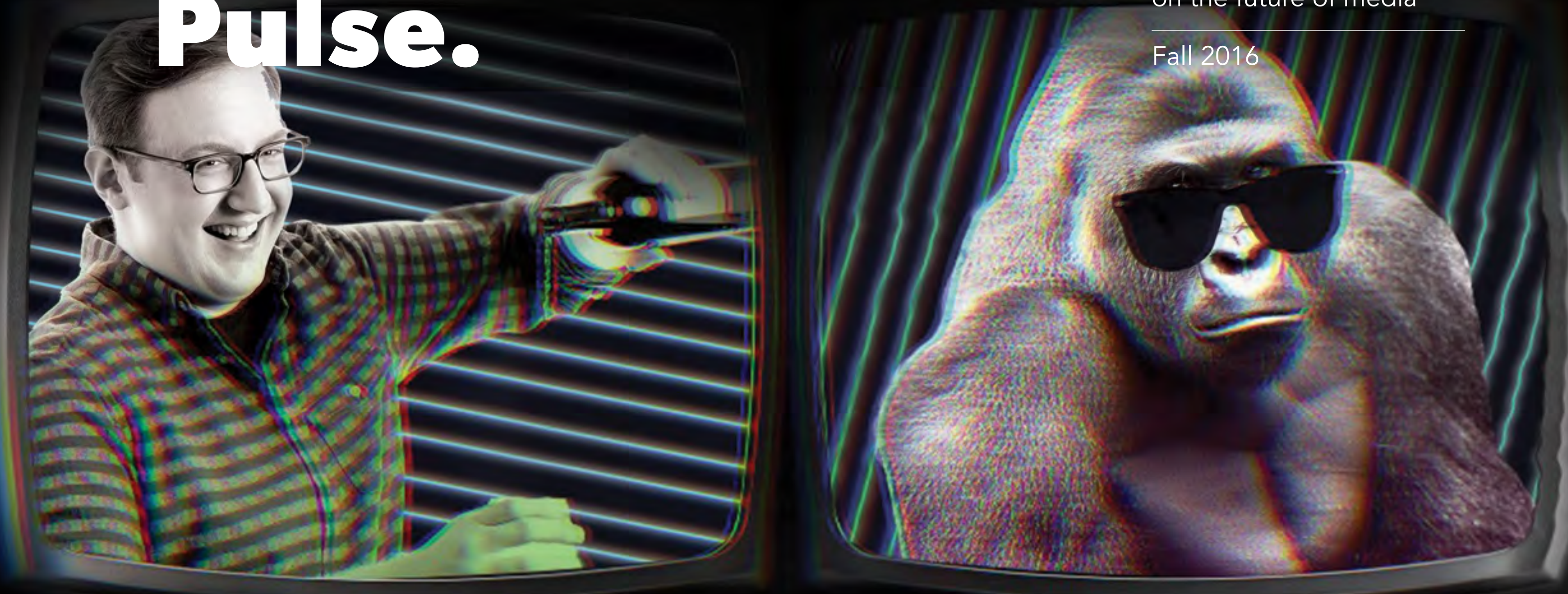
DIGIDAY Pulse.

A quarterly magazine
on the future of media

Fall 2016



VIDEO KILLED THE INTERNET STAR

Editor's Note

BY BRIAN MORRISSEY
EDITOR-IN-CHIEF, DIGIDAY

It's not a coincidence that Jonah Peretti moved to Los Angeles. The BuzzFeed CEO, who decamped from New York to L.A. a year ago, symbolizes the shift underway in digital media, where the weight of effort is focused squarely on video.

BuzzFeed, which played down Peretti's move as a personal decision, split the company into two groups: BuzzFeed News and BuzzFeed Entertainment. "Having a single 'video department' in 2016 makes about as much sense as having a "mobile department,'" Peretti wrote in a company memo announcing the move and promising to make video central to "every major initiative" at the company. BuzzFeed said it would ramp up its video efforts across both divisions, but it did little to tamp down chatter that it would eventually jettison news in favor of entertainment, and mostly the type that comes in advertiser-friendly video.

Part of video's central role is clearly audience driven: The huge numbers racked up by YouTube and Facebook video testify to the appetite for video. But it is also a business decision, as well-funded digital media companies sour on a commoditized display ads -- and see up to 90 percent of the gains in digital ad revenue going to Google and Facebook. Video isn't a strategy, but it beats dying.

For The Video Issue of Digiday Pulse, we tackled the outsized role video is playing in several ways. Sahil Patel, our resident video guru, tells the story of how Verizon is hell-bent on elbowing its way into entertainment with its Go90 mobile video product. Sahil has also profiled Matt Bellassai, a new kind of star of the social video world, who went from being an intern at BuzzFeed to four years later being repped by CAA. Jess Davies, our U.K. editor, went deep into how The Economist is taking a counterintuitive approach to digital video in betting on long-form documentaries.

Elsewhere, brands editor Shareen Pathak profiles Britt Dougherty, who is leading the charge at MillerCoors to make its marketing less dependent on frat boy humor. Lucia Moses, our media editor, goes behind the scenes at The Washington Post with Joey Marburger, an unsung hero in Jeff Bezos' quest to make The Post a tech-driven organization. We also catch up with Josh Topolsky, the digital media veteran editor who is starting a new digital media company that aims to take the high road.

We hope you enjoy this, our third issue of Digiday Pulse. Making a magazine is a learning experience, humbling at times and exhilarating on deadline. We are enjoying the opportunity to take a step back and look more deeply at subjects away from our daily coverage. Please get in touch with your feedback. And thanks for reading.

We are a team of journalists, editors, artists, musicians, photographers and content makers who make by hand what others make by rote.

We know the people, business and culture of tech-disrupted industries. True to our Digiday roots, our new agency puts a human spin on digital B2B marketing.

Our audience isn't a set of "decision makers" or "users." We don't drown them in vectors, specs and jargon. We talk to them like we talk to each other: as people. And we're here to help you do the same.

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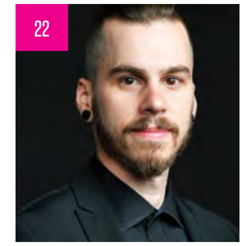
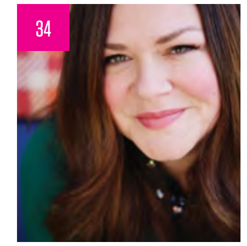
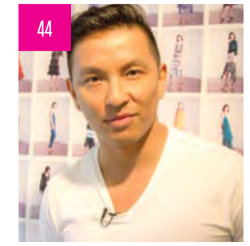
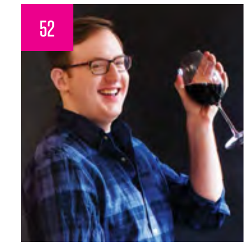
THE VIDEO ISSUE









HOT TAKES

MEDIA

MARKETING

DEEP DIVE ON VIDEO

REPORT FROM THE CONTENT MARKETING SUMMIT

ETC.

How YouTube Became the Establishment

In just over a decade, YouTube has become a cultural force. It's now the place where the TV, film and advertising industries — not to mention countless random teenagers and 20-somethings — come together to distribute video for more than a billion users every day. YouTube has joined the establishment. Here's how it happened.

BY SAHIL PATEL

April 23, 2005

"Me at the zoo," a 19-second video starring co-founder Jawed Karim in front of the elephant exhibit at the San Diego Zoo, is the first video uploaded to YouTube

December 17, 2005

The Lonely Island's "Lazy Sunday," a rap ode to cupcakes and "The Chronicles of Narnia," airs on "Saturday Night Live." Within a week, user-uploaded clips of the video were watched more than 5 million times on YouTube. NBCU eventually forced YouTube pull the clips down.

July 16, 2006

YouTube users are watching more than a 100 million videos every day.

