

UNDERSTANDING THE IMPACT OF DIGITAL FORMATS & THE ROLE OF CROSS DEVICE ATTRIBUTION ON THE CUSTOMER CENTRIC ADVERTISING

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Abstract—Emergence of digital formats are changing the way brands are advertised from medium centric advertising campaigns to customer centric advertising. This paper also explores the emergence of the multiscreen digital world and how the newly found technologies like customer device attribution are changing the way of promoting the brands. It also tries to find out about the impacts of digital advertising on the customer centric approach for promoting the brands with the help of the secondary data collected. Companies put in place different marketing tactics & promotional campaigns to persuade the customers. Advertising is a part of broader marketing campaign, to grab the attention & influencing the buying the behaviour of the customer but on one on one basis. Its significance with the introduction of digital formats, customer centric approach & cross device attribution for promoting brands has led to the increase in revenue many times. This customer centric format of advertising is getting popularity among the brands because of its approach of making the campaigns more personalized with the help of big data and machine learning. Customer centric advertising is the right tool to promote the brands in this highly competitive and consumer-oriented market. New communication techniques like augmented and virtual reality, in game ads, cross device attribution helps in achieving higher return on investment. Deterministic and probabilistic approaches helps in achieving cross device attribution.

Keywords: Advertising, Customer Centric Advertising, Cross Device Attribution, Programmatic Advertising.

Introduction

Companies design and launch segment specific products in order to segregate the market. This makes the advertising more customer centric. With the introduction of the digital formats of advertising and the availability of devices like tablets, mobile phones and laptops in their hand 24x7 makes the task of the advertiser to reach to their targets more complex. These new technologies comes with their own challenges which needs to be addressed with newly found concepts like Cross Device Attribution, advertising on OTT platforms, customer centric approach for advertising. Digital advertising is the newly found format to bring in more revenues without

increasing the expenditure on advertising. It takes a large part of the advertising budget when compared with traditional formats of TV & print. Though digital advertising is divided into various formats which includes the social media, video, classifieds, search.

Promotional campaigns took different shapes and paths with time and technology, few years back most of the advertising campaigns were medium centric. With the introduction of digital formats medium centric advertising is giving way to the customer centric advertising. Customer centric advertising goes way back but with selective brands. Digital advertising is about to change the fate of marketing campaigns and sales pipelines. Purpose of this newly found format remains the same to persuade and eventually leading to the sale of the product. But still a large number of organizations prefers the medium centric advertising since a large number of products are designed in a manner.

Customers feel more empowered and their inclination towards the online research about the brand has increased drastically in the last couple of years. Machine learning and big data helps the customer centric advertising more effective when they are put together with these four Influencer, content, community and advocacy making it more organic. Influencer can be a brand ambassador, family member or a colleague

Content and applications availability on Tablet & Smartphones are empowering the growth of programmatic advertising making the advertising more customer centric. Socio demographic data, behavioural data and location are few of the examples of the data provided by smartphones itself to its partners they can be advertisers, ad tech players, content creation companies.

Community is a very powerful term, internet makes the concept of community outreach stronger than ever before. Communities can be small or big online and offline groups.

Companies are itself creating online communities to facilitate the valuable information with its prospects. Opportunity creation to connect customers and cultivate a sense of community, it helps in enhancing the effectiveness of the advertising campaign, build brands reputation, earn the trust of the customers and drive revenue. Best advocacy comes from the customers rather than the sales force. Companies are willingly planning their advertising campaigns & making them more customer centric in order to make the customers advocating about their products and services. Customer centric culture helps in designing and implementing the most effective advertising campaigns.

Digital Formats Influence & Trends On Advertising

In 2018, internet user base in India is 612 million, but in 2021 it will reach 924 million users.

Internet user base in India. This makes the digital format one of the most promising format to bid on by the advertisers to bring in more revenues.

Digital media's share is 17% in the overall advertising pie, TV & Print are the only two mediums which are ahead of it. There is a substantial growth seen in the advertising industry at a rate of 10.57% in the past one year, it has reached to Rs. 61,878 Crore in 2018 and is expected to reach Rs. 85,250 crore by the end of 2021. While the digital format has also seen a growth of 17% to reach Rs. 10,819 crore in 2018 and it is expected to grow with an increased CAGR of 31.96% year-on-year to reach Rs. 24,920 crore by 2021.

Table 1. 1: Ad Spend on various Media

Media	In Crores	In %
TV	24,428	39%
Print	19,389	31%
Radio	2,442	04%
Cinema	1,270	02%
Outdoor	3530	06%
Digital	10,819	17%

Table 1. 2: Adoption of Digital Ad Formats

Ad Formats	% Share	In Crores
Search	25%	2678 Cr
Display	21%	2270 Cr
Video	20%	2223 Cr
Social Media	29%	3097 Cr
Classified	5%	551 Cr

Search, display, video, social media and the classified are the five categories of digital ad format. Major spends on digital media is made allocated to Social Media followed by Search, Display, Video and Classified.

