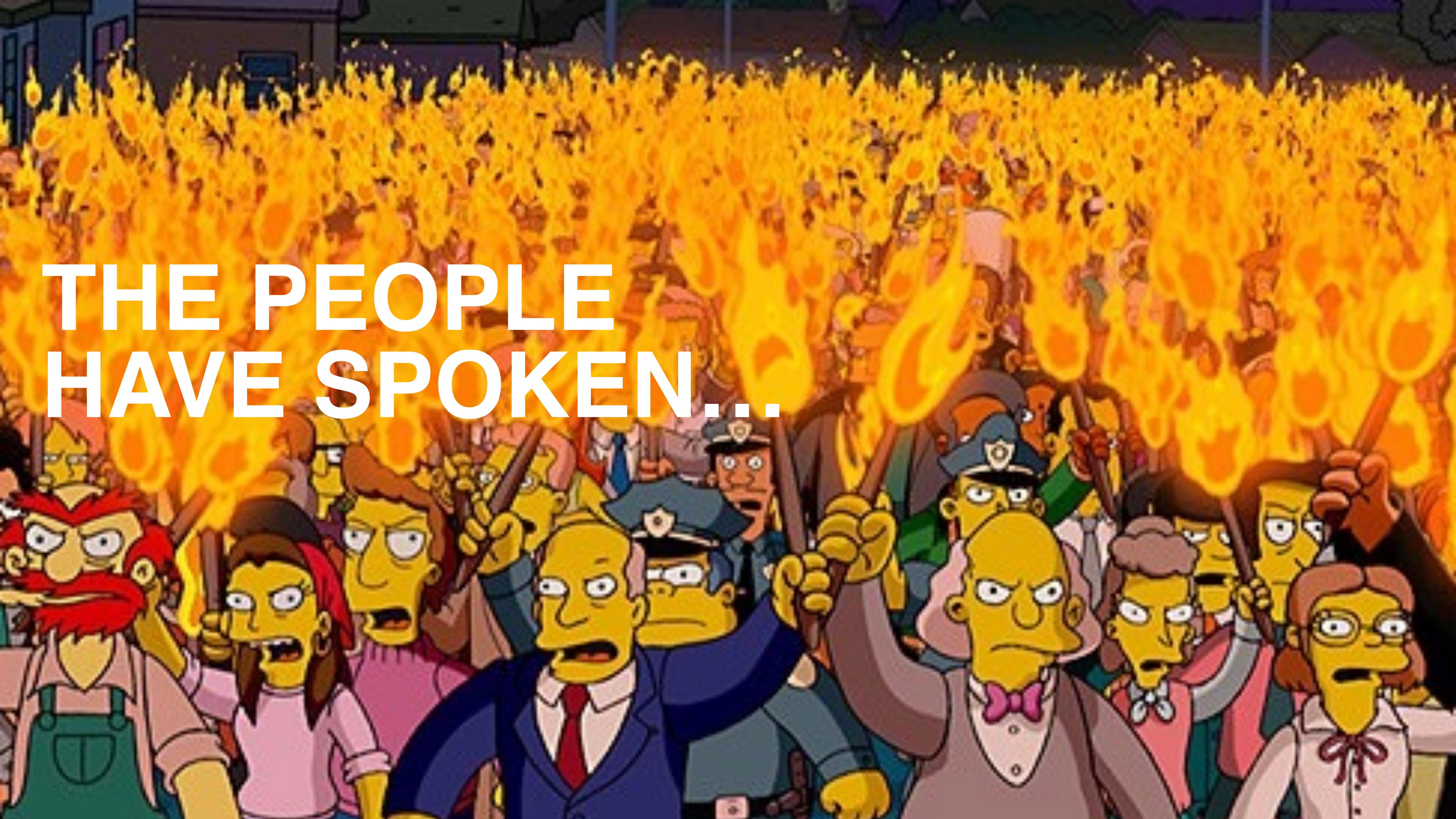
By SYDNEY EMBER and MICHAEL M. GRYNBAUM SEPT. 23, 2017



Exhibit 9: Ad Blocking Rates by Vertical



conclusion?



THE PEOPLE
HAVE SPOKEN...