October 7, 2006

Mark Cuban says it would be "moronic" to buy YouTube. He, and other critics, are skeptical of YouTube's ability to stay afloat in the long term when facing the risk of countless lawsuits from copyright owners upset by users illegally uploading their content to the site.

October 9, 2006

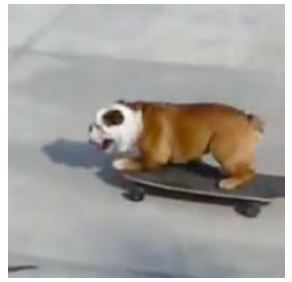
Google buys YouTube for more than $1.6 billion dollars. "This is just the beginning of the internet video revolution," says Eric Schmidt, Google's CEO at the time. He isn't wrong.

March 13, 2007

Viacom sues Google and YouTube for $1 billion, alleging the companies weren't doing enough to stop users from uploading copyrighted content.

May 3, 2007

YouTube launches its partner program, giving video stars a cut of ad revenue.



June 28, 2007

"Skateboarding Dog" is uploaded to YouTube, spawning more than a decade of derision from traditional media that YouTube was mainly a place for cheap, user-made videos. (The video has more than 22 million views today, by the way.)

October, 2007

YouTube launches content ID, a tool to help rights-holders remove or make money from their videos.

August 1, 2008

The last "Lonelygirl15" video is uploaded to YouTube. The fictional series, combined with Ze Frank's "The Show," helped popularize the "vlog" format that's dominant among YouTubers today.

November 9, 2008

YouTube strikes deals with several movie and TV studios to host full-length films and TV shows in a bid to compete with Hulu. The site has always been enamored with professional-quality content, but will soon learn that its users gravitated more toward shorter clips and videos from its homegrown stars.

December 1, 2010

YouTube introduces TrueView ads, which allow users to skip ads after five seconds. It's the dominant ad format on YouTube today.

October 28, 2011

YouTube announces original channels initiative, spending $100 million to bring high-quality content to the site from partners like Amy Poehler, Rainn Wilson and Ashton Kutcher. Some of its homegrown talent is also involved.

January 23, 2012

YouTube crosses 4 billion daily video views.

December 21, 2012

Psy's "Gangnam Style" becomes first YouTube video to hit 1 billion views. Two months later, Billboard incorporates YouTube views into its weekly music charts. Whether they like it or not, the music business has become inextricably linked to YouTube.

March 24, 2014

Disney acquires Maker Studios, the biggest multi-channel network on YouTube, for $500 million plus performance-based incentives.

December 7, 2014

Reports suggest YouTube is handing out bonuses to its top stars in an effort to thwart off rivals like Vessel and Facebook, which have been courting YouTubers with money.

October 28, 2015

YouTube's paid subscription service, YouTube Red, goes live. YouTube focuses on original shows and movies starring homegrown talent — not Hollywood celebrities.

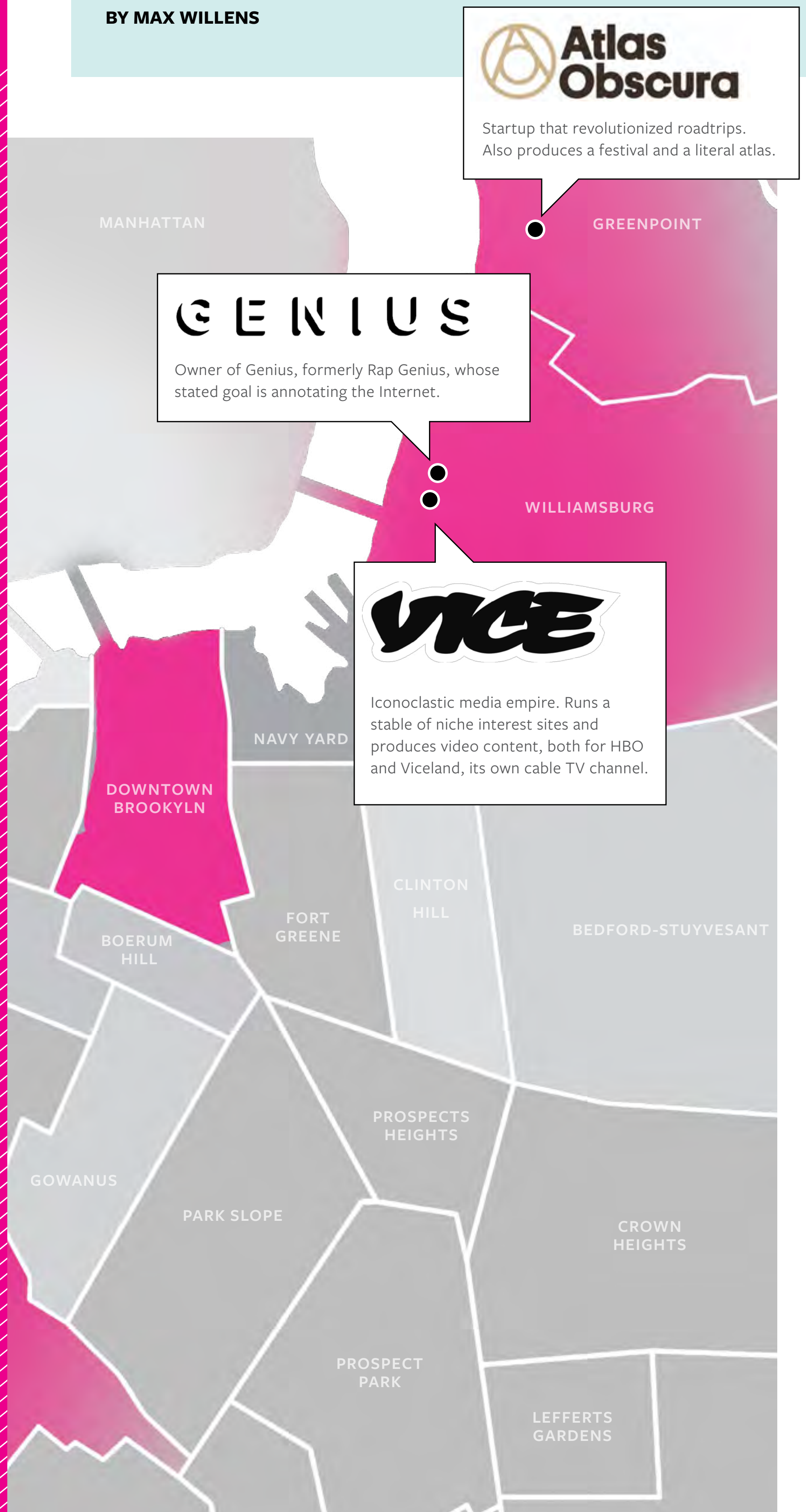
June 23, 2016

"We've been offering live streaming on YouTube since 2011, before it was cool," says YouTube in a blog post. But only now is the company rolling out live streaming to all users. A little slow? Perhaps, but that's what happens when you're part of the establishment.

Media Grows in Brooklyn

Brooklyn has become a locus of hipsterdom, and media companies want in on the cool cachet. The map below shows where they've set up shop and explains why they chose the borough.