Table 1. 3: Digital Media Spend across devices % Change

Year	Mobile	Desktop
2016	37%	63%
2017	43%	57%
2018	47%	53%
2019f	53%	47%
2020f	60%	40%
2021f	67%	33%

As per the 2019 forecast, ad spending on mobile is expected to overtake the advertising spend of desktop to reach 53% while desktop will stand at 47%. It will go further by 2021 when mobile ad spend will be 67% while desktop ad spend will be 33%. This significant change is due to the accessibility and mobility features of the mobile devices like smartphones, tablets and phablets. These devices are powered by the creative content on different websites & apps. Companies are changing the way they used to advertise their products. Companies are going the extra mile and adopting the two way process of advertising their products by engaging their customers in conversation and storytelling. By 2021 Mobile and desktop will interchange their positions, mobile will take the position of the advertising spends on desktop format what it was in 2016.

Table 1. 4: Digital Media Spend on Desktop & Mobile

Types	Desktop		Mobile	
	%	Value	%	Value
Display	18%	992	24%	1278
Video	21%	1161	20%	1062
Search	27%	1490	23%	1188
Classified	5%	284	5%	267
Social Media	29%	1638	28%	1459

There is an interesting trend seen among the digital media ad spending on desktop and mobile

Majority of the ad spending on desktop is distributed among social media (29%), Search (27%) and video (21%) while on mobile devices social media took the largest share of 28% of ad spending followed by display (24%) and search (23%).

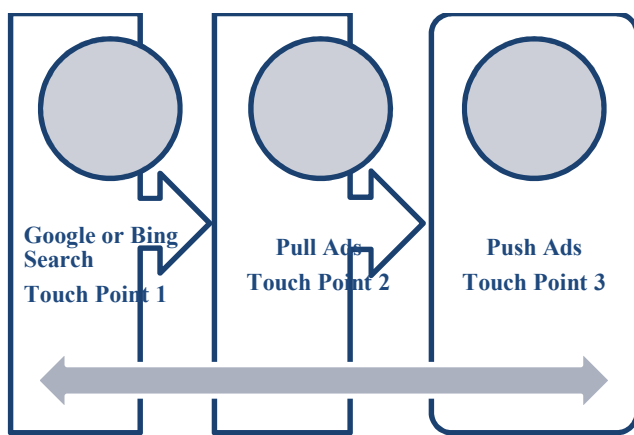
Relationship between Multi-Screen Digital World, Cross Device Attribution & Customer Centric Advertising

In order to make the advertising campaign more customer centric advertisers' needs to understand the characteristics of the consumers and the way they are accessing their multi screens. Advertisers also needs to understand the unique attributes which comes with the multi screens to optimize ROI on the marketing strategies. Multi screens defines new standard for the content consumption for the younger market. Advertisers target the younger generation connected with multiple devices and active on social networks.

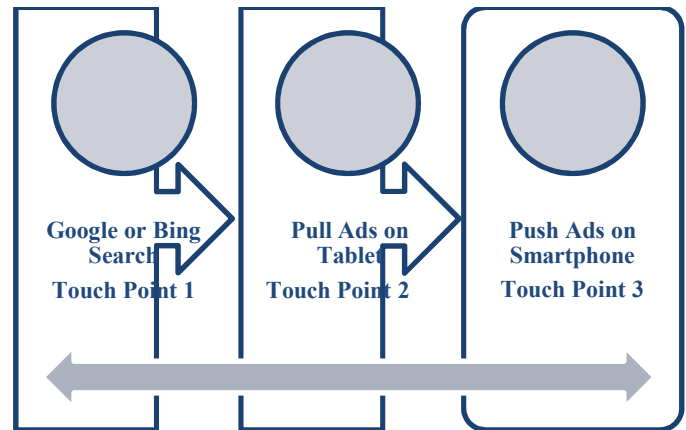
Multi-screen users are comfortable in sharing their personal information to ensure they get relevant offers. Multi Screens makes the advertising more Customer Centric and creates a

competitive edge in the market with its specific brand awareness. Continuous engagement with the consumers helps in achieving better attribution rates. Multi screens helps the brands in getting feedbacks from the consumers while gently persuading them every now and then. Consumer experience, usage pattern and feedback also help in bringing better products in the market.

Consumers interaction with a brand across different channels and on different devices makes the attribution a challenging task. Earlier this was limited to a single device but with the involvement of multiple devices, it transformed into a cross-device attribution from cross channel attribution. Cross Device Attribution can also be termed as extension of cross channel attribution. Cross device attribution can only be improved with time. There are always technical challenges ahead which advertisers can overcome but the invasion of privacy issue is very sensitive and it needs to be dealt in a very mature manner. Cross channel models aim to identify various touch points a consumer had across different channels before they are converted. Attribution rate is quite high with this type, provided you implemented the right techniques. Touch points are offering new opportunities & challenges for the media industry as well as of new advertising content monetization avenues. New technical complexities always lead to the new and emerging markets. Media rich content and gaming applications are leading the customer experience to the next level and their thirst to consume as much content as possible whenever-whenever-whatever they want, it goes with the consumer or consumer goes with it. For instance, more than 60% of online adults in the US and UK use at least two devices every day, while a quarter 25% of online Americans and fifth (20%) of online Britons use three devices. Cross Device Attribution is an extension of cross channel attribution as it becomes more refined with the passing of time and emergence of new tech.