The End of Advertising Andrew Essex

Why It Had to Die, and the
Creative Resurrection to Come

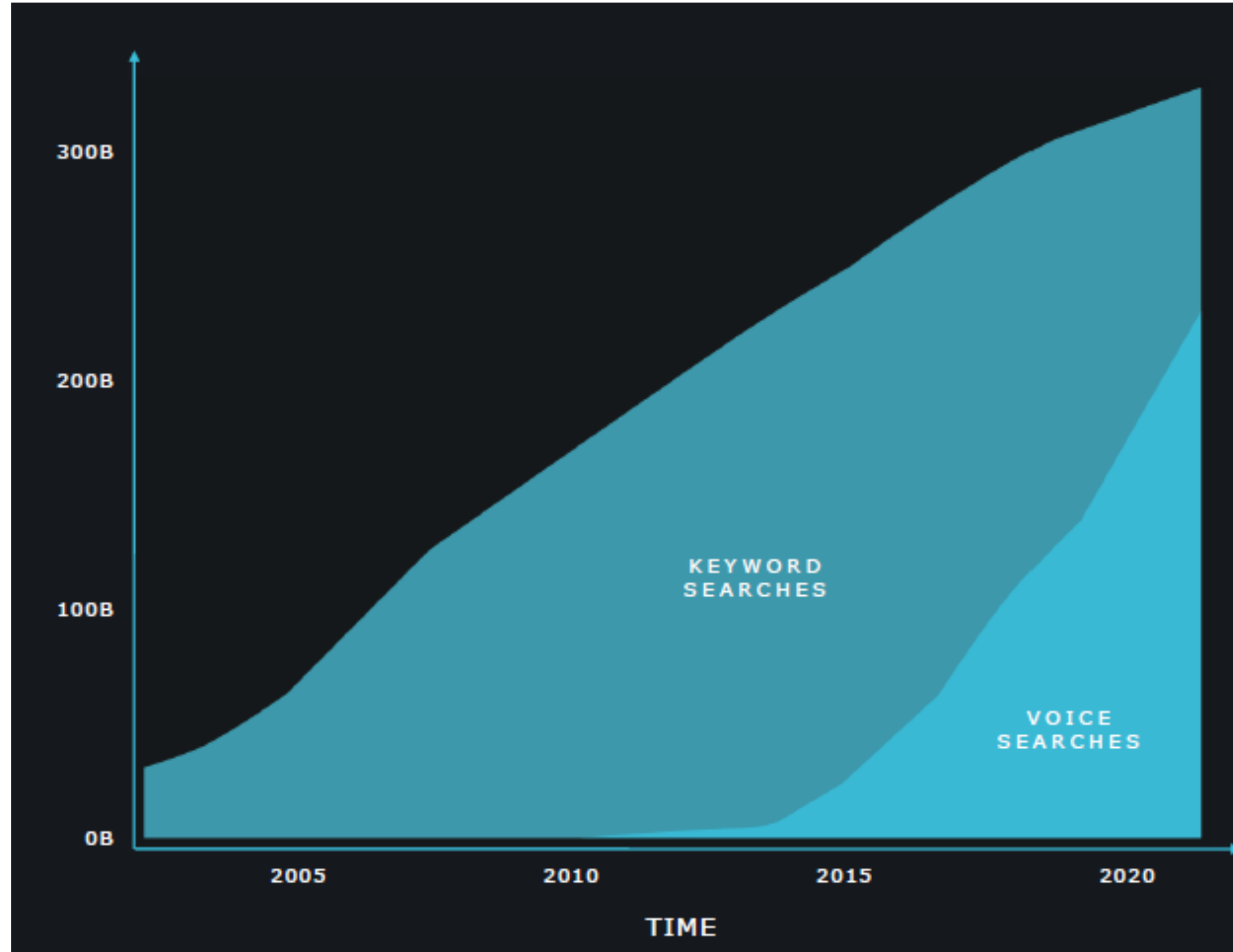


BUT WHAT ABOUT...

this



Voice Is The New Black



- 2014: VOICE SEARCH VOLUME = NEGLIGIBLE
- 2017: VOICE DRIVES 10% OF ALL SEARCH TRAFFIC
- 2020: VOICE WILL DRIVE +50% OF SEARCH TRAFFIC