BY MAX WILLENS



Atlas Obscura

Address: "The Pencil Factory," 61 Greenpoint Ave
Headcount: 20
In Brooklyn Since: 2009

"The spaces available in Manhattan were abysmal and overpriced...The story of the Pencil Factory itself is one of a company moving from Manhattan to Greenpoint in the 1850s for more space and cheaper rent."
— *Dylan Thuras, founder, Atlas Obscura*

Genius Media

Address: 184 Kent Avenue
Headcount: 56
In Brooklyn Since: 2014

"It allowed us to rent an extraordinarily unique space that we wouldn't have been able to find anywhere else...The building we work out of in Gowanus used to be a printing factory—really poignant for a company dedicated to annotation. We were passionate about finding a space where we could host in-real-life events like concerts, film screenings, tech talks, panels, pop-up shops, dance performances, and hackathons, and we found that here."
— *Max Kotelchuck, head of facilities, Genius*

Vice

Address: 49 S 2nd St.
Headcount: 750
In Brooklyn Since: 2001

"Brooklyn is our home. Well over half of our employees that work in Brooklyn also live in Brooklyn. After moving here in 1999, this neighborhood is embedded in our DNA. Williamsburg is home to likeminded creative visionaries, and is the perfect location for us to create innovative content for young people."
— *Vice spokesperson*

The Awl Network

Address: 131 Lawrence St.
Headcount: 10
In Brooklyn Since: 2014

"A winning combination of affordability, coziness and proximity to Shake Shack."
— *Michael Macher, publisher of The Awl Network*

Slate

Address: Metrotech Center
Headcount: 90
In Brooklyn Since: 2016

"The majority of our NYC team either lives in Brooklyn or lower Manhattan, so downtown Brooklyn is more of a centralized hub than, say, midtown. Second, the new location affords us the opportunity to help build a thriving media and tech culture in a borough that's already steeped in creative history. It keeps us closer to the creative and cultural pulse of the city."
— *Slate President Keith Hernandez*

Gimlet Media

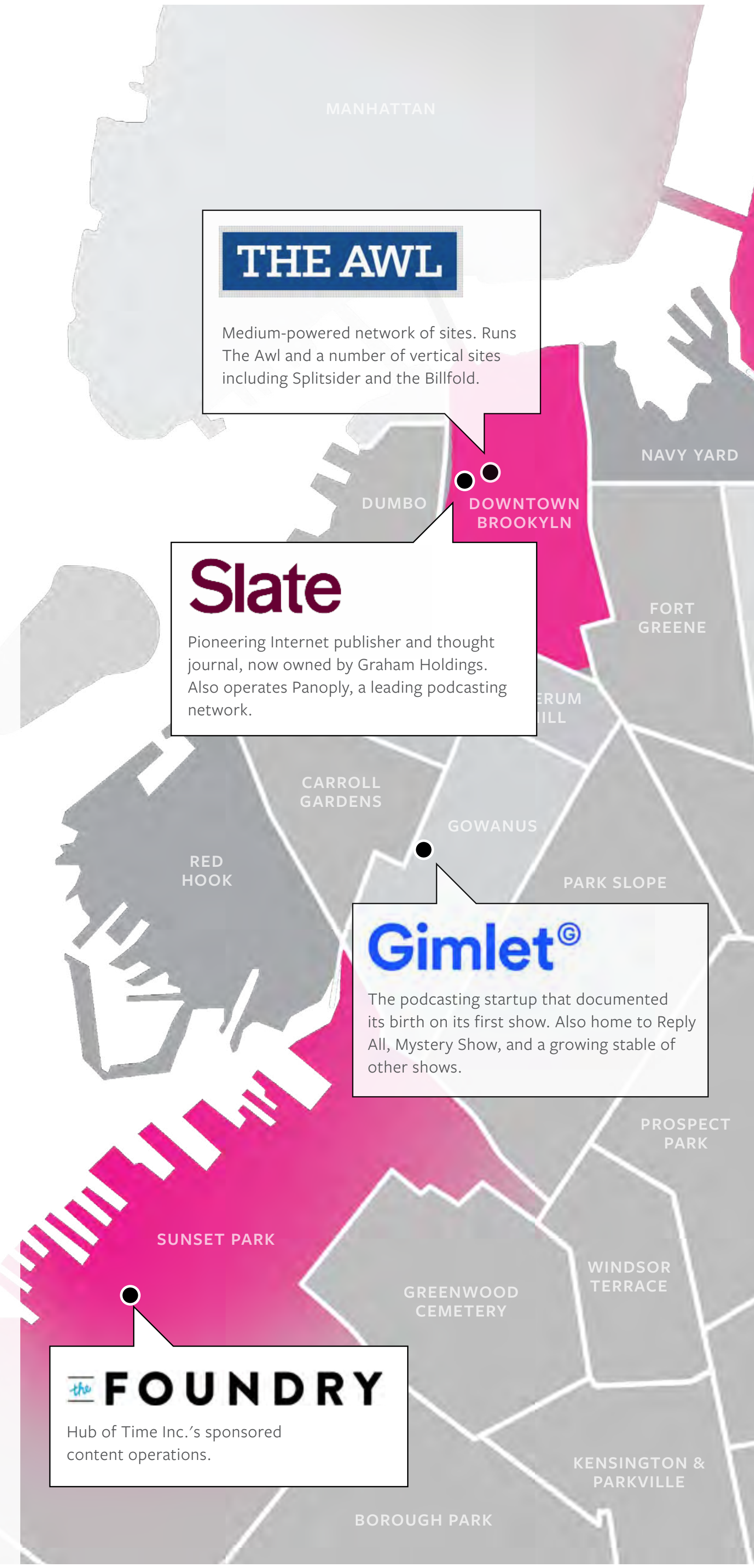
Address: 92 3rd Street
Headcount: 59
In Brooklyn Since: 2015

"Brooklyn is a nexus of creativity. There are so many young companies here doing innovative work across all fields, and we wanted to be part of that community."
— *Alex Blumberg, co-founder, Gimlet*

Time Inc.'s The Foundry

Address: 241 37th St.
Headcount: 150
In Brooklyn Since: 2015

"Industry City in Brooklyn's Sunset Park is known as an innovation and manufacturing district. It's an ideal space for building new products, reimagining content creation and developing advertising solutions."
— *Time Inc. spokesperson*



Remember when

the waterfall

took control

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that pendulum

back.

But this time...

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STATUS QUO

MEET HEADER BIDDING.

The Ad Tech Tuxedo

The ad tech man of mystery — let's face it, usually a dude — has a certain look. It's one that says you're down to get a beer, but first you have to finish your international conference call and knock out a quick meeting uptown.

We asked one ad tech executive to share his tried-and-true ad tech tuxedo, along with a few best practice tips for pulling off with style an outfit that is, at its most quintessential, a blazer with jeans. The exec, who spilled his sartorial secrets under the condition of anonymity, is confident that the outfit has shown no signs of falling out of favor.

BY HILARY MILNES

"This outfit has been done to death by every ad tech male," he says. "But it works in nearly every situation — conferences, meetings, dinners — and at every level of seniority."

Ludlow Dress Shirt | J.Crew

Ad tech tip: Buy a bunch when they're on sale.

Bonus: The classic "Ad Tech Tuxedo" look is to go with gingham, but you can't go wrong with plain white.

Ludlow Blue Blazer | J.Crew

Ad tech tip: Don't skimp. A good wool blazer will last for years and travels well.

Bonus: It has pockets for your business cards, devices, chargers, sunglasses and Advil. Pay attention to fit: It's easy to buy a blazer in a size too big.

Dark wash 484 fit jeans | J.Crew

Ad tech tip: This cut is ideal because it's fitted like your jacket, but not skinny.

Caveat emptor: It should go without saying that faded weekend beater jeans don't work, but some guys didn't seem to get that memo.

Please: get them dark, buy two pairs, and alternate.

Carrera watch | Tag Heuer

Ad tech tip: It's heavy, looks great and can be worn everywhere, even when jumping off a yacht in the Mediterranean during Cannes.

Chelsea Boots or Oxfords | Cole Haan

Ad tech tip: These look like a shoe but feel like a sneaker, making them perfect for those long days walking New York streets in between agency calls.

Lumascape backpack | Nike

You've got to work your brand in there somehow.

G L O S S Y

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5 Podcasts for media nerds

digiday.com/podcast

Podcasting is enjoying a resurgence. (Did we mention we have three podcasts? The Digiday Podcast is about changes in media; Digiday Live is the best sessions from our events; and The Glossy Podcast focuses on fashion and luxury.) Here are our choices for the best listens geared to those obsessed with media.

