

SCBA Digital Information Series 7

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In the interest of providing relevant information for our clients and agencies, the SCBA Digital information Series looks at the challenges and opportunities facing digital platforms in 2019. We provide this unbiased data to assist clients when deciding marketing and advertising budgets. Experience has taught us that the more informed clients become about all of today's media choices, the more Broadcast Radio becomes an invaluable partner in building brands and market share. **Becoming a trusted resource for clients should be our ultimate goal.**

Non-Radio Digital Platform Trends in 2019

Digital ad costs are increasing. One factor complicating advertising decisions is the fact that the price of digital advertising is increasing, <u>five times faster than inflation</u>, according to a report by Adobe Digital Insights. This means each ad dollar is potentially less effective, leaving you to decide whether to invest more to get your ad in front of the same audience size.

Influencers are charging more and reaching fewer. Your budget will also see the strain of increased competition for influencers and the <u>challenges social media</u> <u>algorithms</u> pose on reaching their audiences. Furthermore, celebrity influencers on social media with large audiences <u>reportedly command</u> as much as \$1 million per post -- a cost that can crush marketing budgets, without a clear path for measuring your return on investment. In addition to this is a growing <u>customer distrust for businesses</u>. This distrust <u>could spread</u> to influencers who come across as inauthentic.

E-commerce competition is on the rise. Costly, new innovations is driving larger shares of E-commerce budgets. From more established markets to new categories like athleisure wear, it's easier than ever for competitors to start a new business, grow a following and win over customers that once were loyal to other businesses and/or brands. No client has an unlimited budget for advertising and marketing, so the real challenge is figuring out how much and where to spend that budget.

Non-Radio Digital challenges in 2019

Video Marketing: As social media continues to evolve, video is becoming an increasingly popular way for businesses to get out a marketing message. Live streaming will become even more popular in 2019. Additionally, marketers must invest in personalized video messages and 360-degree videos to give brands and businesses a competitive edge in this evolving video digital space in 2019.

Augmented Reality: Augmented reality (AR) is creating new ways for customers to try out products and services which allows customers to interact with products as though they were standing directly in front of them. Clients that can develop content that allows customers to truly experience their products will have to make a significant investment in customer interaction over time.

Mobile Search: Clients that aren't focused on smartphone and tablet users, will be missing a considerable share of the market. In fact, <u>more than half</u> of all online U.S. traffic comes from mobile devices. But in addition to making your site mobile-friendly, you should also consider the way customers search today. A growing trend is to ask Siri or Alexa a question rather than typing short search terms into a browser.

Advertising on Marketplaces: Customers are more likely to search for products on Amazon than come directly to your site. In fact, according to a study of 2,000 online consumers conducted by Survata <u>as reported on by Bloomberg</u>, nearly half start a search on Amazon, if only to read reviews and get a feel for what products are out there. Investing in costly paid and organic search on sites like Amazon could get your products in front of customers who wouldn't have seen them otherwise.

Personalized Website Content: It's important for marketers to personalize customer experiences. Client websites should be targeted to each unique visitor, making sure they see the information that's most relevant to them. Leverage dynamic website personalization (DWP) or adaptive landing pages to swap out content based on interests. For example, if you sell cookware to someone that is a vegetarian, they would likely prefer to see different images and messaging than someone who would be using the product to cook meat.

SCBA Recommendation

The SCBA supports a balanced advertising investment plan to achieve the desired results of client goals. And while we recognize the perceived strength of some digital platforms, true ROI as measured by increased revenue, awareness, listener loyalty, (which translates to brand loyalty) cannot be achieved without Broadcast Radio being a major part of the total advertising plan.

All of the *SCBA Digital Information Series*, which covers various aspects of non-Radio digital platforms can be found at www.scba.com