duopoly? More like....*triopoly*

Amazon: \$2.8 Billion ad revenue in 2017; 61% increase y/y

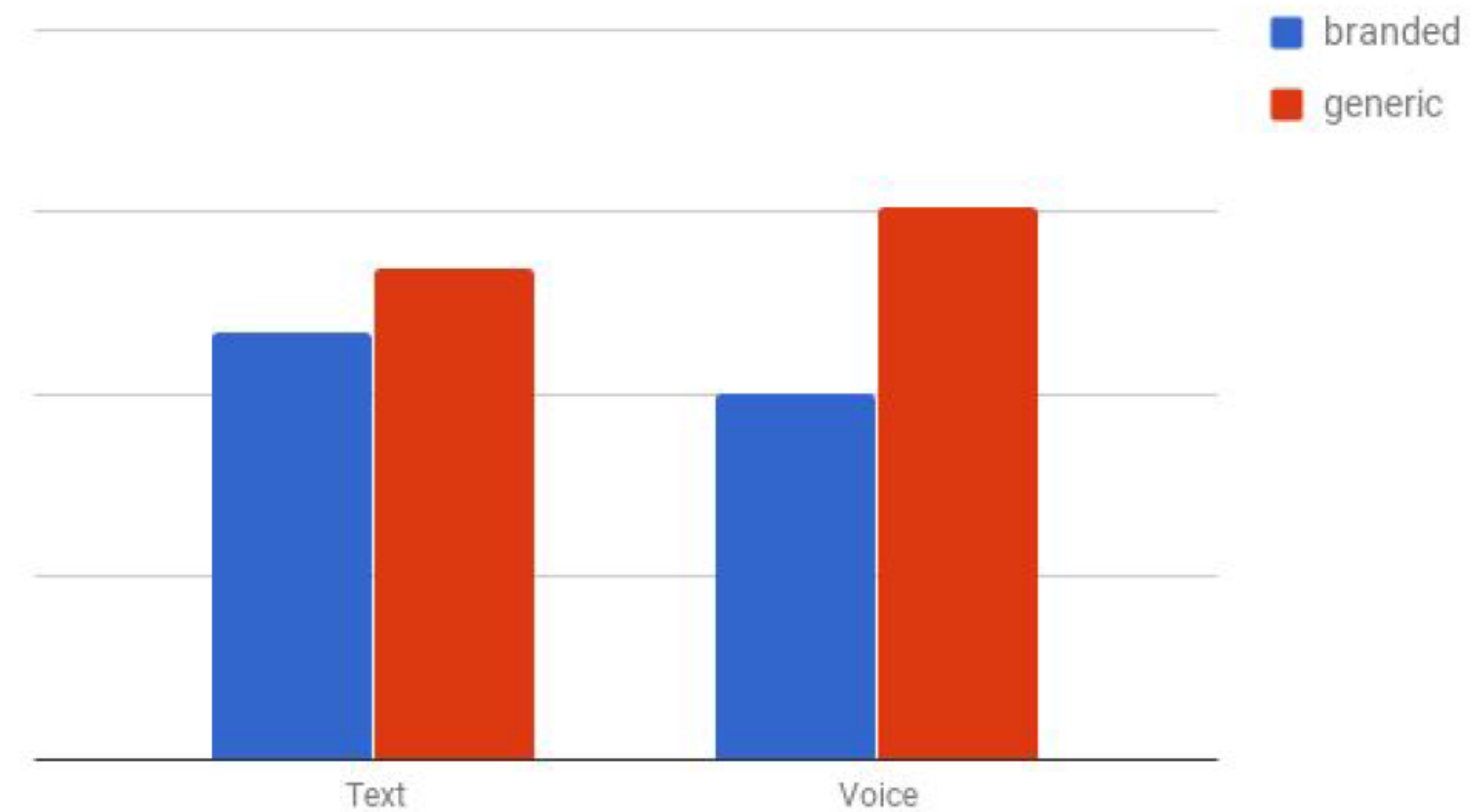
source: Business Insider

Alexa Should Scare the S*#T Out of Brands

Proprietary + Confidential

Voice searches are more likely to be non-branded

Branded vs. generic query mix by input type





When a voice search is unbranded – Alexa will recommend a brand. Depending on the category, *this may be the Amazon Private Label brand...*

VOICE

Brand-Agnostic Favoritism?

“Alexa, buy baby wipes”



Alexa: \$24.81

TRUST
DISTRIBUTION
PRODUCT

not hard to see where this is going



“Buy Ivory...”



“Buy soap...”

“Buy soap...”

“Buy cat food...”

“Buy toothpaste...”

“Buy eggs...”

“Buy beer...”

“Buy...”

JPMORGAN CHASE BRINGS ON VAYNERMEDIA AS AGENCY OF RECORD FOR VOICE

By [Lindsay Stein](#). Published on January 30, 2018.

AdAge

when commerce is truly friction free
and most merch is a commodity ?

will brand still matter..?

(did brand ever really matter..?)

and if marketers think brand doesn't matter
what happens to
ad-supported media?







Casey Newton ✓

@CaseyNewton

Follow



So many publishers think they have audiences, when what they really have is traffic.

