



Wave Goodbye to the Attention Economy

Now that no one is paying much attention to advertising any more, marketers have a reason to be concerned about their future.

The marketing business is in trouble.

After years of papering over the cracks in an outdated communication model, of continually shuffling the media deck in search of a better hand, the realization has finally hit home: the future of advertising looks grim. The world that marketers have known for so long – ads, and more ads, blasted across as many media channels as possible – is about to collapse.

When you have the Chief Brand Officer of P&G scolding the ad business for the plague of deception that has infected online advertising (“**We don’t want to waste time and money on a crappy media supply chain**”), marketers everywhere have got to be thinking: the end is near. According to Forrester Research, more than half of display ad dollars in 2016 were wasted due to ad fraud or unviewable ads. It is only a matter of time before the curtain descends on a business model that is no longer viable.

The web has become a landfill site, contaminated by programmatic media buying, clickbait and ad litter. Wherever they go, people are mugged by pop-up ads, auto-playing video ads, full-screen take-over ads, prestitial ads with countdowns, and many other detested ad formats, causing them to wonder: “How do I make this all go away?”. Which explains the explosive growth of ad blockers,

pervasive ad skipping, and fractional click-through rates, as people try to regain control of their screens, doing their best to minimize the visual pollution.

Yet online advertising keeps growing (**up 23% over last year**, on its way to surpassing TV) because it is the last refuge for media buyers, who recognize that people are diverting more of their time to connected devices.

Think how much of the current digital media experience is funded by ad-driven clicks today. **Google generates \$19 billion in ad revenue**. Last year, **Facebook’s ad revenue** shot up by 51% to \$8 billion. In fact, every one of the large audience aggregators makes a fortune cramming ads on to their pages. But if that source of revenue ever dries up, it won’t be just the platform oligopoly which takes a major hit: the entire universe of web publishers will get dragged down with them.

Where there’s fear and uncertainty, you can expect the merchants of advice to be circling. The big consultancies have muscled their way into the marketing services industry, challenging the influence of ad agencies, whose lifeblood remains advertising. But while the consultancies preach business transformation to the C-suite, their digital-first ideas get caught up in the barbed wire that stretches across multiple touchpoints. Marketers are left to struggle with a

conflicted mandate, unable to march in two seemingly opposite directions: chasing after eyeballs while improving the digital experience of customers. Their default position is to stick with what they know: using algorithms to sling even more brand messaging at people, in the hope that ad relevancy will break through the clutter.

Never in the history of marketing has an epochal change of this scale occurred. For the better part of three decades, the shift away from mass media has followed a steady trajectory, propelled by the advent of new consumer-facing technology (PCs > the Internet > social media > mobile devices). Each new era has simply led to more precise audience targeting. What's different today is that marketing is facing a growing backlash against invasive advertising, one that may leave it adrift in a sea of customer indifference. Even the survival of marketing as a distinct function is at risk, especially when you consider that customer service may be having a greater impact on brand loyalty these days than any ad campaign.

For marketers everywhere, this is a time for soul-searching. The obvious way out of this crisis is to simply *stop trying to influence how people behave* – an act of heresy according to standard brand dogma. But relentlessly pursuing people based on their browsing history, or leaping out at them as they scroll through their newsfeed, or forcing people to endure a pre-roll ad before they can see a video clip, just raises the level of indignation. It also makes people distrust brands more than ever. Since trust is the only measure that matters today, the marketing business is at a turning point: establish a new mandate, based on earning trust, or face an uncertain future.

So how do marketers go about earning that trust?

There are five main tenets which must shape the new marketing mandate. Collectively they represent a more humanistic model at the heart of which is the belief that a business has no higher purpose than to serve customers (and, by extension, society at large). *The new marketing mandate is to define those terms of service.* Marketing must not only champion the interests of customers – it must advance those interests, mainly by:

1. **Defining the Brand “North Star”** – Nothing unifies people more than a shared worldview. In an age when all products are substitutable, and where price transparency is the great equalizer, values become the main differentiator. Marketing's role is to define a relatable brand identity which gives the brand a human face. The brand ethos becomes an expression of core values – a “North Star” – helping people see the brand as an extension of themselves.

2. **Unifying All Communications** – Ownership of customer communications today is highly fragmented with multiple lines of business ruling over its governance. From a customer perspective, each communication they receive appears different in format, style and tone. Marketing controls just one facet of the communication experience: brand promotion. Yet it

also holds the key to a better experience: an understanding of customer preferences. Marketing must lead the unification and personalization of all forms of communication – promotional, informational, and transactional – making sure the brand speaks in one voice.

3. **Thinking like Publishers** – If marketers are to make a clean break from the past, they must think differently. Instead of obsessing over customer targeting criteria, they must learn to serve the interests and passions of their audiences through the branded content they produce. If they can figure out the right editorial mission, based on the brand's “North Star”, customers will be much more likely to engage in conversation, because the stories they see will concern the topics they care about.

4. **Offering Contextual Help** – Now that the smartphone has emerged as the screen of choice (not because people like to talk to each other, but mostly because they don't), marketers have an opportunity to go beyond app building to helping people choreograph their lives. The starting point should be making daily life easier and more convenient. By marrying known information about customers – their past purchases, search activity, preferences, affinities, and geolocation – with an understanding of

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their intentions, a brand can serve as a utility, providing on-the-spot guidance when it is most needed.

5. **Extending the Value Chain** – For a brand to play an expanded role in people’s lives, it should serve as the gateway to an extended value chain, much the same way Apple functions as an integrated ecosystem. Marketers can form a coalition of affinity brands who agree to pool their audience data and swap knowledge in the interest of creating new forms of value for customers. The partner brands could also share a common set of digitally-enabled services (like a content hub, devoted to a specific lifestyle or social cause).

The attention economy, powered by advertising, is nearing an end. People are fed up with what the web has become – so they are insulating themselves from commercial assault. Even Google and

Apple are fully behind this movement, seeing the value of cleaning up the web. In this new ad-free world, marketing’s mission will be to transform the brand from something people buy to something they believe in.

The fate of marketing will ultimately depend on it.



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