

# MARKETING

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## Don't scrimp on company's e-presence

### CHOOSE A CLEAR STRATEGY

More and more, the first exposure will be the Web

By CHARLES MANDEL

We've all seen them: the neglected Web sites with stale information and out-of-date phone numbers — if you can even find the site at all. It's no way to do business, according to David Berman (www.davidberman.com), an Ottawa-based communications and Web guru.

"People put a lot of effort into making their letterhead and business cards look great," Mr. Berman says, "but more and more, the first exposure your company will have to its audience will be its Web presence."

"We know how important first impressions are."

## IN NEW AGE ADVERTISING, CONSUMERS CALL YOU

MOBILE IS THE MESSAGE

LONDON • Mobile telephones and other wireless communication devices will soon become the most important medium for advertisers to reach technology-savvy consumers.

This forecast by Andrew Robertson, chief executive of Omnicom's BBDO advertising agency, the world's third-biggest, underscores the uncertainties facing advertisers in developed markets as they shift from their traditional dependence on television.

The problem for advertisers is that technological developments such as the spread of digital video recorders are giving consumers the ability to avoid TV commercials.

Mr. Robertson says he believes the way forward for advertisers to reach consumers would be to use wireless devices such as mobile phones, laptop computers and the BlackBerry e-mail devices favoured by travelling corporate executives on the go.

"We are rapidly getting to the point where the single most important medium that people have is their wireless device," he says. "It's with them every single moment of the day. It's genuinely the convergence box that everyone has been talking about for so many years."

While stressing the importance of reaching consumers on wireless devices, Mr. Robertson is open about the difficulties this will create for advertising agencies.

Unlike television viewers, cellphone users are unaccustomed to commercial interruptions. To reach them, agencies will have to develop content so engaging that mobile phone users will seek out — a tall order.

"You have no way to interrupt because they can choose what they can do," Mr. Robertson says. "The opportunity is if you can create some content that they want to engage with, they can do that all of the time from anywhere." Gary Silverman, *Financial Times*

So how do you make a great, first impression on the Web? It starts with a clear strategy agreed upon ahead of time, Mr. Berman says. A classic mistake many businesses make is to begin with the design, which may be more fun, but won't necessarily guarantee a successful site.

Rather, businesses need to outline the outcomes they wish to achieve with their sites and not only pinpoint what constitutes success, but specify dates by which they can measure the effectiveness of their sites.

Mr. Berman believes entrepreneurs should know who it is they want to visit their site and how long they want them to stay. "If we could have them leave the site having received one message, what would it be? Then the design of the site can focus on fulfilling that."

Amber MacArthur (www.ambermac.com), Web strategist for Toronto-based consultants iPrimate and co-host of G4techTV's *Call for Help* show, agrees it's more important than ever to have a Web site. "It really legitimizes your business online, and it's a place to showcase what you do to an international community, because there are no boundaries."

A well-designed Web site should offer easy access to information and ease of use, says Ms. MacArthur, who has been a judge for the Webby's, the awards given annually to the Internet's best Web sites. Ms. MacArthur adds that Flash animation and other bells and whistles are secondary to content.

Finding the right Internet address is crucial, Mr. Berman says, who warns against using "bargain basement-sounding" URLs. "For the Web, the brand is the product and the URL is often the very thing we're promoting. In terms of driving traffic, this branding 'Aha!' is critical."

Once the site is built, businesses can direct people to their site in a number of ways. Ms. MacArthur advises including the Web address on all marketing communications, as well as in e-mail signatures at the bottom of any electronic correspondence.

Networking is another way to push traffic toward the site. Ms. MacArthur says exchanging addresses on Web pages with other businesses helps keep Web sites in the public eye. "When you talk about the Internet, it really is a Web of information," she says, "and what you want is to try to get a lot of different connections to your Web site and get your name out there as much as possible."

Blogs add interest to a site, Ms. MacArthur says. She advises having the chief executive keep a blog that talks about his industry. "Blogs are a fantastic way to add personality to your site and make it look fresh."

Some Web sites are adding Productorials. Produced by Productorial.com, these are short online films featuring business people talking about their products. The film opens as you arrive at a site's home page. "This is one more way to bring us a pop-up that isn't a pop-up as pop-up blockers become more popular," Mr. Berman says.

Both Ms. MacArthur and Mr. Berman insist that once your site is up and running, someone must be put in charge of maintaining it. "You always want to look like it's fresh and the information there is still valid," Ms. MacArthur says.

Mr. Berman says your Web site should also be relevant and accurate. "We've all seen Web sites that spun out because they didn't get attention."

*Financial Post*



CRISPIN PORTER + BOGUSKY

The "subservient chicken" Web site, created by Crispin Porter + Bogusky of the U.S. for Burger King, lets people give orders to an actor dressed as a chicken. Although it cost less than a television commercial, it has attracted 418 million visitors who stay for an average of six minutes.

The Web means rethinking advertising. Now agencies are looking at how — and what — to make it pay

## What's the price of pop culture?

By GARY SILVERMAN

There may be no better measure of the difficulties facing advertising agencies today than David Lubars' career plans. As creative director at the Fallon agency, Mr. Lubars became famous in the ad industry by helping to develop promotional films for the BMW Web site that aimed at being as entertaining as anything produced by Hollywood.