BY BRIAN MORRISSEY

Recode Media

Host Peter Kafka welcomes an eclectic group of guests from the media world, ranging from documentarian Alex Gibney to Refinery29 CEO Philippe von Borries. Bonus: Kafka reads ads for underwear.

Recode Decode

Kara Swisher is the rare industry insider who also calls bullshit. Her no-nonsense interview style translates well to Decode, where she takes a broad look at how tech is affecting society with guests like Rep. Nancy Pelosi, Kim Kardashian and "Hamilton" producer Jeffrey Seller.

The Information 411

Subscription site The Information has established itself as a player in breaking news around tech — and media. Host Tom Dotan talks to Information writers about the major pieces they published that week. It's a nice free sampler to the type of differentiated, smart content The Information produces.

The Ezra Klein Show

The millennial editor-in-chief of Vox hosts an entertaining podcast with advanced range of guests, from Moby to the Congressional Budget Office's Alice Rivlin to Arianna Huffington.

On The Media

The long-running public radio show is still one of the best places to get a 30,000 foot view of media. Don't expect deep dives into programmatic. Instead hosts Brooke Gladstone and Bob Garfield dissect media's role in a healthy democracy — an issue that's never been more important.

Digiday Podcast highlights

The Digiday Podcast features top publishing, agency and brand execs. Here are highlights from recent guests.

"[Digital Advertising] is going to be a $50 billion market this year. Google and Facebook are two-thirds of the markets. The mistake a lot of companies make is they're worried about market share. In a high-growth market, you focus on the underserved segments than the leaders in the space."

— Bryan Wiener
chairman, 360i

"We never toyed around with the idea of a subscription model. Subscription models are very difficult. I think the Times is probably the best-suited publication to be able to ask people to pay for their content. They've experienced some success, but it takes a lot of work and resources to do that."

— Mark Howard
CRO, Forbes Media

"If you go to a 20-minute video and there's great photography in it, you're going to tell me it's the same thing as telling the story in 30 seconds and getting people to love it and share it? I don't agree. It's a different thing. It's a different story."

— Nicholas Carlson
editor-in-chief, Insider

"There's a herd mentality. Everyone goes to where the audience is. Facebook has clearly leaned in and brought video to the forefront of the News Feed. But I also think there's a real appetite there too."

— Athan Stephanopoulos
president, NowThis

"The broader picture for us is we view TV as another platform. We view ourselves as a brand company, not a website company, and a company that's developing our expertise on bringing our brands to all the right platforms in ways that work for those platforms."

— Marty Moe
president, Vox Media

DIGIDAY
VIDEO AWARDS

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BuzzFeed valspar

72andSunny

digiday.com/event/video-awards

How a cult beauty product from Korea became mass market

Snail slime. Splash masks. Cushion compacts.

For those on the cutting edge of beauty trends, there's one country to look to for insight as to what's next: South Korea. The Korean beauty industry, dubbed K-Beauty, is responsible for introducing innovative new beauty products into the mainstream, like BB and CC creams (foundations that also have skincare properties), sheet masks (one-use face masks that you layer on your face, then peel off) and cushion compacts (a foundation package that stores the product in a sponge). The more adventurous skincare aficionados in the U.S. have even been introduced to snail slime facial treatments by way of Korea, which apparently leaves skin glowing and rejuvenated.

But how, exactly, do these beauty trends make their way to the U.S. mainstream, where mass market companies like L'Oréal and Maybelline are copping them? We talked to beauty industry experts to retrace the steps of BB Cream, the first Korean skincare product to take off globally and catapult the region into high-profile cult beauty status.

BY HILARY MILNES

1 The trend takes off in South Korea

In 2011, Korean beauty company Dr. Jart+ jumpstarted the global BB Cream industry, which is now worth $200 million, after scientists at the company first noticed the skincare-foundation hybrid product in Germany. This launched Korean beauty's dedication to innovation in skincare, and a focus on discovering new products and methods that will make the processes more efficient for consumers. Since BB creams (the BB is short for beauty balm) have properties of a foundation, moisturizer, serum and sunblock in one tube, Korean beauty enthusiasts embraced the efficiency of the single product. K-Pop stars also began peddling the products, a surefire way to launch a product craze in Korea.

2 Korean liaisons prep the product for U.S. adoption

Once the BB Cream gained mass status in Korea, it was time to consider its future in the States. Introducing popular Korean beauty products, from their country of origin into the U.S. has become its own industry. Companies like Peach and Lily, Via Seoul and Glow Recipes, run by two former L'Oréal executives, spend time in Korea working with dermatologists and skincare specialists to find the next up-and-coming product, before vetting the Korean brands that make it for the U.S. market, which can involve upping production or changing a name or packaging. Stateside, these companies curate top Korean skincare products and share reviews, best use cases, and links to buy new products for Western readers, who often find the Korean beauty industry overwhelming.

3 Sephora picks up

BB Cream's entrance into the U.S. market has Sephora to thank. The beauty and skincare retailer was the first point of contact in the country, and the high-profile shelf space spawned a slew of copies of the Dr. Jart+ product. For brands that don't get picked up by a Sephora or similar store, they will most likely be sold through TonyMoly instead, a skincare and beauty retailer in the U.S. that specifically sells Korean products.

4 It trickles down to mass market

Once BB Cream hit it big at Sephora, the lower market brands caught on. L'Oréal, Maybelline, Covergirl and more mass brands carry their own versions of the product, as well its close relative, the CC Cream (which is the same as a BB Cream, but with added color-correcting properties). By that point, the product feels perfectly at home in American markets — the average drugstore beauty shopper might have no idea that her favorite BB Cream has Korean roots.

How Do You Do, Fellow Kids?

Jargon is a virus that has infected the media and marketing industries. From the thicket of techno-babble that dominates ad-tech to the marketing gobbledigook spread all over every-thing, nonsense words have crawled into every corner of our conversations. But all of that lingo seems downright transpar-ent compared to some of the millennial slang being thrown around by publishers and marketers these days in an effort to appeal to that demographic. Here is our attempt to decode some of it.

BY BRIAN BRAIKER & TANYA DUA

A-C

ADULTING
If you have to use the word, you aren't one.

BAE
Mom, stop.

BASIC
Can't we all just get along? (Pass the pumpkin spice latte, Becky!)

BITMOJI
Not everybody gets the stipple-portrait treatment in the Wall Street Journal. Sometimes a cartoon version of yourself sitting on the toilet has to suffice.

BUZZFEED
Media for snake people.

CUCK
Definitely not Kik. Trust us, we made this mistake once.

D-I

DAMN, DANIEL
Back at it again with the free marketing for white Vans.

DJ KHALED
Utterly unclear what he actually does, so there may be something to his "keys to success" hustle?

DOGE
Wow. Much 2013. Very meme.

EMOJI

FACEBOOK
Oh god, Aunt Harriet just poked me.

INFLUENCER
Someone with more than 10,000 followers.

INSTAGRAM
Snapchat for old people.

K-SL

KIK
Shh, don't tell brands we're — oops, too late.

LINKEDIN
Tinder for Gen X.

LIT
When fam is on fleek.

MUSICAL.LY
Your chance to star in a music video that no one will see.

ON FLEEK
Just stop.

POKEMON GO
Tinder for Gen Z.

QUARTER-LIFE CRISIS
This isn't a thing.

SLACK
/giphy productivity tool

SN-Y

SNAPCHAT
Please don't screengrab this pic. Please don't screengrab this pic. Please don't ....

SNAPCHAT DISCOVER
An oxymoron.

STAN SMITHS
Converse All Stars for millennials.

VENMO
A good way to bill your friends after you hosted dinner at your house.

VINE
Ghost Town.

WISHBONE
Hot-or-not, updated for mobile. (Also a pretty good Italian dressing.)

YIK YAK
Anonymous gossip room for college students/joke thieves.

Video's Red Letter Year

Brands, agencies and publishers are trying to maximize the possibilities of video. Here, Digiday caught up with past Video Award winners to highlight some of 2015's notable winning campaigns.