I think we're about to find out who has an audience

7:59 PM - 11 Jan 2018 from [San Francisco, CA](#)

publishers:
get ready for
the correction
and the consolidation

Marketers
GET READY FOR
the new normal=

90/10

MEANING?

90% of spend =

Performance

(a.k.a. to the triopoly)

efficient

one-to-one

cheap

10% spend =

Brand

big ideas

original concepts

genuine engagement

creativity that scales

ERGO:
AN INDUSTRY DIVIDED

algos/artists
plumbers/poets
quants/quals

the 10% will have one primary mission:

keeping brand alive

when there's a brand worth keeping alive

(and this will be a healthy position)

but not like this

DADDY, INSTEAD OF A STORY,
CAN YOU READ ME SOME
BRANDED CONTENT?



more like this



because

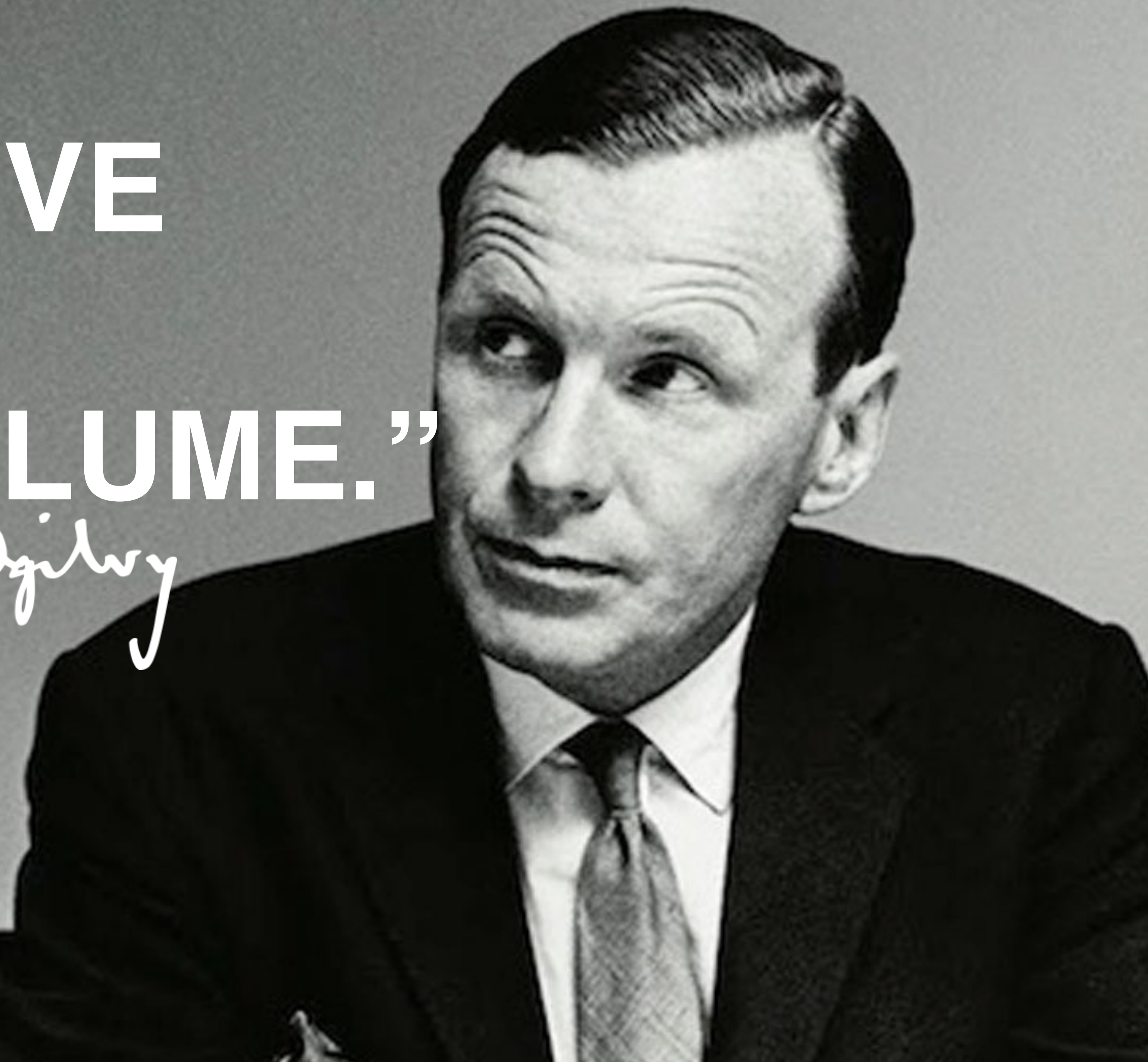
in an era of unprecedented abundance

brand does matter*

WHY?

