

# How content marketing works

When content marketing is creative and effective, it is a valuable marketing technique for building brand value. But if your content just pushes brand messages, it's not doing its job, says **Darika Ahrens** of [LondonStock.com](http://LondonStock.com)

**P**rocter & Gamble's radio shows like *Guiding Light* from the 1920s, followed later by its TV shows, pioneered branded content and gave us the term 'soap opera'. So if branded content has been around so long, why is content marketing today such a high-growth area for marketing spend? (Customer content spending has risen 9.2% to \$43.9 billion, according to the Custom Content Council).

In part, the content marketing hype has been driven by the rise of social media; running a lot of interactive profiles requires a constant stream of updated content. Likewise, in the wake of the Google Penguin, search marketers continue to evangelise content for SEO purposes. But the need for quality brand content online and offline is part of a much bigger shift in the way we do marketing. It's not about the number of channels using content so much as the way brands need to approach marketing.

P&G Productions cancelled its last brand show in 2010. High production costs, dwindling TV audiences, and the twee storylines were out of date. But during that 90-year period, and, in particular, the past

15 years, consumer expectations shifted to make activity like this less effective. Advertising and product placement, which is how soap operas worked as a marketing vehicle, became as out of date as storylines like 'waking up and realising it was all a dream'.

For starters, research shows that even when audiences say they like watching TV ads, when given the technology, they skip the ads. And there's a growing trend towards ad-free media like TV, music, and even publishing, as European consumers increasingly pay for ad-free content services like Netflix and Spotify Premium.

Product placement, which was legalised two years ago in the UK, isn't faring much better. As commentators point out, consumers don't trust seeing a celebrity chef like Jamie Oliver using obviously paid-for products from Yeo Valley and Uncle Ben's.

It's this issue of trust that is at the heart of the shift in consumer expectations. Consumers simply no longer trust brand advertising or 'push' marketing. What do they trust? They prefer to self-select brand content or 'pull' marketing (Figure 1).

Pull marketing is trusted. It creates a value

exchange between the customer and the brand, whereby what the brand is offering is so compelling that the customer is willing to exchange their attention, interest, loyalty and even money to interact with a brand.

Content marketing is the process of creating brand value through content. It's an approach, not a tactic; if your content just pushes brand messages, it's not content marketing.

## HOW CONTENT MARKETING WORKS

There are three key ways brands create content of value; through 'native advertising', new models of sponsored content, and through the publishing of a brand's own media.

In the latter, brand publishing, Red Bull has most visibly embraced this concept. It has set up its own multi-platform media company, Red Bull Media House, which creates sports, culture and lifestyle content. It employs hundreds of staff and freelance content creators around the world. And no media is off limits; it creates print magazines and video, publishes music, and, in 2011, it even released its own feature film on iTunes.

So adept is Red Bull Media at creating content that audiences value in its own right, that its content isn't just used by Red Bull, but also commissioned and licensed by brands like Microsoft, Electronic Arts and DHL.

So is this how brands will create content in the future - by setting up their own publishing companies? On the whole, no; and the 2009 hype of 'brands as publishers' is unrealistic for the vast majority of businesses today.

What we'll move to is an increasing number of brands creating owned media

assets, but also a concurrent increase in content marketing through earned media (social will drive this) and new models of paid media.

It's through paid media that content marketing's cousin 'native advertising' has been born. Pioneered by social media services like Facebook and web-savvy media companies like Gawker Media, native advertising tackles consumer distrust and dislike of brand advertising by eliminating interruptive 'push' messaging while consumers are trying to consume other media. And it's trusted because it looks and feels similar to the other content they are consuming.

What does native advertising look like? It's branded content which fits 'natively' within the environment. On Facebook, it's a promoted post sitting at the top of your news feed. On YouTube, the world's second-largest search engine, brands pay to promote brand videos in relevant search results. On Spotify, it's promoted playlists and branded music streaming apps. On news sites, it's promoted articles appearing alongside editorial content.

Do brands have the potential to completely mess this up and approach native advertising like traditional push marketing? Absolutely, which is why, just as brands today don't create their own advertising but rely on the expertise of their creative agency, brands will hire experts and create partnerships to do this. Hence the 'brands must become publishers' proposition is unrealistic: it's the equivalent of saying every brand must become their own agency.

While agencies, like Weber Shandwick, have waded into native advertising services, it's because native advertising should look and feel like the content it surrounds, that it makes sense for the media owners to provide this offering to brands.

