

## THE APA REPORT



# THE FUTURE OF ADVERTISING ...IN ONE AFTERNOON

Wednesday 8 May 2013 12.15pm - 5.30pm

BAFTA, 195 Piccadilly, London

# THE FUTURE OF ADVERTISING ...IN ONE AFTERNOON 2013

The UK commercials production sector should not underestimate the rapid rate at which evolving digital technology is disrupting the way they create advertising, branded entertainment and VFX.

Technology should facilitate, not dictate, how digital media and platforms, from connected TV to second-screen smartphone devices via broadband internet, progress.

Those were among the key conclusions at this year's The Future of Advertising... In One Afternoon event on Wednesday 8 May.

Britain's leading creatives in commercials and film production gathered in London to debate their future at a speed-dating but productive rate.

Hosted by the APA at BAFTA, home to the UK movie industry's prestigious awards, the event took place hot on the heels of Creative London comes to Silicon Valley, which took place when a record number of APA members visited US technology giants 4-8 March to learn how their latest inventions will impact tomorrow's production methods.



The IPA @IPA\_Updates

"Nothing ages faster than our view of the future" - Chris Goldson.  
Hoverboards, anyone? #foa2013

Expand

9 May

"We are here to see how we can make your business stay up to date and relevant and at the forefront of the business," APA CEO Steve Davies (photo) said at Future of Advertising. "We can see that advertising is changing and our aim is to get a combination of strategy, forward-thinking and to look at some actual projects from APA members who are actually doing ground-breaking work."

With advertisers prepared to spend a whopping \$518 billion on media and marketing globally in 2013, what their consumers are doing, and will do, with digital media cannot be ignored.

Digital advertising is the fastest growing segment by medium category, global media agency ZenithOptimedia, recently concluded. It accounted for 8.7% of global ad spend in 2012 and will zoom to represent 23.4% of total expenditure in 2015, outstripping newspaper and magazine spend combined.

Traditional TV advertising spend remains powerful and will retain the biggest share at about 40% of the total in 2015. However, the emergence of gesture-controlled connected-TV sets, touch-screen smartphones, tech behemoths like Facebook, Twitter, Tumblr and Google, plus whatever new technology materialises tomorrow, mean commercials creators have to take



Jelly @JellyLondon

Creative round up at the ready. A nice line up for @APALondon's  
'Future of Advertising...In one Afternoon' [bit.ly/YGy8RX](http://bit.ly/YGy8RX) #FOA2013

Expand

15 Apr

interactivity, social media and multi-platform marketing strategies more seriously than ever.

This report gives a snapshot of how APA members are responding to some of the most fascinating challenges in the industry's history.

The Future of Advertising...In One Afternoon was organised by the APA, in association with the Institute of Practitioners in Advertising, and The Marketing Society.

**JOHN V WILLSHIRE, FOUNDER/  
DIRECTOR, SMITHERY**  
*The Future of Advertising*

Brands love social media. But keynoter Willshire, a former PHD executive and renowned thinker, compared the way consumer behaviour is mined from social media to “fracking”. This is the controversial technique for extracting natural gas and oil from layers of shale rock as traditional fossil-based petroleum for consumer fuel dwindles. Whatever the future of advertising brings, he advised, extracting data from social media will no longer be enough. The challenge will be to grab audience’s attention and retain it.

“Fracking is an aggressive invasive technique for extracting valuable raw material out of hard-to-reach places. When it comes to advertising, attention is the most valuable raw material. Our problem is that people don’t care. There are lots of brands on Facebook and Twitter that are creating social media that people don’t really want to use. And yet, in the marketing profession, it has become the thing you don’t get fired for. It used to be you’d never get fired for having a TV campaign, now you’ll never get fired for having a Facebook page.” @willsh

**BRUCE DAISLEY, UK SALES  
DIRECTOR, TWITTER**  
*You’ve Got 3 Seconds—The Implication of the Mobile World*

Daisley discussed statistics that confirmed how the powerful mobile-phone medium is transforming lives and, hence, marketing. While the average email takes two days to be opened, the average phone text takes just four minutes. The average person also looks at the mobile 150 times a day, while 41% of us sleep with the phone’s sound on. “The mobile is increasingly the front entrance to our lives,” he said. “As products on mobile are mostly free, monetisation principally comes from advertising. It is also the place for capturing sparks of interest before a purchase takes place.” This trend contributed to Twitter recently launching Vine, a mobile-only app for capturing six seconds of video. @brucedaisley