2015 BEST IN SHOW
Valspar – "Color for All"

Valspar nabbed Best Brand Video, as well as the coveted Best in Show award. The video series, in partnership with colorblindness-correcting glasses EnChroma, featured individuals around the United States living with colorblindness experiencing color for the first time.

"Our 'Color for All' campaign has been a fulfilling and humbling journey. To be recognized for this initiative by the country's community of creative marketers is an added accomplishment for which we are very grateful and proud."

– *Joel Wasserman, director of brand integration, Valspar*

BEST BRAND VIDEO SERIES
72andSunny & Truth – "Left Swipe Dat"

72andSunny tapped dating app Tinder for inspiration for its anti-tobacco client truth for "Left Swipe Dat." The video's parade of young stars and YouTube personalities sing a song about rejecting prospective dates on Tinder if they have a cigarette in their profile pictures.

"This was the first time that we intentionally set out to create standalone content that could exist in the marketplace as a legitimate music video. Being recognized by industry leaders for this approach further validates our effort to effectively engage this generation to help end smoking for good and ultimately save lives."

– *Eric Asche, CMO, Truth Initiative*

Enter to join the winner's circle with:

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GE	CBS	Starcom	ESPN

REGULAR DEADLINE: September 30, 2016 **LAST CHANCE DEADLINE:** October 7, 2016

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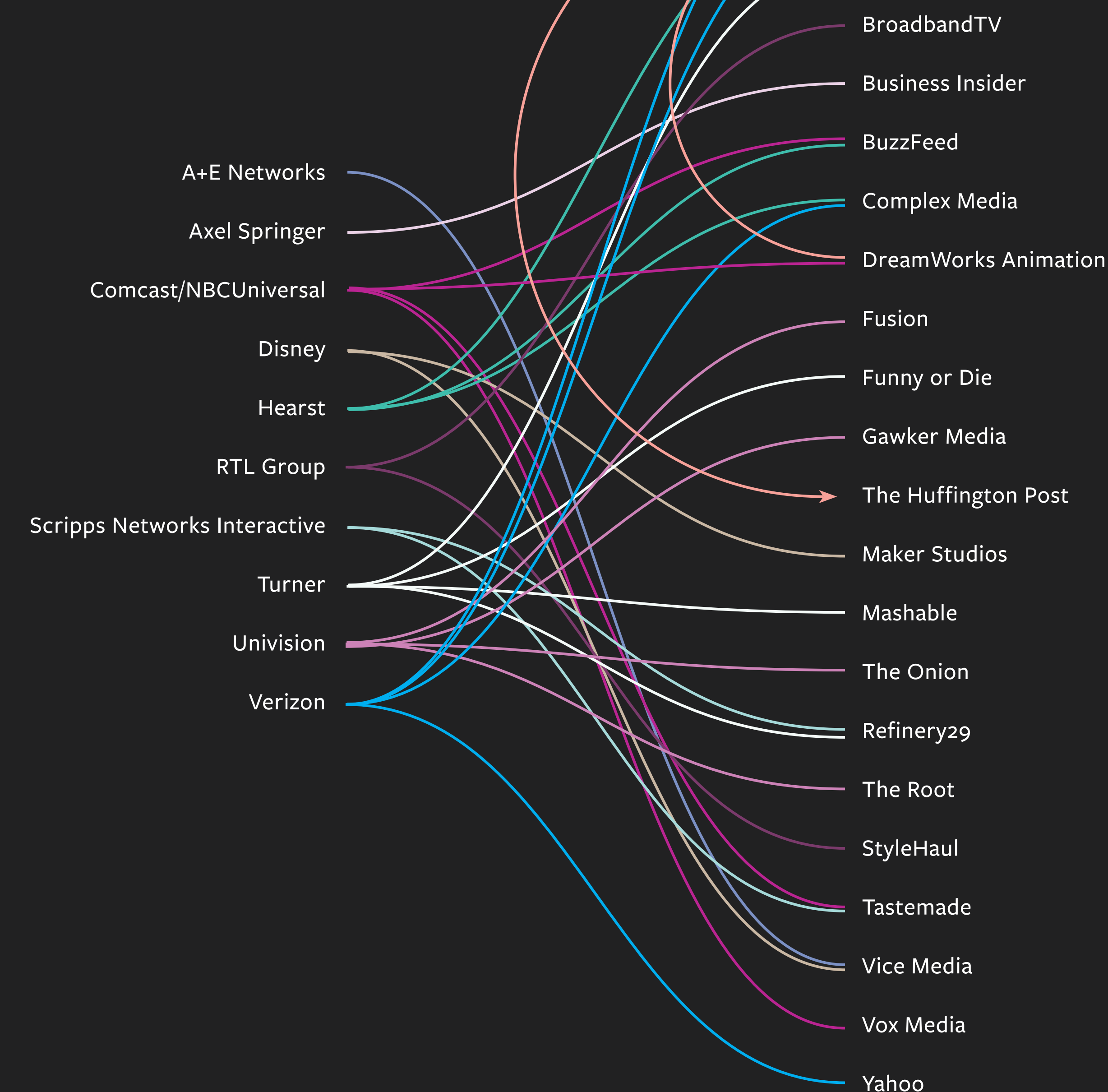
And right now, your ad spaces are probably being offered to just one set of buyers. If they don't bite, the waterfall slashes prices and offers them to another buyer and then another, until the ads that pay for your great work are sold for pennies.

But if you use header bidding to offer those ads to even more buyers, and those buyers compete, then your company makes more money. Voila! Cream cheese and lox on Fridays.

TAKE BACK THE HIGH GROUND.

Whose investment is it anyway?

It's a great time for digital media companies with any semblance of scale. The traditional giants, either worried about those that might disrupt their businesses or simply wanting to hedge their bets on the future of media consumption, have actively been investing and absorbing digital publishing startups. Indeed, digital media has become a land of fiefdoms, which just goes to show, what's old is new again — or maybe it's the other way around.



Know Your VR From AR From MR

If you're going to point your media and publishing strategy toward the future, make sure you're pointing at the right thing. Case in point: virtual reality ≠ augmented reality ≠ mixed reality, and it pays to know the difference. This breakdown will make you that rarest of creatures: a futurist who actually knows what's worth talking about.

BY MAX WILLENS

1 OK, BREAK IT DOWN FOR US

Basics first: Virtual reality is the science fiction stuff, the fake world mapped onto a pricey headset that can be viewed in 360 degrees. This is what Oculus Rift promises.

But: VR is not the same as 360-degree video, which uses previously recorded footage of the real world. This can be watched using the same device one uses to experience VR, or cheaper headsets like Google Cardboard.

Augmented reality refers to a real-time visual representation of the real world, usually captured by a smartphone camera and presented on said phone's screen, that includes visual elements or information laid over the top of it (think Pokémon Go). Mixed reality is, well, a mix, a representation of the real world where the added visual elements are interactive, responding not just to things a viewer does but to the environment they're laid over.

2 HOW IS THIS BEING USED IN THE REAL WORLD?

Publishers ranging from The New York Times to ABC News are already using 360° video to bring readers to reporting locations, and the NBA is using it to bring fans closer to its games. Agencies like Blippar are creating augmented reality ad products meant to spruce up existing display advertising. Fewer media players have figured out what to do with virtual reality, and mixed reality is so hard to do that the tech barely exists to create it.


President Barack Obama wearing Gear VR headset


Kasabian's performance with 360 Video at O2 Academy, Brixton

3 WHAT'S THE TAKEAWAY?

This is going to separate the haves from the have nots real quick. While smartphone adoption allows most everyone to experience 360° video and some AR, the technology and resources required to develop something worthy of putting on a headset is serious. Similarly, delivering ads in these spaces is going to require reinventing the wheel. Interrupting a person's visit to a website is one thing; leaping into their field of vision to sell them something they don't want sounds like a bad acid trip. Marketers, proceed with caution.