Gawker Media pioneered native advertising by setting up a dedicated branded content unit Studio@Gawker. Typical brand activity, for example, would be an article on The Huffington Post on how to avoid running injuries - sponsored by and including expert input from trainer manufacturer New Balance. The Huffington Post also featured a piece on the rise of video gaming during the 1980s - as part of the promotion of a National Geographic three-night television

event 'The 80s: The decade that made us'.

And they're not alone. Yahoo! has also embraced native advertising by setting up a dedicated video unit to deliver, what it calls, immersive brand experiences.

So, is this native advertising or just sponsored content? Both. And it's not worth the industry squabbling about it. What's important is for brands to work out how to create content of value that will give the required value exchange, not whether that content should be called a native advertising unit or a sponsored post.

So, if we have owned and paid media ways of creating content marketing, then what's the earned media approach? This is the fuzziest part of content marketing. While an ideal solution would seem to ask audiences

to create their own content of value, where's the value for them? How do you motivate the customer to create brand content when they're not a team you've hired?

Running competitions is the go-to approach but one agency, MOFILM, is pushing a different model. It still runs video competitions for brands, but it also fosters a global network of filmmakers and video artists year-round to tap into. In this community, they value an opportunity to work to a live brief.

This is content co-creation 2.0. Instead of asking brand audiences to engage in content marketing from time to time, some, brands are establishing their own collaborative content communities, or to look at it another way, a crowd-sourced creative agency.

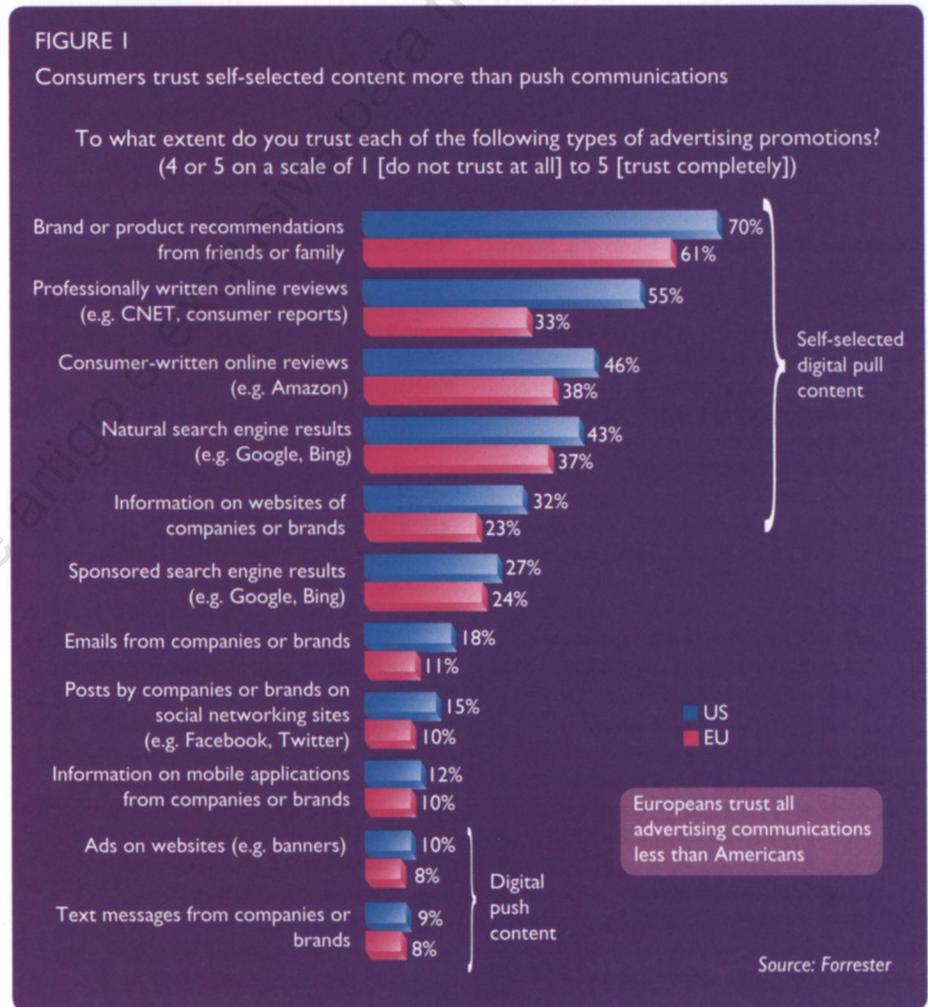
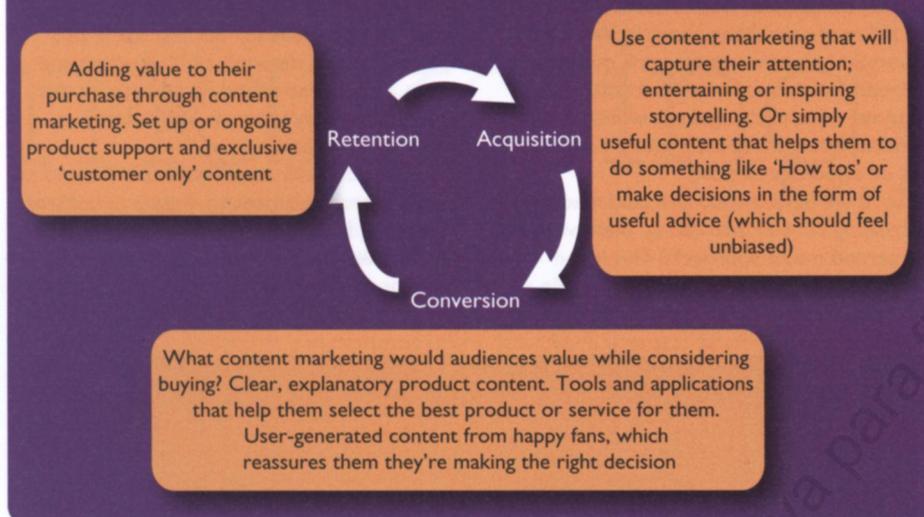


