

Gilbane Beacon
Guidance on Content Strategies, Practices and Technologies

Lessons for Digital Marketers

What Marketing Professionals Can Learn from the World's
Leading Publishers

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The Digital Marketer's Challenge

A CMO survey by Duke University's Fuqua School of Business in conjunction with the American Marketing Association¹ indicates that marketers expect revenue increases along several dimensions of their businesses as the global economy turns around in 2010:

Marketers anticipate an acceleration in customer activity over the next year, with 48% expecting an increase in purchase volume, 44% looking forward to customers buying more related products and services and 35% predicting an increase in new customers entering the market.

The study also projects that spending on Internet marketing will increase at the expense of traditional advertising, which is predicted to decline. This means that *digital marketers will clearly be challenged to bring in the lion's share of new customers and revenues*. In what is sure to be an intensively competitive environment over the next 12 months, marketers will need to:

- Deliver better customer experience to buyers throughout the world.
- Personalize and target each interaction to maximize its value to the customer and to the business.
- Ensure greater brand consistency.
- Organize for operational efficiencies as marketing activities scale up.
- Improve SEO and analytics.
- Manage risk by adhering to corporate, industry, and regulatory requirements.

How well prepared are digital marketers to meet these challenges?

Business websites have evolved from transaction processing to customer facing to audience engaging in less than ten years. Many organizations are still in the early stages of developing true digital marketing expertise, with marketing departments operating on informal, manual, "learn as we go" approaches. This is particularly true in the case of global marketing organizations, where the need to effectively communicate with buyers in multiple languages is still very much an afterthought in marketing program management. A primary risk facing most global enterprises is that these informal approaches to digital marketing are hard to manage with any consistency. More importantly, they will not scale

¹ CMO Survey, August 2009, conducted by professor Christine Moorman of Duke University's Fuqua School of Business in conjunction with the American Marketing Association. The survey results reflect the responses of 511 top marketing executives of U.S. companies who were polled during the last two weeks of July.

to meet the demands of fast-paced business growth or the needs of increasingly sophisticated customers who expect rich, satisfying online experiences. Marketing professionals who recognize the business impact of effective digital marketing are beginning to understand that they need viable, scalable strategies, practices, and infrastructures. They know that they are dangerously close to outgrowing current processes, and need to address risks and challenges now.

Gilbane believes that digital marketing managers can learn a great deal about leveraging content assets by drawing on the experiences of other content-rich organizations. One of the best candidate industries for lessons learned is the publishing industry. Challenges faced by CMOs and publishers are very similar: content closely tied to revenue streams, large volumes of diverse content types, rapidly evolving expectations regarding personalized content and interactivity, and requirement for frictionless publishing in order to meet the need for content immediacy.

In this paper, we share insights that will help digital marketers think like publishers. We draw on several examples that show how leading publishers have addressed knotty problems at the core of their businesses. We describe the content technologies that are central to their solutions, and we show how these tools and technologies can be deployed within digital marketing environments to achieve business results. Our goal is to help marketers develop a new perspective on their challenges, one informed by successes in another industry.

Publishing is Every Organization's Second Business

Every organization derives revenue from its content assets. Some businesses directly monetize those assets – newspaper and magazine publishers, media and entertainment companies, and information service providers like Lexis-Nexis and Bloomberg. Global 2000 enterprises indirectly monetize their assets through sales of products and services that are their primary business.

Consider the case of Hewlett-Packard, a leading IT supplier in business and consumer markets. Ninety percent of HP's customers buy without ever touching the product, according to a company executive interviewed for a Gilbane case study.² HP's *content* is the basis for purchasing decisions. The company's net revenue for fiscal 2008 was approximately \$114.8 billion US. If 90% of those sales were driven by content, then we can

² *Global Content Management: Hewlett-Packard Talks the Talk of Worldwide Business*, Gilbane Group, Inc.

arguably claim that over \$100 billion of HP's revenue is directly tied to its content. HP doesn't sell content *per se*, but its content drives billions of dollars in revenue, builds brand equity, and engenders customer loyalty. Publishing strategies, practices, and processes are clearly fundamental to HP's business.

Parallel Market Requirements

Contemporary content requirements are remarkably similar for publishing companies and Global 2000 businesses. Both types of organizations are feeling intense pressure to meet customer expectations with:

- Dynamic content that is fresh, accurate, and presented at precisely the right time.
- Richer experiences through value-added interactivity and multimedia.
- More personalized interactions, starting with the search experience.