The Brief Tragicomic History of Harambe

On the Internet, the distance from tragedy to farce is exceedingly short. Here's how Harambe went from an unfortunate news item to ubiquitous meme this summer.

BY BRIAN BRAIKER

May 28

Harambe, a 17-year-old Western lowland silverback gorilla, is shot and killed at the Cincinnati Zoo after a 3-year-old boy climbed into the gorilla's enclosure. The boy was unharmed. Later that day, a YouTuber named maxi uploads footage of the incident, netting more than 12.6 million views in 48 hours. Many of the 41,000 comments blamed the child's parents for Harambe's death.

May 29

A petition titled "Justice for Harambe" is created on Change.org, calling for authorities to hold the child's parents accountable, netting a half million signatures. The hashtags #JusticeForHarambe and #RIPHarambe begin circulating on Facebook and Twitter.

May 31

CNN, BBC, NBC, the Mirror, The Daily Dot all report on the story. Outrage morphs into ridicule; On Weird Twitter, Harambe is reincarnated as a meme: his likeness is photoshopped onto photo macros, featuring him ironically alongside photos of Prince, David Bowie and Muhammad Ali, all recently deceased.

June 26

Also on Weird Twitter, people begin swapping out popular song lyrics with Harambe's name. Blink-182's Mark Hoppus plays along with one of his own songs. The meme makes it onto Twitter Moments.

pokédad go
@markhoppus
Follow

And that's about the time she walked
AWAY FROM ME
Nobody like when you shoot
HARAMBE

RETWEETS 7,263 LIKES 12,142

10:02 PM - 26 Jul 2016

June 30

Harambe gets his most mentions on Twitter on a single day, driven by this tweet:

CHILDHOOD RUINER
@RUINER
Follow

they call it gorilla glue because harambe was metaphorically the glue that held this nation together

July 2

Twitter user @sexualjumanji posts a selfie in which he is brandishing a gun along with the caption "We comin with them dicks out to avenge harambe!!!"

July 4

Comedian Brandon Wardell tweets the phrase "dicks out for harambe," and follows it up with several Vines, including one of himself with actor Danny Trejo in which the pair say the phrase "dicks out for Harambe." Within five days, the video hits upwards of 2.2 million loops, 1,100 likes and 700 revines.

August 20

A hacker with the Twitter handle @prom takes control of Cincinnati Zoo & Botanical Garden director Thane Maynard's Twitter account, vandalizing his feed with several Harambe-related hashtags and jokes.

August 22

The Cincinnati Zoo deletes its Twitter account. "We are not amused by the memes, petitions and signs about Harambe," Maynard writes in a letter to the Associated Press. "Our zoo family is still healing, and the constant mention of Harambe makes moving forward more difficult for us."

August 28

Jill Stein, Green Party candidate for president, tweets that Harambe "teaches us to be a voice for the voiceless." She's retweeted 6,000 times in 24 hours.


Email
Search
Yahoo Apps
7 Exclusive Yahoo data sources
More than any other DSP
Mobile Analytics
TV Viewing
Content Consumption
User Registration
Get a complete picture of your most relevant audience
Other DSPs show you pieces. BrightRoll gives you the complete picture. With more deep, diverse data sources than any other DSP, the BrightRoll DSP gives you a richer, more accurate view of the audience you care most about.
BrightRoll DSP
from YAHOO!
www.brightroll.com/demand-side-platform

Facebook traffic referral declines in the 2nd quarter, according to Similar Web:

- YAHOO: -45%
- BuzzFeed: -6%
- Time Inc: -25%
- The New York Times: -25%
- NBCU: -19%
- AOL: -22%

ZUCKERBERG

= $6.2 billion = in second quarter ad revenue; 32% growth from a year earlier.

ARIANNA HUFFINGTON

36% traffic decline of Huffington Post over the 18 months, according to comScore.

"I'm fully expected to be able to continue leading Huffington Post while also building Thrive Global.

But it became clear that this was an illusion as Thrive went from an idea to a reality, with investors, staff and offices."

SHANE SMITH

"What you're going to see is a mergers-and acquisitions frenzy where the last two or three big boys buy the last scale play to say, 'We've got digital, we've got mobile, so we're smart.' And the digital guys are going to go, 'FUCK, THANK GOD— we've finally got money. $ $ $'"

Media

NICK DENTON

"As for Gawker.com, founded in 2003 and mothballed in 2016, it will live on in legend. As the short-lived Killer android is told in Blade Runner:

'The light that burns twice as bright burns half as long, and you have burned so very very brightly.'"

FACEBOOK VS. ADBLOCK PLUS

"Facebook is going against the will of the user and that typically doesn't end well. Facebook may have started this game of ping-pong, but out on the open internet the user always wins."

— Ben Williams, Adblock plus

NBC and BuzzFeed got 2.2 billion views and nearly 10 million hours of consumption of their Snapchat content during the Rio Olympics.

AD BLOCKING

26% of desktop users deploy ad blocking software, according to the IAB.

RANDALL ROTHENBERG

"I'm saying morally and ethically [ad-block software makers] are beyond the pale and ought to be impaled. They're bad, rich, cynical, asshole dudes in Germany and Israel who are trying to steal money from publishers. period."

The Washington Post's PUNK Rock Star

Joey Marburger is helping the legacy news organization adopt a tech mindset

BY LUCIA MOSES

Photo credits : Marvin Joseph/The Washington Post

When Joey Marburger was in high school, he played bass guitar in a punk band. One day, the band was on the way to an out-of-state gig when the van broke down. Marburger knew a little about auto repairs, so it was he who saved the day, getting the parts from AutoZone to get the van going again. "That taught me that a lot about life is that, you still have to perform," he recalls.

It takes cool-headed types like Marburger to work in publishing these days, even at The Washington Post. Since Amazon founder Jeff Bezos bought it in 2013, he's pumped money into the Post, hiring scores of technologists and journalists and moving it into a slick new office space on K Street, a fitting metaphor for its rebirth.

Since then, the Post won two Pulitzers and surpassed The New York Times in traffic. But it has yet figure out how to turn that traffic success into a sustainable business. Digital ad revenue is harder to come by, ad blocking is on the rise and online subscriptions remain a tiny part of the Post's overall revenue.

One of the key people the Post is looking to to solve this problem is the 32-year-old Marburger. Marburger isn't your typical rumpled newspaper executive. In a town where sartorial choices drift toward the French collar, power tie and cufflinks, Marburger dresses nattily in punk-inspired black and has Star Wars skateboards hanging in his office. He proudly flies his geek flag. "I don't lose my temper, I don't yell at people. I listen. I don't try and talk that much."

His work speaks for itself, though. It's hard to come by a digital initiative Marburger hasn't been involved with since he started at the Post in 2010 as a mobile design director. Soon after Bezos bought the Post, Marburger joined the calls Bezos has every other week with a small coterie of senior executives. "Short of [publisher and CEO] Fred Ryan, there are relatively few people who have deep and ongoing conversations with Jeff," says Jeremy Gilbert, director of strategic initiatives at the Post. "When Joey identifies something that's interesting to him, it's also interesting to Jeff."

Today, it's widely accepted that being a modern publisher is as much about the packaging and distribution of editorial content as the quality of the journalism itself. That's led to the rise of the product head at digital news organizations. Whereas in the past it might have been enough to be the paper that broke the Watergate scandal and helped bring down a corrupt president, today the Washington Post considers itself as much a tech company as a media outfit. As director of product, Marburger has had a hand in editorial and business-side initiatives, from apps to web redesign to ad products.

> "I WANT TO HELP FIX THE JOURNALISM MODEL."
> —JOEY MARBURGER

THE IN-HOUSE THERAPIST

Marburger's colleagues say his influence stems from his ability to understand the Post through both a technology and news lens, something that's not always found in a head of product. A lot of news organizations think they can use technology to reach a bigger audience, but getting the tech people and the storytelling people on the same page can be a challenge.

