THE MAHAPAAP OF MARKETING

The deadliest was something a B-School marketing professor- labeled the 'Mahapaap' of Marketing - a marketer creating demand but failing to fulfill it.

So while Amazon sold over 100 million items on the back of its Prime Day shopping frenzy, millions of eager shoppers jostling to enter during its opening hours caused a server outage, not unlike shoppers of yore bringing down doors. The good Professor, Mr. Neelakantan, may have described this Prime Day outage as a 'Mahapaap'... but is it really so?

Whenever I go home, to Bombay, I eat sandwiches at a particular roadside stall. If you visit the stall late, say 10:30 pm, it's unlikely you will find their special cheese chilly toast; they would have run out of it by then. The fact that the sandwich runs out quickly, paradoxically adds to its allure. By nature, humans crave for things in short supply; the lack of something, ironically fuels our hunger for it. If you were to think of this in terms of the classical demand-supply curve, a sweet spot lies just under the intersection - where supply is slightly under demand. Here's where demand becomes desire. Marketing magic happens here, where you are not simply servicing demand but satisfying desire. It offers pricing power, potentially higher margins with lower discounts... and builds an inexplicable sheen on the brand.

Of course, this is not necessarily true for all product categories, especially where consumer involvement and cost of switching brands is low. And it goes without saying that brand and product propositions need to be robust and of value to the consumer; after all, soda bubbles don't last long.

Hence, media reports of the Amazon Prime Day outage may have fueled even more consumer desire and frenzy. Stories of Prime Day offers were so good that the website crash may have drawn more consumers to log in - and they may have ended up buying something they didn't really need. The Prime Day outage may not have been a 'Mahapaap', after all. It appears as through there is merit in what some call 'artificially created scarcity'.

In the automotive business, a short waiting time for a particular model or variant or colour, may add to the allure of a brand or product - from the times of the Fiat Uno to the Ford Ecosport (ahem, subtle brand plug warning). Of course, the waiting time mustn't be too long! Consumers now demand to know how long it will be, else he or she will simply move on to something else.

Can getting to this sweet spot be engineered? Predicting demand becomes critical in industries with perishable products or in the case of complex manufacturing-based industries that have a long lead time/long-tail of suppliers that give the requisite components. Unlike football, with its zoo-full of predictors (an octopus to a hippopotamus to a parakeet), companies deploy advanced analytics and modeling techniques to predict consumer demand

in order to keep production in tune with it. With consumers increasingly using the internet for research and purchase, many predictive models now involve signals and digital trails left by netizens.

Newspaper reports of 'wait times' on some products and massive discounts on others indicate that this job - crystal ball gazing, say some - is becoming increasingly difficult in a world that's described as VUCA (volatile, uncertain, complex, ambiguous).

http://www.afaqs.com/news/story/53329_The-Mahapaap-of-Marketing

3 REASONS WHY FOLKS SHOULD TAKE A MORE HONEST LOOK AT FACEBOOK

Newspiece 1: Facebook's public policy and communications head Elliot Schrage quit recently. He was one of the main people dealing with all the public and government furore.

Newspiece 2: A New York Times investigation done at the start of this month revealed that Facebook had shared data on users and their friends, without consent, with around 60 device makers, and they continue to have access to this data.

But this piece is not really about what happened at Facebook, but about what could happen.

But why is that important for advertisers?

Here's why. We and the brands we represent have built an entire ecosystem around Facebook which just keeps growing... fan pages to groups to Instagram to millions in media buy. Facebook and its future will impact brands of every size, from a small restaurant to big player like PepsiCo.

Here's my take on the impact Facebook could have, and in some cases is already having:

The new 'Big Brother'?
Ask most Facebook users and they would say Facebook just collects their basic personal information and 'at most' every post, like or share. Even that much is profound but perhaps most of us were aware of it. However, as software developer Dylan McKay discovered, Facebook had logged all of his text messages and phone call history over the past few years. And he doesn't use the Facebook app for calling or sending text messages! The same thing happened with tech journalist Sean Gallagher.

It's not just about what you are doing on Facebook, but also outside it. Some tech journalists claim Facebook is using our phone's microphone to listen in on our conversations. Of course these are unsubstantiated rumours, but fact is most of us have already given Facebook access to our microphones... and nothing really stops them from doing it.

For the technology industry, which has always been against the 'Big Brother' approach, this sounds extremely intrusive. Also Dylan McKay and Sean Gallagher are software engineers and tech journalists from the most developed economies of the world; if they didn't realise what was happening, what is the hope for a regular user in a small town in India to understand how Facebook is robbing us of our privacy?

Addiction: Facebook is a substance...

Facebook is addictive. According to a growing body of research, social platforms like Facebook have several features specifically built to trigger dopamine release. "We... give you a little dopamine hit," Sean Parker, founding president of Facebook, has been quoted saying.

"It's a variable reward, because sometimes you have new tweets or sometimes you have new messages, and sometimes you don't. And that makes it intrinsically addictive," Tristan Harris, ex-Google employee, has been quoted saying.

