

Spotlight

ARTWORK The Office of Creative Research (Mark Hansen & Ben Rubin), *Shakespeare Machine*, 2012, 37 blades display fragments of speech from the Bard's plays that appear and then dissolve, 21' x 17', Public Theater, New York City



You can make ubiquitous advertising acceptable—even welcome—to consumers.

by Jeffrey F. Rayport

Advertising's New Medium: Human Experience

Last summer the London-based beverage giant Diageo devised labels for its Brazilian-market whiskey that turned the bottles into a conduit for custom video. Timed to hit shelves for Father's Day, in August, the labels enabled a gift giver to scan a code and upload a video message for Dad to the cloud. Dad could scan the code with his own phone to receive the recorded good wishes. The videos promoted the brand, tightened social bonds, and allowed the company to reconnect with both giver and recipient for future promotions—events, tastings, offers, and the like. Diageo transformed the most mundane form of advertising—a label with a logo—into an open-ended personal messaging system that could be woven into consumers' lives.

This is a far cry from advertising as we've known it—ubiquitous but often poorly targeted, intrusive, ignored at best and actively rejected at worst. Today consumers are drowning in irrelevant messages delivered across media from the web, TV, radio, print, and outdoor displays to a proliferating array of mobile

devices. Screen displays are pervasive: Smartphones and tablets, ATMs, airport check-in terminals, retail checkout machines, and information kiosks in stores and malls all carry marketers' messages. Media networks have infiltrated scores of out-of-home places in our daily lives: taxis, trains, buses, elevators, filling stations, bars, restaurants, and subways. So-called narrowcast networks, such as Walmart TV, have become media vehicles in their own right, reaching audiences easily as large as those of the leading cable networks.

In this media-saturated world, advertising strategies built on persuading through interruption, repetition, and brute ubiquity are increasingly ineffective. Seeking escape from the barrage, consumers DVR through TV spots, block pop-ups on their browsers, opt out of banner ads, and pay content providers like Pandora to not deliver advertisements. To have an impact, then, marketers must fundamentally rethink their advertising strategy and execution and expand their definition of what, exactly, advertising is.

This article offers a framework for that process. It is based on the understanding that human experience—from one's online and offline travels to social interactions, group affiliations, and thought processes—is a vast medium for advertising that can and should be approached strategically. Whether advertising works in this arena depends on how marketers conceive its purpose, how they craft and place their messages, and, most important, whether consumers welcome the messaging and invite advertisers' brands into their lives.

The model underlies my teaching and consulting to senior executives within the global agency and marketing services company Omnicom Group and through MarketspaceNext, a digital strategy firm. The ideas behind it have been applied in media, retail, financial services, pharmaceutical, and consumer packaged goods companies.

Be a Presence

Standard ad messaging and conventional creative executions and placement are rapidly becoming outmoded. To win consumers' attention and trust, marketers must think less about what advertising says to its targets and more about what it does for them. Rather than conceive ad campaigns with a beginning, a middle, and an end that hammer home a point, they must think about advertising—as well as the offerings it promotes—as a sustained and rewarding presence in consumers' lives.

That's still a new and disruptive idea for a discipline that remains most at home with TV spots and display ads. Nonetheless, marketers at Diageo and elsewhere are pushing advertising's boundaries. Companies like Demand Media, Skyword, and BuzzFeed, for example, have fueled the growth of so-called native content, creating both text and video that complement commercial messaging and encourage consumers to engage with it because it's more than an advertisement. Rolex links its online display ads to the World of Music—a *New York Times* survey of concerts and operas, branded with the company's iconic crown logo, that's designed to appeal to the Rolex-buying demographic. Shortly after the U.S. presidential election, Fidelity placed full-page ads in major papers that posed the question "How could the election results affect the markets?" and invited readers to download insights from the company's expert panel.

Such advertising is conspicuously different from the conventional sort. In the best cases, it has edi-



Online Ads in the Four Spheres

Online advertising technologies profoundly enhance marketers' ability to tailor advertising to a consumer's specific context.

Through real-time bidding on online ad exchanges, marketers compete in split-second auctions for the opportunity to serve an ad to an individual consumer on the basis of attributes such as her web-browsing history, social media use, purchase behavior online and off, location, and demographic profile. Having created as many as several thousand variations of an ad for a standard online ad unit, such as a banner, marketers can choose the version—in a process called dynamic execution—that's most likely to resonate with the recipient. All this happens in 30 to 120 milliseconds (sources vary), from the time a user clicks on a link or types in a URL (initiating an "ad call") to when the web page actually loads. The same technology can be extended to the mobile web and will soon reach all electronic media, including television.