**CHRIS O’REILLY, EXECUTIVE  
CREATIVE DIRECTOR, NEXUS**  
*Technologist vs. Filmmaker: Creativity Across Platforms*

Nexus’ O’Reilly urged the industry to examine the new chapters in storytelling by using technology. An Oscar-nominated production house and a Cannes Lions Grand Prix winner, Nexus is exploring the way filmmakers, animators and computer programmers advance storytelling for brands by collaborating to create film using code. “Once you bring code into film, you open up possibilities for different types of collaborations. Not only for 30-second or 60-second stories, but for more open collaborations that allow users to interact with animation in different ways.” He pointed out how the industry can learn from history, especially from French cinema pioneers Lumiere Brothers and Georges Melies, who took on similar challenges in the 19th century. @owhylic

**NEIL REILY, VFX SUPERVISOR,  
PASSION PICTURES**  
*Real-time Puppeteering—Bringing Your Brand to Life*

Today’s digital natives, who are very demanding, are forcing the animation-production industry to up its game for computer-generated imagery (CGI), Riley said. This has prompted the growing use of video-game engines such as Unity and Unreal Engine. He said: “The gap between film and games technologies is getting closer and more artist-friendly. The standard animation (production) pipeline has been too long, too expensive and took months of programming. Disney was doing it, but it was proprietary and expensive and there was no way we were bringing that to advertisers. But things have changed. These things now use game engines, which generate CG content in real time (and cost-effectively). We can now use engines the way we use normal CG packages.”

**SIMON GOSLING, EXECUTIVE PRODUCER, FRAMESTORE**  
*Was Max Headroom a Prophet for the Digital Age?*

The immediacy associated with social-media communications means CGI creators will need to be equally swift when creating complementary multi-platform campaigns, Gosling advised. In an age when young amateur filmmakers are becoming YouTube celebrities with billions of views while generating revenues, the profession needs to step up. A TV spot for the US Super Bowl games, the world's most expensive, costs \$1 million for 10 seconds. Yet, 86% of US viewers have a second (mobile) screen that could distract their attention. He says the solution will be inspired by Max Headroom, the 1984 TV show presented by a human actor pretending to be a CGI-created presenter. "In future, brands will use real-time CGI characters. Each one will have a YouTube channel, have a huge following, a Twitter account, give six-second video updates on Twitter's Vine platform, be available 24/7 globally, and will never ask for more money." @sigosling



**The Mill** @MillChannel  
What did @HBO stand for in early cable TV America? "Hey, Beastmaster's On" according to @blinkx\_video's CSO Suranga Chandratillake #FOA2013

8 May

**TOM MCDONNELL, COMMERCIAL DIRECTOR, MONTEROSA**  
*Secrets of Second-Screen Success*

Encouraging TV viewers to interact with a show by voting or playing a related game via their Internet-connected mobile screens is effective for broadcasters and brands seeking a direct relationship with viewers, McDonnell said. Producing content for the second screen is inspiring as it encourages the audiences to participate, he said: "Voting is the simplest end of the second screen. The No. 1 reason for any broadcaster and brand to get involved in this kind of content is because it offers an incredible way of capturing data. Having a one-to-one relationship with a viewer is great because mass broadcasters need that connection.

And because they are doing it, it means brands can do it too."

@tommcdonnell

8 May



**We Are F.A.M.I.L.I.A** @familiafilms

"It's not about being the first people to do things; it's about being the first people to do it meaningfully." Chris O'Reilly #FOA2013

Expand

**SURANGA CHANDRATILLAKE, FOUNDER/CSO, BLINKX**  
*Changing Media: How the Internet Is Changing the Way We Watch TV*

The concept of internet TV should be more than just placing a programme on the internet. "The future is about TV IN the internet, not ON the internet," stated Suranga Chandratillake, who founded video search engine Blinkx to do for audio-visual content what Google has done for text search. The broadband technology should be considered an opportunity, not a distraction, he argued. "We should be combining what is great about the internet (searchable, sharable, interactive) with TV to create



## JIDE SOBO, HEAD OF MOBILE, MECGLOBAL

### *The Only Way To Be Creative Is To Be Mobile*

The tips Sobo gave for using mobile as an advertising and e-commerce platform included positioning the mobile (not TV) as the first screen. "I challenge you to think of mobile as the first screen. Everything people do on smartphones and tablets falls into one of the following categories: Kill time - ads can be delivered during those micro-moments people use to interact with their mobile device while passing the time; Save time - your business can help customers save time with apps; and Prime time - use the mobile for full-length content, even a two-hour film. Think of the role mobile can play in advertising by seeing it as a first screen."