**“BRAND LOVE
EQUALS
BRAND VOLUME.”**

Ogilvy



just ask... a peacock



(or a unicorn CEO)

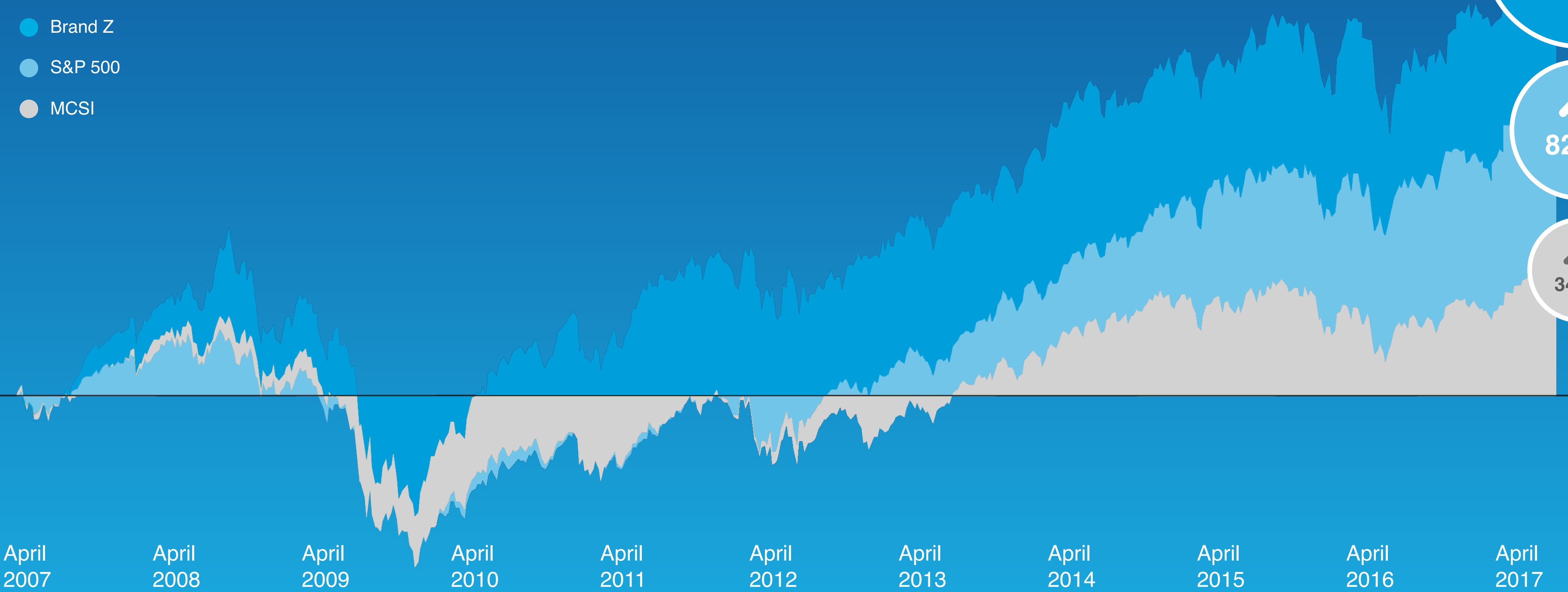
Snap CEO Evan Spiegel “has dismissed ideas that rely heavily on data. He prefers to study the experience of users”—WSJ, 11/9, 2017

But for the rest of us,
a little data never hurts:

STRONG BRANDS GENERATE SUPERIOR SHAREHOLDER RETURN

BrandZ™ Strong Brands Portfolio vs. S&P 500 vs. MSCI World Index
(Apr 2006 - Apr 2017)

- Brand Z
- S&P 500
- MSCI



Source: Milward Brown

BENEFITS OF BEING A BELOVED BRAND



2X

Pricing Power



9X

Extendability



8X

Advocacy



3.5X

Retention



5X

Forgiveness



5X

Growth

to sum up:

in a future in which brand will be
threatened by AI (a.k.a DM2.0)

creativity is a business imperative:

brand will be the differentiator
and quals will matter as much as quants

a truth we should hold
self-evident:
(except if you're a CFO)

what will you do..?

THANKS!



@AndrewEssex