Idea in Brief

In a media-saturated world, persuading through interruption and repetition is increasingly ineffective. To engage consumers, advertisers must focus on where and when they will be receptive. This requires strategically embedding ads in four domains of human experience:

The *public sphere*, where we move from one place or activity to another, both online and off;

The *social sphere*, where we interact with and relate to one another;

The *tribal sphere*, where we affiliate with groups to define or express our identity;

The *psychological sphere*, where we connect language with specific thoughts and feelings.

Each sphere has varying levels of effectiveness for driving desired behavior such as awareness, purchase, and loyalty.

Advertising successfully in each of these domains requires that messages offer value and that consumers trust and welcome them.

torial integrity and engages through relevance and value. But no matter how worthwhile your message, competing for attention simply by yelling louder across the proliferating array of media platforms is not a sustainable strategy. If human experience is a medium for advertising, how can marketers engage consumers there in ways they will welcome?

In my work, I advise marketers to approach this medium as a landscape composed of four domains: the public sphere, where we move from one place or activity to another, both online and off; the social sphere, where we interact with and relate to one another; the tribal sphere, where we affiliate with groups to define or express our identity; and the psychological sphere, where we connect language with specific thoughts and feelings.

Marketers have long placed advertising in each of these spheres, but often unwittingly or not strategically. By explicitly mapping their programs and messaging to these four domains, they can engage consumers in effective new ways. Rather than focusing first on communication strategy and marketing mix, they should begin by considering how consumers live their lives and under what circumstances they will prove receptive to messages in these domains.

The Public Sphere

Advertising in the public sphere typically engages consumers during moments of downtime when they're moving between one point or activity and the next and have attention free for new inputs. Such ads have a long history, of course; beginning in the 1920s, for example, Burma-Shave famously erected sequential signs that delivered rhyming ad messages as drivers whizzed past. More recently, Captivate Network put silent, sponsored screens in office tower elevators, and PumpTop TV put digital displays on gasoline pumps.

In the virtual realm, real-time bidding and dynamic execution enable marketers to buy online ad

space and serve up any one of hundreds or thousands of variations of an ad tailored to the consumer's profile and, increasingly, location—within milliseconds (see the sidebar "Online Ads in the Four Spheres"). As the targeting of such ads improves in the public sphere, they will become less the intrusion they're considered now and more a source of welcome messages. Mobile apps and services that build on these capabilities are a powerful way to reach consumers between activities or in transit, because that's when people reflexively turn to their devices. In fact, a study in the January–February 2013 HBR ("How People Really Use Mobile") reported that consumers spend nearly half the time they're on mobile devices "seeking relaxation or entertainment."

Effective public-sphere ads follow one or more of four principles:

They are relevant in context. That is, the message aligns with the consumer's experience at the moment she encounters the ad. The online shoe retailer Zappos understood this when it placed ads in the bins used to move possessions, including shoes, through U.S. airport security. This placement connects idle time in transit with unintrusive but relevant messaging. A billboard related to your needs (a restaurant ad on an interstate) is similarly contextually relevant.

They help people reach personal objectives. IKEA, the global Swedish discount retailer, has integrated its advertising with a range of transportation solutions for customers at its Brooklyn, New York, store. The company provides a water taxi and a shuttle bus, branded and painted in its iconic blue and gold, to get from Manhattan and back, and makes it easy to reserve Zipcars—some of them branded as well—in advance of or during a store visit. The buses, boats, and Zipcars serve as mobile billboards for the brand: It's advertising conceived as problem solving.

They are branded interventions, entering the lives of consumers in targeted and useful ways when and where they're desired or needed. Consider the

battery maker Duracell's initiative after Hurricane Sandy pummeled the northeastern seaboard of the United States in October 2012. Duracell dispatched Rapid Responder trucks emblazoned with the brand into devastated areas to serve as mobile charging stations, provide people with web access, and, of course, give away its own batteries.

They provide engaging, refreshing, or compelling experiences. Pop-up stores and pop-up trucks, which are surprising, experientially rich, and brand-focused, provide one example. From 2006 to 2010, for instance, Charmin placed temporary public restrooms featuring its products in Manhattan's Times Square during the holiday season, increasing brand awareness and building goodwill. Permanent branded installations, such as the six Hershey's Stores in the United States, Shanghai, Dubai, and Singapore, are another example. So are temporary acts that crop up in the midst of everyday life, including roving Starbucks employees—wearing aprons featuring the company's famous Siren logo—who ply consumers with complimentary cups of hot mulled cider on cold winter days during the holidays.