@jidesobo



The IPA @IPA\_Updates

"Nothing ages faster than our view of the future" - Chris Goldson.  
Hoverboards, anyone? #foa2013

Expand

## CHRIS GOLDSON, CREATIVE SALES DIRECTOR, ITV

### *What's Floating Our Boat?*

When used sophisticatedly, product placement on primetime TV can be relevant, entertaining and effectively commercial, was Goldson's message. He dismissed naysayers who insisted that TV is dead just because the 30-second commercial is not as powerful as it used to be. "It's often said TV is doomed. Google thinks that's already happened. But that is completely wrong," he said. "The way that media owners, advertisers and agencies collaborate has changed. Big Data is being seen as the Holy Grail. But the area that I feel is also equally exciting is Big Content. This is when an advertiser and media owner get together to create big content because the viewer is also the customer." He cited ITV shows like the hit soap opera Coronation Street and the reality-TV series The Only



MPC @MPC\_VFX

An exciting new addition to today's speakers. @mrtomollerton from @wearesocial to the floor. #FOA2013

Expand

Way Is Essex as two programmes that have used product placement, social media and merchandise to generate revenues for brand owners.

@chrisgoldson

## TOM OLLERTON, MARKETING DIRECTOR, WE ARE SOCIAL

### *What's New, What's Exciting and What Works in Social Media*

Social media is not an add-on for marketing; "we put social media right at the heart of the campaign," Ollerton said. "Part of our business is to use listening software to analyse conversations about brands in real time, such as conversations on blogs, forums, Twitter, and any other open social-media networks." He explained that the campaign's producer needs to understand Social Insight, data used to create inspiring and relevant campaigns.

Another social-media marketing format is Social Sampling, which encourages people to try out the brand's products or services. A Social-Sale campaign

should trigger an actual purchase. And Social Visual, he added, "emphasises the importance of visual content, not necessarily video, but photographs. If you are watching video online, you need to watch a certain amount before the message can register, whereas a photo's message is instantaneous. Photos are also among the most shareable content online". He described Adidas Football's photo page on Tumblr as an ideal example. @mrtomollerton

8 May

## CREATIVE LONDON COMES TO SILICON VALLEY WHO WE SAW AND WHAT WE LEARNT

### PANEL:

Chris Page, Founder, Jelly

Tim Daukes, Producer, HLA

Katie Keith, First Lady, Rattling Stick

James Cunningham, Head of Content, Academy+

Lee Kemp, Managing Director, Vermillion Films

In The Future of Advertising panel, the APA-member participants were asked what they gained from mingling with the increasingly awe-inspiring tech corporations and start-ups at Silicon Valley during the delegation trip to California in March. Here are their insightful responses.



Independent Films @indyfilmltd

Go get em tigers #foa2013 #apasiliconvalley recap

Expand

8 May

**Page:** “For a small production company like ours, we’re engaging more and more directly with clients as well as with agencies. To have some kind of technological insight from the ‘home of technology’ is something I thought could prove very useful. And, for the way we market ourselves as a business, I was hoping to gain some insight into what will be the trends coming up.”

**Daukes:** “We were there to find out if there were any new opportunities for filmmakers in this incredibly fragmented universe that we all heard about today (at Future of Advertising). For me, it wasn’t so much those technologies or the new capabilities that they are pioneering over there, but the fact that there are new platforms emerging on which we can display our wares as filmmakers every day.”

**Keith:** “We met some interesting people at Netflix who wanted to create and buy interesting content, which was encouraging for us. And the key learning for me was that technology should not be the key obsession. While technology has democratised creativity, it is still about engaging with consumers. Companies like Google and Twitter reiterated that point.”

**Cunningham:** “When we went to Silicon Valley, I didn’t know what to expect and we saw what was purportedly on the cutting edge. But if we went back next year, we would probably see more new stuff. We learned that, as an industry, we’re very static and haven’t changed fast enough and we need to change faster.”

**Kemp:** “For me, it was a kind of fact-finding trip. At the time of going, which was in March, 35% of our work was direct-to-clients by turnover. As of today, it is actually 43% of what we do. So we’re able to influence directly the creative ideas; we’re no longer just getting briefs and working out how to interpret those in the best way.”



Wave Studios @Wavestudios

Thanks @APALondon for a fantastic afternoon. A great mix of speakers and very interesting chitter chatter #foa2013

Expand

8 May