Given that the Internet has fundamentally changed the business rules for companies that sell content, it's not surprising that pioneering solutions for meeting these expectations have been developed and proven within the publishing industry. Reader's Digest Association, *The Financial Times*, the *Denver Post*, and Reed Business Information are among the many publishers that have built successful new digital offerings as part of their businesses. These companies are realizing solid results with technologies that enable them to repurpose content in real time, add rich media to their publications and marketing content, and optimize their ability to engage, not just inform. By consciously modeling their practices on successes in the publishing industry, digital marketers can learn to leverage their content assets with strategies, practices, and infrastructures that create value for their companies.

Publisher Experience: Unlocking the Value of Content Assets

The philosophy that content is a primary asset lies at the heart of every publishing business. Content is managed with the same focus and rigor applied to managing other business assets like money, physical plant, and human resources. This mindset of asset management is a fundamental pillar of success. It's an essential component of thinking like a publisher – but communicating this concept to management is often the digital marketer's first challenge. Although business executives generally acknowledge the impact of content on business success in some vague way, many organizations don't recognize publishing as their second business. Connecting the dots between content and

business results, as we do in the HP example above, can bring the value of content into sharp focus for executives and senior managers.

Having adopted a philosophy of asset management, how do organizations actually go about developing content practices that support it? Unlocking the value of content assets requires four classes of related capabilities: Organize, Describe, Publish, and Measure. We briefly discuss each of these and highlight the key requirements that have evolved as essential for publishers – and increasingly relevant for digital marketers.

Organize Content assets are commonly stored in repositories, content management systems, and specialized systems for diverse content types such as text, artwork, images, video, and audio. At a high level, these systems comprise a storage capability (such as a database), services for managing the assets contained therein (such as version control, check in/out, and so on), and interfaces for connecting them to other technologies (authoring or publishing tools, for example). Multiple diverse repositories are characteristic of content-rich organizations; as a result, efficient organization of assets requires a single point-of-entry into the entire collection of assets. This functionality, in combination with metadata (described below), is critical to effectively leveraging content through discovery, reuse, and repackaging.

Describe Tagging individual assets with metadata (or data about the asset) is the key to using them in flexible, automated ways, with or without human intervention. Metadata is essential to any content-rich organization; without it, publishers can't search for, find, package, publish, and monetize content directly or indirectly. The challenge is generating appropriate metadata in automated ways that remove the burden from content creators and managers, apply it consistently, keep it current, and encapsulate business rules that enable automated publishing.

Publish Although publishing is a large and complex business, most people think of publishing as the processes of packaging and delivering assets to target audiences as books, magazines, journals, newspapers, blogs, YouTube videos, and so on in both print and electronic form. From the vast array of challenges facing publishers who are transitioning their businesses for the digital age, two that are especially instructive for digital marketers are *relevancy* and *platform independence*.

Publishing for profit today demands personalized content delivered dynamically to targeted audiences (a single individual, in some cases). The content must be highly relevant to the reader to be perceived as valuable enough to take action.

Content must be available on multiple platforms and in multiple formats. Publishing to mobile devices is an especially compelling opportunity, particularly in emerging economies where development of Internet infrastructure is being rapidly outpaced by broadband availability.

Measure Publishers have always managed the tension between volume of content and space in which to deliver it, from the early days of newspaper publishing to today's eBook readers and mobile-delivered news alerts. Metrics and content analytics are therefore critical business practices. Maximizing the value of content assets demands the ability to evaluate their impact on the organization's business goals and objectives. A long-time challenge for content-rich organizations, it's particularly daunting on the web, where interactions and feedback can take place in split seconds. The ability to respond rapidly when content isn't working is critical to preserving revenue streams and customer loyalty.