Ads in the public sphere typically address a specific practical function, but they can also exert influence in the remaining three spheres, as we'll see.

The Social Sphere

Advertising in the social sphere helps people forge new connections or enrich existing ones. It can turn social interactions themselves into carriers of ad messaging. Like public-sphere advertising, it must appear in the right place at the right time with the right message. To that end, it must be relevant in context, align with social goals, address a social need, and facilitate interaction in innovative ways.

Diageo's "talking bottles" are an example: They reinforce existing relationships while also reinforcing the brand. Indeed, any advertisement that consumers are inspired to pass along serves this purpose. Several million people have shared Procter & Gamble's comical Old Spice video ads online, delighting friends, cementing connections, and immeasurably boosting the brand.

Walmart's Shopycat and other gifting platforms advertise by addressing social needs, such as finding the right present for a friend. Shopycat generates gift recommendations for consumers' Facebook friends; it was launched in 2011 through a rollout to the 11 million fans who "liked" the retailer's page. The system uses semantic intelligence to interpret users' com-

Integrating Ads into Everyday Life

Effective advertising in each sphere of human experience depends on providing relevance and value.

Advertising Requirements

Examples



Public Sphere

Where we move from one place or activity to another in the physical and virtual worlds

Is relevant in its context

Aligns with consumer goals

Provides utility

Is engaging, compelling, and refreshing

Zappos ads in airport security bins

Charmin pop-up facilities

Duracell Rapid Responder trucks



Social Sphere

Where we interact with and relate to one another

Is relevant in the social context

Addresses a social need or solves a social problem

Facilitates social interactions

Diageo whiskey label codes

Walmart Shopycat

Nintendo Wii parties for young moms



Tribal Sphere

Where we affiliate with groups in order to express our identity

Addresses individual desires for self-expression or identity

Performs as a social signal or a status marker

Provides a form of affiliation

Empowers the individual

Oakley branded products and decals

Hermès, Gucci, and Louis Vuitton bags



Psychological Sphere

Where we connect language with specific thoughts and feelings

Provides a new means of articulating ideas

Identifies a brand with an action or an attribute

Links a word to a pattern of thought

Associates the brand with an emotion

Nike's "Just do it"

Staples' "That was easy"

Life is good, Inc.'s logo and motto

ments—noting, for example, that an individual did or didn't like a book or movie—and make tailored recommendations. Another form of social-sphere advertising uses a promotional event to help consumers achieve social ends. Taking a page from the Tupperware playbook, Nintendo fueled the highly successful launch of its Wii video games console by identifying women who fit the “young mom” profile and providing them with everything they needed—game consoles, catering, and event management—to host Wii parties and connect with other moms. It also unleashed a “backyard fence”-style word of mouth, online and off, that engaged a demographic that normally pays little attention to video or electronic gaming.

The Tribal Sphere

Whereas the social sphere emphasizes broad, diverse networks, the tribal sphere is the domain of more-focused social engagement; here marketers can use or help create consumers' identification with groups. Advertising that leverages tribal affiliation must suit the character and values of those involved; address desires for identity, self-expression, and membership; provide a social signal or status marker; and empower the individual.

Consider, for example, a cult brand like Oakley, with its high-performance sunglasses, goggles, and apparel, which relies heavily on tribal positioning. Not only do customers wear branded Oakley products; they also display the logo separately—by, for example, sticking decals on their cars. The brand name, detached from the product, signals inclusion in a tribe dedicated to extreme sports and athletic excellence.

Yelp and similar online sites use tribal status as a core engine of their business. Yelp is populated exclusively by user-generated reviews of offline venues ranging from restaurants to cultural institutions. Today it hosts nearly 33 million local reviews and claims roughly 84 million unique visitors a month. The leading producers of site content, however, are not a broad-based group. Rather, many reviews come from what the company calls its Elite Squad, whose members are invited to social events at restaurants, nightclubs, and museums and are celebrated as belonging to a tribe. Their strong sense of affiliation makes them powerful brand ambassadors who spread positive word of mouth about Yelp online and off.

Starbucks, too, has done major social media outreach to bolster tribal identity. Maybe its most clever

move of late was to link the online and offline worlds, awarding status markers—special barista badges—to people who have become “mayors” of individual Starbucks stores by virtue of their number of Four-square check-ins. These badges entitle their wearers to store discounts.

Tribal-sphere advertising is of course not limited to the masses. Luxury brands commonly use conventional mass media advertising while relying on their customers to deliver the most powerful ad messaging of all. Hermès, Gucci, and Louis Vuitton all depend on consumers' desire to signal their social status—their group affiliation—by showcasing logos and brand names.