But Mr. Lubars — who last year became chairman and chief creative officer of BBDO North America, one of the biggest U.S. advertising agencies — is now agnostic about Internet films. His goal is to produce "customized" advertising solutions, meaning he is less worried about the media he uses than the results he generates.

"The thing people keep looking for is: 'What's the new format?'" he says. "Are films the new format? I don't know. I don't care if I ever do films again."

The question facing Mr. Lubars and his fellow travellers in advertising's new wave is whether their agencies — which, after all, were built to make television commercials — will be flexible enough to produce the tailored solutions they envisage.

This kind of conversion is not unprecedented in the annals of business. Banks managed a similar trick when they shifted their emphasis from making one-size-fits-all corporate loans to creating derivatives and structured financial products.

But agencies are struggling to figure out how to bill clients for delivering a concept — a customized mix of services that could include anything from a package design to a Web site to an idea for a television program, or combinations thereof.

"Advertising is a very 20th-century product," says Andrew Curry, director

of the Henley Centre, WPP's strategic marketing consultancy. "It's a mass production model."

Agencies have an incentive to change because the economics of the television-commercial business have been deteriorating. In the past, an agency earned 15% of what a client spent on advertising. But now companies are hiring procurement specialists to squeeze fees, and the howls of pain can be heard on Madison Avenue.

At the same time, the new advertising approaches can produce remarkable returns. Especially on the Internet, many campaigns are attempts at viral marketing — creating an idea so compelling the press and the public will pass it along for free.

The result can be more bang for an advertiser's buck. A good example is the "subservient chicken" Web site created by Crispin Porter + Bogusky of the U.S. for Burger King.

The site gives people a chance to give orders to an actor dressed as a chicken. Developed for less than the cost of a U.S. network television commercial, it has attracted 418 million visitors — who stay for an average of six minutes.

"When it's well done and your work becomes an element of the pop culture, it is more efficient," says Farid Mokart, joint president of Marcel, a new marketing agency in the Publicis group. "But there are so many ideas that don't work."

The hit-and-miss quality of the new era could increase the incentives for agencies to base their fees on the results they produce for an advertiser.

"This will all evolve and change," said Andrew Robertson, chief executive of BBDO Worldwide. "When a combination of technology and the unflinching behaviour of consumers changes the model, then the way you get paid gets changed." But he adds: "We haven't done it yet."

*Financial Times*



### COMMENT

## Whining noises from the radio



PAUL BRENT  
*Ad Lib*

Listening to the cries of pain directed at its nanny — better known as the CRTC — about the broadcast regulator's decision last week to give satellite licences to all three subscription radio hopefuls, one would think CHUM Ltd.'s substantial radio business faces near-immediate extinction.

Nothing could be further from the truth. The industry is hot, coming off two great advertising years and an '05 that owes its gains, at least in part, to the absence of NHL hockey playoffs. (All those ad dollars have to wind up somewhere.)

CHUM and the other cultural nationalists have complained that satellite's Canadian content requirements are not heavy enough — just 10%, versus 35% for conventional radio — but they all miss the point, deliberately or otherwise. People are paying for the right to listen to satellite radio. Paying extra for the equipment, paying a monthly subscription fee — paying, incidentally, not to listen to commercials.

The Canadian Radio-television and Telecommunications Commission decision is viewed by almost everyone as a negative for conventional radio broadcasters, who continue to attract advertisers despite managing to turn the medium into a flavourless mixture of Pabulum over the past few decades. Radio types should be less worried about potential satellite radio listeners, and more concerned about the P2P-downloading, CD-ripping, iPod-wearing crowd who have turned away from conventional radio.

As for CHUM and its competitors, most analysts expect the satellite death stars to be less than lethal. Currently, satellite accounts for just 2% of listeners in the U.S., a number expected to grow to only 15% in 10 years. Conventional radio also has some advantages: It can air local or regional commercials, and satellite can't; and advertising isn't limited to just six minutes per hour, as with satellite radio.

### FREE ADVICE

It might pay to listen to Brett Marchand's thoughts on the former king of (Canuck) beers, unceremoniously dethroned by the King of Beers: He's one of a rare breed, a brand manager on Molson Canadian who wasn't fired, demoted or kicked upstairs. Mr. Marchand, who these days toils as president of Toronto agency Lowe Roche and works on the Stella Artois brand, believes the TV commercial-centric approach to the country's former No. 1 beer brand is all wrong.

"The biggest way you show what your brand is all about is by putting a 30- or 60-second TV ad on the air," Mr. Marchand said. "You put a ton of pressure on [an] ad to reinvent a brand."

It's a curious stance for a marketer who was in charge of Molson's Rant ad, the home run to which most beer executives continue to strive. But the Rant's six-week TV run gets too much credit for the brand's claimed 1.8 share point gains in the year. A bottom-up brand redesign and Internet marketing effort played a huge role too, says Mr. Marchand, who states the Internet component is what's missing from Zig's current campaign. "Let's face it, that's where the target lives."

*Financial Post*

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