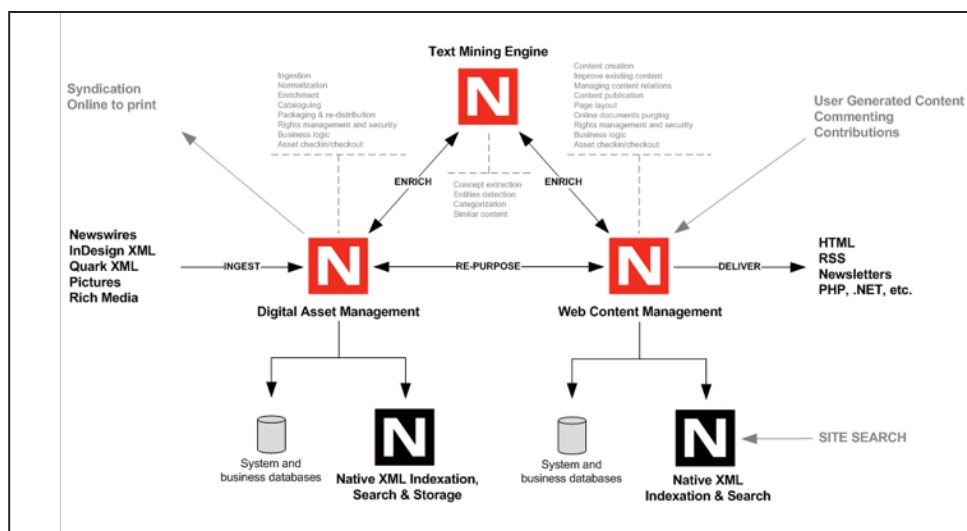
Tools of the Publisher's Trade

A technology infrastructure that delivers dynamic, personalized content with rich media offers capabilities that include:

- XML (eXtensible Markup Language) for assembling content on the fly, depending on contexts such as the role of the user and the tasks that he is performing. XML is the standard format for tagging content with metadata that enables dynamic display.
- Tools for generating high-quality, consistent metadata with minimal manual effort. In addition to dynamic delivery, metadata is essential for personalization and for semantic search applications (searching for meaning and relevancy, not just text matches). This is typically accomplished with text mining or auto-categorization software.
- Flexible workflows with high levels of automation for content assembly and production processes. The combination of metadata and business rules built into workflows is critical for personalization and syndication (the simultaneous publishing of a single content asset to multiple targets).

These capabilities are delivered by the technologies that comprise today's leading content infrastructure solutions for content-rich organizations: content management, text mining and analytics, and web publishing.

An in-depth technology review is beyond the scope of this paper, which is meant instead to introduce digital marketing professionals to the business value of solutions that are delivering value to publishers who sell their content. In two scenarios that follow, we describe how content management, text mining, and web publishing come together for a publishing business as well as in a digital marketing environment. A visual representation of how these technologies are integrated in a content infrastructure will help readers understand the processes that we highlight in the scenarios. The illustration is courtesy of Nstein, a leading provider of solutions that address the digital content challenges discussed in this paper.



Assets are introduced into the controlled environment (or ingested) through the digital asset management system (DAM) as the solution front end. The DAM is integrated with other content repositories; its interface gives editors and digital marketers the single view of the assets housed in all of these systems. As assets are ingested into the DAM, they are enriched with metadata that is applied automatically by the text mining engine (TME). A user interface also allows editors and marketers to add metadata from an approved taxonomy (or collection of tags). The web content management (WCM) system assembles and serves up content packaged for target audiences; automated delivery is enabled by processes that are directed by business rules encapsulated in the metadata. The arrow between the WCM and the TME is bi-directional because asset metadata can be enriched with usage data captured by analytics tools, based on behavior of the human content consumers.

The publishing and digital marketing scenarios that follow explain how the technologies are leveraged for business benefit.

Publishing Scenario

This brief description of tools of the trade deployed at Reader's Digest Association (RDA) is drawn from a more detailed discussion in Gilbane's research on best practices in digital newspaper and magazine publishing.³

An extensive content repurposing program is central to RDA's business. RDA's content assets are reused and repackaged in hardcover books, magazine inserts, special-purpose

³ *Digital Magazines and Newspaper Editions: Growth, Trends, and Best Practices*. Gilbane Group, Inc., 2008.

publications sold in retail outlets like supermarkets, and audio and video products. The success of the program hinges on RDA's ability to:

- Manage its vast collection of assets, which include contributions from readers as well as content created by editorial staff. These assets live in multiple repositories that are spread out across the world.
- Catalog and categorize the assets. Controlling them in a content or digital asset management system isn't enough by itself. Assets have to be "smart" – individually associated with descriptive information that allows RDA editors to find them, assemble them in custom packages, and adhere to the business rules that specify how they can be used.
- Publish the assets in custom packages. RDA's outlets include feeds to its own websites and to mobile devices, syndication of single assets like cartoons to multiple partner sites, and workflows to assemble and deliver content to printers for book and magazine publishing.