So now you realise why you feel compelled to keep checking your insta-feed or Facebook notifications multiple times through the day, or why you keep scrolling through your Facebook newsfeed when you are free. It's not just a harmless habit; it's a well-funded tech ecosystem, designed to exploit our behaviour.

Interestingly, a lot of people in the Mecca of the tech world, Silicon Valley, do not allow their kids to use platforms like Facebook.

Loneliness and Depression

The UK recently appointed a Minister of Loneliness. One of the biggest reasons loneliness is becoming such a big issue today among young adults is because of platforms like Facebook. Though there's a sense of being connected to our friends, what we're really doing is 'watching their lives', rather than 'being part of their lives'. And since this technology is new to the human brain, we don't really process the two as different things.

Don't take my word for it. Here are two interesting perspectives from the tech industry:

'The Truth about Tech' is a campaign launched by former employees of Silicon Valley tech firms .The agenda to make people aware of how tech causes depression, attention deficiency, etc. And no, it's not a grassroot movement by some tech hippies' it's a 57 million dollar campaign.

There's a piece on Facebook's own newsroom which talks about the possible impact Facebook could have on mental health. The team admits there is a negative side to the story. The post begins with: "With people spending more time on social media, many rightly wonder whether that time is good for us. Do people connect in meaningful ways online? Or are they simply consuming trivial updates and polarizing memes at the expense of time with loved ones?"

When the guys who sell tech, and build platforms like these are talking about it, it's about time we did too.

The reason I felt compelled to write this piece is - I am someone who has believed in the idea that technology, especially socially media, unifies us and brings us closer. And it did. But

somewhere along the way some tech companies got greedy about building empires. And we are paying the price with our data... and our happiness.

I still believe Facebook and social media can have a positive impact. For example, social media allows me to distribute and share articles like this one. But does the benefit outweigh the cost? Maybe not. But if Facebook changes its policies, it's approach, then perhaps.

http://www.afaqs.com/news/story/53307_3-reasons-ad-folks-should-take-a-more-honest-look-at-Facebook

THE DEATH OF TV AS WE KNOW IT

Yes, TV is dying. Does that mean that people have stopped watching TV? No, but TV viewing is on a sequential decline and in certain countries, services like Netflix have already surpassed cable. But this article is not about the obvious. It's about the structural changes that TV as a device, content made for TV and broadcast networks that feed content into TV, are going through. India has many dichotomies. Parallel universes exist and often grow in a parallel manner too. India, today, has about 165 million C&S households and some 200 million TV households (depending on which report you pick). Contrast this with a billion mobile phones. But India has overtaken the United States to become the second largest smartphone market in the world, trailing China, according to independent tech analyst Canalys (Q3 2017) adding 40 million smartphones in Q3 2017. I would take the luxury of saying we are the only country on this planet to add that many smartphones a month! On a side note, as per Cisco's projection, the number of video-capable devices and connections in India is expected to grow 2.2-fold between 2016 and 2021, reaching 800 million. My belief - we would reach 800 million by 2019.

With mobile data growth spearheaded by telcos in India, the forefront of which is Jio, the ability to consume video has grown exponentially. YouTube, the largest common denominator in India, has some 200 million MAUs of which mobile devices contribute 80 per cent of the platform's total watch time. That watch time is growing at a staggering 400 per cent y-o-y. And, by the way, English language content contributes just about 12 per cent of the total consumption. The majority is Hindi and other Indian languages.

Now, from a content perspective, TV has always had constraints (not discussing regulatory issues here): finite inventory, dependence on ads (at least in India), content suited to households rather than the individual, fixed length formats (30 minutes or 60 minutes), and one episode a week, add to that place or time shifting (appointment viewing). But on mobile and OTT platforms (as these are called), we could do a 22 minute-long episode and show stories that are made for both individuals (mystery around the life and death of Bose or women in combat roles in the army) and households (TV's favourite couple Ram Kapoor and Sakshi Tanwar).

Original programming, as it is called, is gaining momentum and is the driver for these OTT apps. Netflix did 100 hours of original content in 2014 and homegrown, ALTBalaji, would exit 2018 with over 100 hours of original shows. No wonder Netflix announced an additional billion in its Q3 2017 earnings call, taking its spends on developing and producing original television and films next year to an eye-popping $8 billion. It targets 50 per cent original programming content on its platform.

Does it mean traditional TV content would also work on these OTT platforms (famously known as catch up TV)? If that was the case then one of the largest networks in India, that

also has an OTT business, wouldn't have bid and won the rights for just one particular format of cricket played for a few weeks each year, for a huge sum of $2.55 billion. Was that an existential issue rather than just a bid for a piece of content?

On OTT platforms, it's possible today to create a show in Bengali and take it to an audience that speaks Bengali in India and abroad. This ability never existed with TV; networks had to launch a channel dedicated to that language and get the right programming while doing the balancing act with ad sales. Also, if you really invested in your content then who knows, Bengali shows may be liked by audiences of other dialects too. (I watched 'La Casa De Papel' in English in India). The linguistic diversity of the Indian population (there are 13 languages in India with more than 10 million native speakers) creates tremendous opportunities for content and business creation. As my dear friend Sameer Nair propounded, India is a wide chasm between Naagin and Narcos.