"He understands that attention needs to be given to both sides of the fence, the consumer and commercial side," says Jarrod Dicker, the Post's head of ad product and technology and a close collaborator with Marburger. "He's unique because he's looking at building the Washington Post in every single bucket. Other heads of product, they'll focus on niche topics that are buzzy at the moment. Joey's been very elastic in that he's able to allocate right amount of resources to support the many pillars of the brand."

Gilbert, who reports to the edit side, says Marburger defies the idea that someone's either analytical or creative. "Joey can do both at a very high level. He can understand what it's like to tell stories but here's how product can do that better. Joey is not our games guy, our newsletter systems guy, our data science guy. He does a really wide range of things."

That elasticity matters for a couple of reasons. It can ensure products do what they need to do and are built efficiently. Having someone who can represent the news and tech sides of the business means smaller and fewer meetings because that one person can stand in for many. One recent project Marburger was involved with, the Post's new in-house newsletter tool, demonstrated his tech know-how but also his understanding of how easy it needed to be for journalists to use it.

His versatility also played a big part in a major site overhaul. In 2015, the Post decided to move away from doing big redesigns and do continual updates instead. Speeding up the site's load time was a huge priority of Bezos'. Site speed was critical because the faster the site loaded, the more people would stay on the site, creating more opportunity to serve them ads and entice them to subscribe. Stripping the site down to its essentials required an understanding of what the Post needed to keep and what it could afford to lose — and importantly, the ability to sell it to the newsroom. Gilbert says Marburger is "like a therapist."

"We had boxes and boxes of related links," he says. "Getting people to let go of things was not easy. But he has credibility in the newsroom." The Post ended up cutting its load time by 85 percent.

PATH TO PRODUCT

As a college kid from Peru, Indiana, Marburger, 32, wanted to go into journalism. News and politics were regularly discussed at the dinner table growing up, and when he joined the college paper at Purdue University, the Exponent, he caught the journalism bug. But he'd also taken computer science classes. When he got his first job at the Gannett-owned Indianapolis Star, his boss needed him to help edit the site and help create new editorial templates for the web. Marburger saw how he could combine his two interests, journalism and technology. "I looked at it as, this is a way to further our journalism and do new stuff," he says. "So it was like, this is what I'm supposed to do — I'm trying to make journalism better by making better products." This was pre-iPad app, and Marburger helped build the Star's first app, which got the attention of the parent company. Gannett called him up to help oversee app development there. Seeing his work there, the Washington Post called.

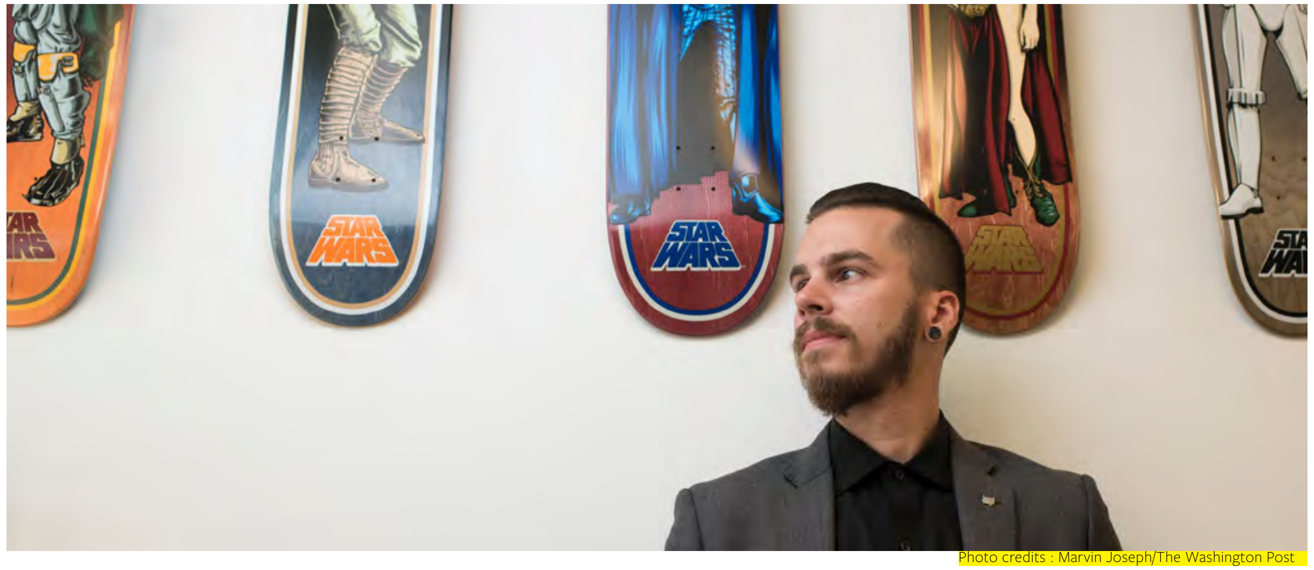


Photo credits : Marvin Joseph/The Washington Post

It was a time of big change at the Post. It was still owned by the Graham family, and it was still deeply rooted in print. The Post had decided to integrate its dot-com and print sides, and it needed people to help. Marburger was part of crop of new digital-forward thinkers who joined the Post.

Then one day in the fall of in 2013, everything changed. Marburger was at Apple's Design Lab offices when his boss called and told him to drop everything for an emergency town hall to announce the Post's sale. At first, Marburger wasn't sure about having Bezos as an owner. "I wasn't nervous because I'd dealt with big-name people before, and design challenges. But I'd heard how he yells at people." In calls with Bezos, he came to appreciate how the new owner was open to new ideas, talked about his thought process. "Jeff was like, 'I'm a kid and I want to play in the sandbox,'" Marburger says. "I try to make him laugh on every call."

Melissa Bell, one of the Post's early digital hires and now publisher at Vox Media, says that as the Post got more aggressive digitally, Marburger went from being one of the new digital kids operating from the sidelines to playing a central role. With his punk style and skateboards, she says, "People didn't entirely know what to make of him. But he so deeply loves journalism, he's managed to make people at the Post understand and care about him."

ASSESSING THREATS

The pace of change quickened, but so did the digital landscape. Today the Post finds itself having to navigate a world dominated by Facebook and Google. Other publishers have been wary of ceding power and content to the platforms when their ability to monetize them and count on referral traffic to keep coming is uncertain. Growing audience is the name of the game for the Post as it trolls for paying subscribers, though, so it's posted all its articles on Facebook Instant Articles and thrown its support behind the Apple News aggregation app and Google's Accelerated Mobile Pages, its fast-loading articles initiative.

Publishers have softened in their views towards the platform giants. Marburger said in a 2015 interview that he definitely saw Facebook as a competitor; today, he says of Facebook, "maybe they're a threat, but we're going to be right there." He contends that the bigger concern is the loss of public trust in the news and the fact that the platforms treat serious news outlets like the Post the same as everyone else, including fake news. "I think Facebook is smart. But any platform algorithm has its limitations," he says. "So you can look at 'how do we build more trust' as a product challenge."

The Post is participating in Google's Trust Project, which is exploring how responsible journalism can stand out from the crowd on platforms. Marburger also is looking more broadly at how he can find and exploit places that people don't think of for news. To that end, he's exploring how to use Amazon's voice-activated speaker, Echo (another obvious area for synergy between Bezos' interests). Using components he got from China, he also created what he calls a "smart mirror," that would display things like the time, weather and headlines when activated by voice or motion. The mirror sits in his office and there's no specific plan to put it into action, but Marburger envisions having it on display at events or in the bathroom so people can get caught up while they're shaving in the morning.