The Psychological Sphere

This is the domain of language, cognition, and emotion. Obviously, all advertising ultimately operates here in one way or another. But ads optimized for this sphere are designed to insert words, phrases, or emotions into a consumer's psychological processes, where they serve as shorthand for complex concepts, inspiring action or triggering positive feelings. The principles that guide successful advertising in the psychological realm are simple: Such ads provide new ways to *articulate ideas, engender habit formation, guide reasoning, and elicit emotion.*

Psychological-sphere ads typically operate in one of four ways:

They use language to establish a cognitive beachhead for a brand. They may coopt commonplace words or phrases, as Staples did with “That was easy,” Apple with “Think different,” and Nike with “Just do it.” Nike's motto is synonymous with the brand and associated with the goal of achieving one's personal best—in other words, it's both an ad and a motivator. Psychological-sphere ads may also move brands into the language, usually as verbs: Think of Xerox, Google, and FedEx. Similarly, brands may use words to identify themselves with an action or an attribute and thus “own” familiar words in a new way, as Facebook has done with “friend” and Twitter with “follow.” They may coin memorable words or phrases, like Budweiser's “Whassup?” and Taco Bell's “Yo quiero Taco Bell,” which took on lives of their own for consumers, reinforcing ad messages every time they came to mind. Countless consumers daily utter Verizon's “Can you hear me now?” for purely practical reasons; but each time, they reinforce both brand awareness and the implication that Verizon has the best network.

They seek to create habits. “Just do it” nudges consumers to run every day or aspire to their personal best. Alka-Seltzer’s “I can’t believe I ate the whole thing” was conceived years ago to train consumers to reach for the company’s product after every excessively large meal.

They guide cognition. IBM has used “THINK” since its founding to inspire employees and project its values to the outside world—just as, more recently, the *Economist* has promoted “Think responsibly” and “Think someone under the table.” Google’s “Don’t be evil,” famously included in its IPO prospectus, became a mantra for entrepreneurs and consumers alike (despite some skepticism about Google’s capacity to abide by it). Josh James, the founder of Omniture, a web analytics company now owned by Adobe, developed a simple phrase, “Think, go, do,” as the corporate mantra and brand tagline. From a cognitive perspective, it’s both inspiring and practical. And Oneupweb, a digital services company that aims to connect customers with brands in every way possible, operates according to a simple admonition: “Be relentless.” It, too, advertises the brand and guides thought.

They connect a brand with a mood or an emotion. Consider the brothers Bert and John Jacobs, who had been selling T-shirts door-to-door at colleges and street fairs, with limited success. Everything changed when they created a shirt featuring a happy-looking character, Jake, and his motto, “Life is good.” The shirt generated an immediate positive emotional response among their friends. Today Life

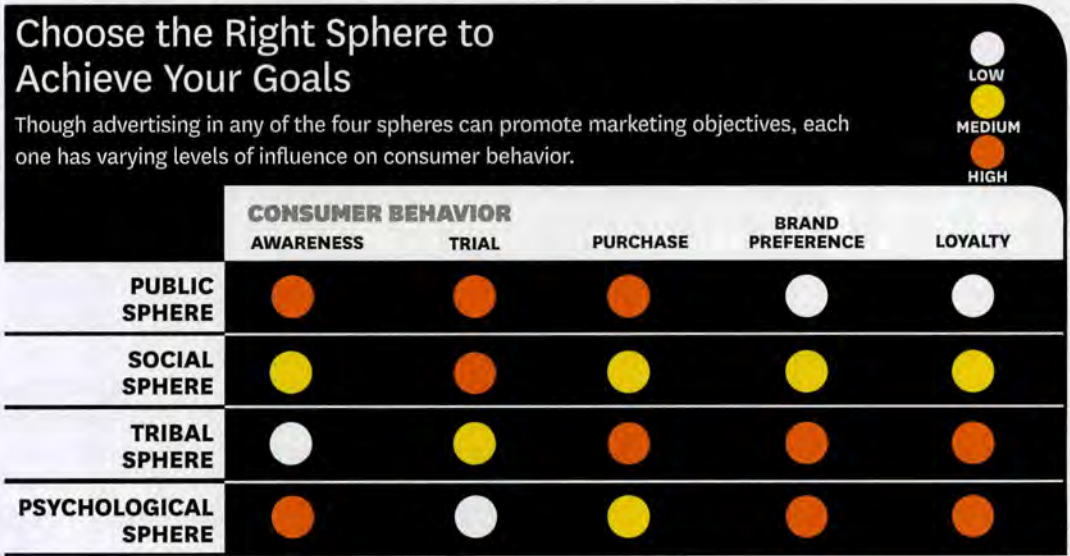
is good Inc. sells some 900 items through 4,500 retail stores and more than 100 independently owned shops. Although the company’s retail partners may use conventional forms of advertising, Life is good Inc. advertises only through the prominent logo and slogan displayed on the products its customers buy. It is rooted in the psychological sphere, promoting a frame of mind—optimism—captured in a phrase.