These OTT platforms have also built a humongous appetite for viewing all episodes in one go, famously known as binge-viewing. While Bose became India's first show to be the 'most binge-viewed', Netflix in the US coined the term 'binge racers' (accomplishing in a day what takes others weeks to achieve, binge racers strive to be the first to finish by speeding through an entire season within 24 hours of its release) and has over eight million of these individuals on its platform. Does it mean that all the hullabaloo around short-format content is humbug? Or that the six-second ad debate was just to suit Facebook's interests? No wonder Facebook and Apple have already announced their entry and key appointments into 'original shows'.

And if 'The Cloverfield Paradox' is any example, 'movies as content' is going through a major structural shift too. In our daily lives, we only have so much time for entertainment, so those two-three hours of movie-going are two-three hours of not watching TV. That's even truer in the US, where Netflix was directly counter-programming against NBC. Hats off to the vision of the man who said, "Our biggest competitor is sleep".

It's almost as if OTT platforms are fighting a war the networks aren't even aware is happening! As per nScreenMedia, Netflix has already taken between $3-6 billion worth of TV ad time off the table in the US. But that is way too small for these networks to worry about, isn't it? Of $72 billion worth of TV advertising in the US in 2017, Netflix viewing has removed just 4-8 per cent. But remember "who moved my cheese"...

So what's the future of TV!? Would it just become just a display device on which you would stream content through OTT apps (you don't know what you are missing if you haven't tried 4K, OLED, DolbyVision)? Netflix's own data suggests that the largest growth is in TV as a device for streaming... go figure!

http://www.afaqs.com/news/story/52362_Death-of-TV-as-we-know-it

WHEN PRODUCT MARKETING IS MORE THAN JUST PRODUCT MARKETING

Building a brand isn't an easy job; it takes skill, attention to detail and a healthy dose of passion. As marketing professionals in India, we drop everything to revel in lavish brand-building examples from around the world, premiered in iconic sporting events, during award shows, adorning the sides of buildings metres above the maddening crowd or gracing our plethora of social channels.

Normal people, however, are far less attentive; many are avid users of ad-blocking software; most can't remember anything thrust in front of them - good or bad - and the rest have busy lives which don't afford them the attention span to consider our lovingly crafted tomes.

Building a brand in India is a challenge as unique as Ranveer Singh's facial hairstyles. In a country of 1.4 billion people with a rapidly growing consumer class, hugely fragmented media landscape and exploding access to information, we are consumers of products first and foremost. Our brand allegiance is often still in its formative years.

Living in a world in flux poses all manner of questions on the best way to actually build a brand - one common answer is to have a purpose at the core of our messaging as the secret sauce; another well-trodden path is to walk in the shoes of consumers and create communications that ooze empathy.

In this environment, to simply put a product out in the market can sometimes be enough to garner an audience. In a land where everything is a 'work in progress' and time is very much of the essence, do we even need to spend the time and effort it takes to build something through brand-led communications or thinking?

Perhaps we need to end our obsession with building brands and start where most good marketers do: with the product itself. Many of the best brands in the world are built almost entirely through their product. Their communications, as a result, are often simply elegant product demonstrations: think of the most recent Apple commercial; Google's Year In Search campaign plays the same game.

In a world of information overload and hyper-fragmentation, is it possible to build the type of brands we all love to love in India without brand-first communications? Of course, the answer is an emphatic 'Yes'. In fact, we can use the product as our knight in shining armour. For example, over the last few years, our team at Publicis has embarked on a fascinating brand journey with the team at MakeMyTrip. Arguably one of the best-loved travel brands in India, it has gone from strength to strength and taken millions of new Indian travellers across the country or around the world.

Student Bulletin Board

MakeMyTrip is a prime example of a brand built on two equally powerful pillars - a killer product-innovative, democratizing and exciting - and a suite of engaging product communications.

When MMT speaks, via their spokespeople Alia and Ranveer, the product is always front and centre. From guarantees on the quality of a hotel to an unbeatable deal on a flight or a better travel solution via an app instead of using an agent, MMT has built a power brand in the Indian travel sector by focusing on product-first communication.

Equally impressive is Raw Pressery, which has built an enviable legion of loyal fans through simple communications which never overcomplicate their carefully crafted bottles of fruity goodness. Raw relish in targeted communications served up at the most appropriate time, leaving a space for the product to shine in the most engaging manner possible...

So, what wisdom can we pass on to future generations of communications specialists?

Arguably, the more accelerated the consumer landscape, the more direct our communications need to be. In a world where people barely have the time to eat dinner at home with their families, our advertising needs to work harder than ever, but this doesn't mean our work needs to be monosyllabic. Far from it.

Great brands are built piece by piece, chapter by chapter, with the product often in the foreground, unembellished by unnecessary advertising puffery. No matter how much we want to create that iconic piece of brand advertising for our agency reel, the best prescription can sometimes be to let the product do the talking.

We have a prime opportunity to build brands in a sustainable, measurable and sensitive manner. Let's not waste it.

http://www.afaqs.com/news/story/52590_When-product-marketing-is-more-than-product-marketing