To meet these business requirements, RDA is deploying a content infrastructure that unifies a wide variety of geographically-dispersed content repositories, giving editors and product managers the ability to search across the entire collection, maximize reuse, and discover hidden assets that can be turned into new revenue. The metadata describing each asset is generated automatically in XML when it is brought into the content management environment. The XML metadata then acts as handles that software tools can grab onto for applications like search and automated content assembly. The metadata is also used to automatically interpret business rules during publishing through any channel – generating a feed to a syndication partner when a new asset matching certain keywords comes into the system, for example, or ensuring that only properly licensed images appear in the upcoming issue of RDA's *Taste of Home* cooking magazine.

Digital Marketing Scenario

RDA's requirements to manage, catalog and categorize, and publish assets through multiple channels according to business rules should be familiar to marketing professionals.

A senior product manager responsible for the launch of a new digital camera oversees a multi-pronged campaign, including print magazine inserts, the company's websites, print and online advertising through retailer partners, and viral marketing on YouTube – all in multiple languages for major global markets. Staging and executing the highly complex campaign requires collaboration and coordination among a large internal staff, the company's creative agencies, the agencies of its retailer partners, and companies that license assets like images and video. A single view across all assets available for use is

essential to leveraging the best for each marketing vehicle and ensuring campaign ROI. In addition, a reliable, current inventory means that the marketer saves time and money by not recreating assets that already exist.

One campaign is based on the theme of capturing that “once in a lifetime” photo while visiting an exotic locale. It targets two audiences: adults in their twenties and thirties, and mature adults for whom travel is a part of a leisure lifestyle. The campaign requires one image for the ad on the Travel & Events channel on YouTube, and another for placement on the AARP website.⁴ The camera manufacturer has also purchased three months of ad space in the weekend magazine sections of the leading metropolitan newspapers in North America, Western Europe, and Brazil.

To meet these business requirements, the marketing organization deploys a content infrastructure that delivers the same capabilities used by Reader’s Digest:

- Unified content management through technology that provides a single view across all asset repositories in the supply chain for the marketing campaign.
- XML-based metadata that enables the right image to be identified, searched for, and displayed within the ads on the YouTube and AARP websites. Metadata also ensures that images appropriate for the local culture are automatically syndicated to the newspaper publisher when the magazine section goes to press every week; business rules that check usage rights to the images outside of North America are also enforced automatically on the basis of each image’s metadata.
- Connectors from the various content repositories to workflows and websites that deliver high degrees of automation for timely marketing campaign execution.

The tools of the publisher’s trade enable the camera manufacture to provide relevant content to diverse audiences. With effective targeting and personalization, the company delivers a quality customer experience that encourages a purchase and builds loyalty. Automating key processes – finding usable assets, assembling them, and moving them into workflows for channel distribution – brings new operational efficiencies. The marketing organization uses metadata to track asset use, ensuring greater control over brand consistency across multiple channels. Metadata also pays off for demand generation; tags describing product images can be used for search engine optimization, leading a traveler searching for a new digital camera to the company’s or partner’s website.

⁴ <http://aarp.org>. AARP is a non-profit organization that helps people 50 and over improve the quality of their lives.

Think Like a Publisher: Success in a Digital World

The inexorable shift to digital media and channels has forever changed the publishing industry, just as it is changing the way companies manufacture, market, sell, and support their products and services. The publishers who have embraced the shift have transformed their businesses in fundamental and permanent ways. Those who persisted with eBook experiments, for example, are now generating revenues in a \$37 million market, according to the International Digital Publishing Forum and Association of American Publishers. This market was about \$8 million just two years ago.⁵

Corporate marketing professionals are at the start of the same fundamental and permanent changes to the ways we choose to engage as customers. Spending on digital marketing is projected to double over the next four years, approaching \$55 billion and accounting for 21% all marketing expenditures. The majority of organizations report that they will fund digital initiatives by shifting money from traditional marketing programs.⁶ Marketing professionals will either embrace the shift and flourish – or not. The winning companies will be those who start today to build viable, scalable strategies, practices, and infrastructures.

⁵ Comparing Q2 2007 and Q2 2009 data from the IDPF and AAP.

⁶ <http://www.forrester.com/Research/Document/Excerpt/0,7211,47730,00.html>