FIGURE 2

Using content in the customer lifecycle.  
What content will customers value in each phase?



BMW has Co-Creation Lab to evaluate and feedback on current projects and also contribute ideas and suggestions. P&G brand Old Spice used 'Old Spice Guy' to foster fan content creation well over a year after the initial three-day 'Smell Like A Man' campaign.

When co-creation becomes part of the content strategy, then the act of creating the content, where the consumer gets involved, becomes content marketing. The audience is already engaging in a value exchange with the brand through the act of creating content.

## USING THE CUSTOMER LIFECYCLE

There is an industry-wide perception that content marketing is just used where brands would traditionally advertise - but remember, customers don't value push marketing. Instead, consider how best content marketing can be used across the three core marketing objectives: acquisition, conversion and retention.

During acquisition, great content attracts eyeballs, drives brand awareness, and encourages sharing and reach. Corporate website content, product videos and fan content 'like' reviews all help drive consideration and conversion. And email

campaigns and content communities, like Amex' OPENForum, have been keeping customers sweet for years assisting retention, referral and repurchase.

Select the phase where you want to achieve a marketing result (gain value) but where you can also give value to ensure you are creating the value exchange required for successful content marketing.

## M&S CONVERTS CUSTOMERS WITH VIDEO CONTENT

The UK's leading brand creating video content marketing today is Marks & Spencer. In 2009, it set up M&S TV and since then, has maintained ongoing video creation in a number of ways. In the digital sphere, the videos reside on a dedicated M&S TV portal, alongside related products in the M&S eCommerce site, and are distributed on social channels like Facebook and YouTube.

But M&S is also using its video in valuable multi-channel ways. M&S video content isn't just used as marketing collateral on the web, but also integrated into its iPad app to optimise the mobile shopping experience. You can even use its mobile phone app to augment your in-store shopping experience

with additional content like its latest ranges, or footage from its TV ad campaign. In its Cheshire Oaks store, it is trialling video on 70-inch display units designed to help 'inspire' shoppers, and backed up by sales assistants armed with iPads loaded with content - handy if an item is out of stock and you want to see what it looks like and order it there and then.

Looking at the results, consumers value this content. Those customers who view product videos are more likely to buy, and while 'inspirational video' sounds like irritating traditional push marketing, it's not; basket size is boosted on average 25% by consumers who are watching M&S video - inspiration sells.

While owned media is, quite rightly, at the heart of its content marketing, it also uses its video in paid media by embedding product video into PPC and display, and buying rich media units on editorial sites to place its feature content alongside related editorial. It covers off social sharing and video exposure by making its video available across social media channels.

Which brings me to my final accolade for M&S's dedication to content marketing. Video content is so inherent in its organisation, it doesn't waste an opportunity to capture it anywhere. The traditional TV-ad slot is only 30 seconds but M&S maximises its investment in the sets, actors, production team, stylists, and models and celebrities by shooting additional content it repurposes elsewhere; this includes interviews, behind-the-scenes and extended content.

In summary, content marketing is an approach, not a tactic. Brands must become adept at using content to facilitate a value exchange if they are going to market to customers successfully in the future.

And this approach, providing more value, and valuing in return customer attention/interest/loyalty in this highly competitive global economy will span marketing as a whole. So that in the end, we'll drop the 'marketing' when talking about content, and valued content will be a consideration across every marketing execution, rather than a standalone activity or social media tactic.