Cross Channel Attribution
 Figure 1. 1



Cross Device Attribution
 Figure 1. 2

Touchpoint can interchange in between depending on the users' requirement. Earlier there was no accurate way to identify the same user across different devices but with the introduction of the new concepts like Cross channel and inter channel, attribution is reasonably accurate. Moreover, their reliance on cookies stored on the user's device whether smartphone, tablets, laptop to identify and track them allowing marketers to see each customer's touch point in their customer journey. It's a way of identifying the users. These touchpoints are like dots helps in connecting and informs the ad tech players about the buyer's stage. These touchpoints not only help the brands in persuading the prospect to purchase the product but for future sales also. There are two different criteria to identify the same user on different devices one is deterministic and other is probabilistic matching.

Deterministic approach involves identifying the same user across different devices by connecting the same unique identifiers together and they can be email addresses or same apps used on different devices. This helps companies like Google or Facebook to identify the same user on any number of devices making the task easier for the advertisers to target the prospects.

Probabilistic approach uses data sets and algorithms to make probable connections along with machine learning. It can be IP addresses, device id's, browser type, interests. Machine learning helps in better understanding the customers preferences and behavioral pattern, while traditional concepts like data sets and algorithm are already way deeper in understanding the users with the help of web history, location and language settings in order to bring revenues for the company.

Consumer is sensitive and smart enough to be receptive, only to that infotainment material whether ads or any other kind of promotional activities about the brands that are relevant to them. Advertisers are remodeling their strategies though it makes the planning and analysis part more complex but it also

offers marketers an unprecedented opportunity to target the potential prospects. This customer centric approach without invading the privacy of the consumers provides more value for the money than the traditional approaches. Consumers moves from one device to another to accomplish a goal, it can either be personal, professional or both.

Data Management Platforms allows marketers to import and combine all their offline and online first, second- and third-party data together to get deep insights into their customer's behaviors, their usage pattern and to different devices including their brand preferences to improve the customer experience or the cross-device attribution. Multi-screen advertising campaigns and cross device attribution are expanding the horizons of advertisers helping them in adopting entirely new business models and promotional strategies.

Taptica used machine learning (ML) based prediction algorithms to find and reach customers most likely to engage in revenue-producing "post-install" actions. Over a 12-month period, their efforts drove CPA (cost-per-action) down to 1/10 of the initial cost – put differently, for every \$100 spent the advertiser is now getting 10 engaged users instead of the 1 obtained with previous methods.

Programmatic Advertising is an automated process looking at three main components in this process advertisers, suppliers and ad tech players. Advertisers are the brands and businesses, have access to media ranging from websites to mobile apps, online games, augmented and virtual reality experiences. This access to media is provided by the suppliers, they can be media houses, advertising agencies selling ad spots. In between them is the ad tech players that bridge the gap between advertising demand, publisher supply and the ideal consumer or shopper. These ad-tech players provides the advertiser's brand to reach to its specific consumer profiles depending on the segment brand. This newly found advertising approach can also be termed as programmatic or performance-based advertising as it makes the advertising campaigns customer centric and more revenue producing.

Conclusion

Marketers are looking at approaching & engaging the consumers on the one on one basis through digital formats, big data and customer centric approach. Customer centric approach when put together with the digital formats always brings in more revenues and a better experience for consumers compared with medium centric approach. The transition to customer centric advertising is not without challenges, however advertising world is witnessing a change in the advertising pattern.

Cross device attribution helps the advertisers in identifying, recognizing and targeting the specific consumer profiles with precision. The secondary data collected clearly shows how medium centric advertising is giving way to the customer centric advertising. The sole purpose of shifting from the

medium centric advertising to customer centric advertising is to bring in more revenues within the set time frame and in the same advertising budget.

Cross device attribution can only be improved with time. There are always technical challenges ahead which advertisers can overcome but the invasion of privacy issue is very sensitive and it needs to be dealt in a very mature manner.

According to the industry estimates and the secondary data collected, geofences, proximity history, and in-app behaviors improve the outcome many 10-20 times as per the industry estimates. Machine learning, Big data & Predictive analytics when put together with programmatic advertising can bring in the best results for the advertisers on the investment costs. It also helps in bringing down the resources time & money.

Products are segment specific helps in adopting the customer centric approach. Making it easy for the advertisers to target the desired segment with the help of the marketing campaign. Marketers also needs to understand the multi-screen watching habits and consumer behaviour to optimize advertising campaign's return on investment.

Influencer, content, community and advocacy are the four criteria along with the programmatic approach make the customer centric advertising more effective. Advertising based on the concept of influencing increases and puts the power to humanize the brand and making it more organic. Companies are willingly planning their advertising campaigns & making them more customer centric in order to make the customers advocating about their products and services. This helps in reducing the cost for the future sales. Customer centric culture helps in designing and implementing the most effective advertising campaigns.

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