Placing Ads in the Spheres

Although advertising in the four spheres has similarities to conventional ad campaigns, it takes a customer-centric rather than a media-centric approach. Instead of focusing first on which media to emphasize in a campaign—television, web, mobile, outdoor displays—marketers should start by determining how the envisioned advertising can integrate into consumers’ lives in ways that deliver value and win their trust. The notion of a conventionally finite ad campaign becomes less relevant. Advertising in the spheres is designed to establish a sustained presence that ranges from branded utility to instrument of thought.

The following five steps offer a useful framework for applying these ideas:

1. Define objectives first from a consumer’s, not an advertiser’s, point of view. Marketers often fail to clearly articulate their strategic goals at the outset, or the objectives they choose are vague, media-focused, or excessively broad. With a spheres strategy (and proliferating media in which to use it), clear objectives and priorities are more important



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than ever. Is the primary goal of the campaign to build awareness? Encourage consideration? Drive purchase? Reinforce loyalty?

2. Target the campaign to create value for consumers. Each of the spheres offers specific strengths; choosing which sphere or spheres to emphasize in an advertising effort initially and as it evolves depends on determining where the consumer's and the advertiser's objectives intersect. Companies applying this model have found, for instance, that advertising in the public sphere drives awareness, trial, and purchase, and advertising in the tribal sphere drives purchase, brand preference, and loyalty. (See the exhibit "Choose the Right Sphere to Achieve Your Goals.")

3. Test, listen, and adjust ads to improve the customer experience. Like traditional advertising strategies, a spheres-based approach requires dynamic testing. Even in the appropriate sphere an ad campaign may be ineffective for a variety of reasons. Therefore it's critical to "listen" to the intended targets of a campaign with the technological and conventional tools available—from automated online behavioral tracking and monitoring of social chatter to anthropological observation of consumers in the physical world—and adjust course in real time. Facebook's Beacon, which alerted friends whenever one of them made an online purchase, caused an immediate backlash; Facebook quickly pulled it and shifted to less invasive efforts such as serving targeted online ads.


4. Evaluate an expansion strategy. Depending on results or the shifting objectives of a campaign, marketers may withdraw advertising from one sphere or extend it into additional spheres. For example, an effective social-sphere campaign may lead a loose social group to start acting like a "tribe" in which individuals express their identity through

affiliation. BMW motorcycle clubs began as loose social affiliations and shifted over time into close-knit user groups, not unlike the intensely tribal Harley Owners Group. Similarly, advertising in the public sphere may produce a word or phrase association that can be reinforced and exploited with ads specifically designed for the psychological sphere.

5. Constantly look for ways to refresh the message. Consumer attitudes and behaviors are evolving at an accelerating pace. Marketers must constantly gauge campaign performance and adapt their approach in real time. This is fundamental for advertising in the public sphere, where messaging must play a useful, contextually appropriate, and value-creating role in people's daily lives, but it applies equally to advertising in the other three spheres. For example, many brands maintain their relevance in the psychological sphere by refreshing either their message (as in taglines and brand promises) or their treatments; think of the numerous times Coca-Cola has changed its logo and taglines without (in contrast to Pepsi) losing the fundamental consistency of its brand. And consider how social networks and consumer tribes morph over time; having a fresh message is essential to maintaining a campaign's relevance and value. The tagline of Twitter, an engine of tribal behaviors, has evolved from "A Whole World in Your Hands" to "What are you doing?" to "Follow your interests" to the current informative if wordy "Find out what's happening, right now, with the people and organizations you care about."

ALTHOUGH ADVERTISING woven into the context of consumers' lives is less interruptive than conventional advertising, it is also more constant. If marketers abuse the tools at their disposal, their advertising can transform from "present and valuable" to "invasive and exploitative." Thus they must not only get "permission" from the consumers they approach but also engage them with deep respect. Advertising in the public, social, tribal, and psychological spheres works only when it is welcome and useful; the moment it assaults the senses, invades privacy, seeks inappropriately to extract value, or otherwise abuses consumers, they will reject it or, worse, react with a scorching backlash. ▣

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