Bezos' checkbook may give the Post a longer leash as it tries to figure out a business model (as a private company, the Post doesn't share its finances). But executives say they assume the money won't last forever. Despite some fanciful products coming out of the Post, Marburger says revenue is always considered in the new product development process, although the idea of revenue has broadened to include the value of buzz and audience growth. "The common misconception is that we're lighting money on fire," he says. "That's not happening. He's very frugal. It's more, 'Is this a good idea?'"

In some ways, the Post has been a victim of its success. Several of Marburger's peers who were core to the Post's digital transition, like Melissa Bell, Cory Haik and Julia Beizer, have left for other media companies (though it's also replenished its talent with hires like Gilbert and Dicker).

Marburger would seem like an obvious candidate for poaching, too. But for him, the Post offers a combination he can't get elsewhere. "There's no Jeff anywhere else," he says. "The day I'm bored at work, maybe I'll leave. But I ignore people who reach out. I want to stay in journalism. I want to help fix the journalism model. There's no better journalism organization to be at than the Post." P

The Hustler

Most media acquisitions fail. Somehow, Turner and Bleacher Report have made their union work.

BY SAHIL PATEL

It was 2012, and in the middle of Turner's year-long courtship of Bleacher Report, a group of Turner executives flew to San Francisco to meet with the digital startup's leadership team. The Turner group, which included seasoned execs David Levy and Lenny Daniels, quickly realized this would be a different kind of meeting.

"They were all so young," recalls Turner Sports president Daniels. "They knew nothing about TV. They were completely blind to the entire business we were in and looked at sports through a completely different lens than we do — which was fascinating."

The stark differences between how traditional media has always operated and how digital publishing businesses conduct themselves still confound many people on both sides today. And yet, as evidenced by the continued wave of "old-media" money pouring into digital publishing — since 2013, BuzzFeed, Refinery29, Vice Media and Vox Media alone have raised $1.6 billion — TV and digital know they need each other.

With more than 10,000 employees and lucrative media brands ranging from CNN to Cartoon Network, it might be hard to imagine why Turner was interested in what was then a scrappy 130-person sports media startup. With broadcast rights to major sports like the NBA and MLB, Turner is the blue-chip McDonald's All-American to Bleacher Report's hard-charging gym rat. And somehow, it's worked.

"PEOPLE WANTED SOMETHING DIFFERENT."

It wasn't always easy for Bleacher Report. Founded in 2007 by longtime friends Dave Finocchio, Bryan Goldberg, Dave Nemetz and Zander Freund, Bleacher Report was criticized early on by the established sports media for its open publishing model, which allowed any registered user to post about their favorite sports teams, players and topics. This, plus a penchant for aggregation, listicles and slideshows, meant low-quality content from unqualified and often-unpaid writers, critics argued. (It even got The Onion treatment, with an article titled "Furious Bleacher Report Editor Will Make Staff Rank Things All Fucking Night If He Has To.")

Bleacher Report executives defend the site's early approach by pointing out that the company was filling a void that was being ignored by the mainstream sports media. Fans of small-market teams now had a place to go to get the latest updates, rumors and analysis on their favorite teams. Bleacher Report was "aiming to be comprehensive in a way about [areas] that traditional media wasn't covering effectively," says current Bleacher Report president and employee No. 12 Rory Brown.

As for those top-10 lists? Now a badge of pride. "There were people who complained that we did too many listicles," says Goldberg. "Who would call that a criticism today? It's an accepted format now."

But it wasn't just the listicles that helped Bleacher Report grow to 10 million monthly unique visitors by the time of the Turner acquisition, according to comScore. The company also likes to highlight how it was one of the first to effectively use data to program its editorial calendar. For instance, back in 2008 when search still dominated referral traffic, Brown, an assignment editor at the time, noticed that people were searching for NFL Draft content in October — half a year before the event usually takes place. Not only did Bleacher Report put out more draft-related content at a time when people were looking for it, the company also created an analytics department to help "make good decisions" on the type of content it was publishing, says Brown. Today, it's a seven-person unit that works with the operations, programming and content teams on a daily basis.

It's a decision adopted and expanded upon by the Bleacher Report of today, which has dedicated significant resources to different areas important to the business. For instance, Bleacher Report's building out a 35-person team that can crank out original social content — another white space that traditional sports media has long ignored. That's separate from an 80-person video team, which works on everything from short-form social clips to hour-long documentary films.

All of them have one goal: Make stuff that young sports fans — and especially young male sports fans — will watch, like and share. If that means taking a video of Simone Biles doing gymnastics to make it look like she's dunking a basketball, great. If it means an original animated series that envisions NBA players as "Game of Thrones" characters, even better.

"I give them credit over the years for realizing where fans were underserved," says Michael Neuman, managing partner at sports marketing firm Scout Sports and Entertainment. "That's fairly remarkable considering how much sports content is available to fans today. They were able to find a blue ocean."

"A TEXTBOOK CASE OF A MERGER GONE RIGHT."

Today, Bleacher Report employs 350 people, and with Turner investing an additional $100 million into the company over the next three years, that number is expected to surpass 400 very soon.

Suffice it to say, Bleacher Report has become vital to Turner's digital media business. It might not have been that way if Turner had not left it alone.

"A lot of times you see a parent company come in and institute their own way of thinking on the company they purchase, and that hasn't been the case here," says Brown. He pointed to initial discussions Bleacher Report had with Turner after the acquisition, which involved building a 24-hour sports network. The Bleacher Report team passed, opting instead to focus on building an infrastructure to grow its brand and business digitally — a move that surprised Turner.

"I remember sitting there and being mesmerized by how thoughtful they were about their business and where they were going, and we decided to leave them alone," says Daniels.

For as long a leash as Turner has given Bleacher Report, the two companies are in constant contact and frequently rely on each other. For instance, Turner has picked up a lot from Bleacher on how social can be used for marketing and to drive traffic (or tune-in), according to Daniels. Turner Sports now has a 20-person social team of its own, and this kind of thinking is permeating across the country. Inside Turner, there are now regular working sessions where people designated as "social evangelizers" from all brands within the Turner portfolio meet to talk about what they're doing, what's working and what resources they need.

"If you think back to four years ago, people were afraid that social was going to destroy their business and take away the eyeballs — the ratings," says Daniels. "That's just not true. People are still watching, but in different places and at different times."

On the flip side, while it wasn't interested in a 24-hour TV network, Bleacher Report doesn't mind the boost it receives from getting promoted on the tube. Turner has used the NBA playoffs to drive people to Bleacher Report's Team Stream app and Instagram page. Instagram followers increased three times the normal rate because of the TV promos, says Brown.

"Turner gives us the ability to do this," he says. "If we didn't have the relationship, it's not that we wouldn't have strong content, but we wouldn't have those levers to pull, or if we did, we'd have to pay for it, which would get expensive fast."

"BUILDING A BRAND THAT MEANS SOMETHING TO PEOPLE."

With more than a half-a-billion monthly social video views and a mobile app that's been downloaded 15 million times, Bleacher Report has become a big presence on the platforms its users care about the most.

"You look at some of the major players out there — the game broadcast, or a pregame show, or even a nightly sports news show — the sets and talent might have changed, but the formats are pretty much the same," says Brown. "Because live sports are still such a big thing on TV, there has been some hesitance among the major players in not embracing where young people are going to watch content. We've been quick to embrace."

Of course, platform dominance doesn't equal a sustainable business. While Bleacher Report's annual revenues have tripled in the past three years, executives declined to say if the company is profitable. But Turner is on board with Bleacher Report's vision and has been satisfied by initial revenue targets that the company has been able to meet since investing the additional $100 million.

"The economics will follow the audience," says Daniels. "They teach us every day: be true to your audience and build your brand, and from there we'll figure out how to make money — they've been able to do that and so have we."

Advertisers are bullish on the company, with some considering it a clear No. 2 after the ESPN juggernaut. One media buyer, speaking anonymously, says a client recently was hesitant to go with Bleacher Report because it wasn't a mainstream sports outlet. So they picked an established media partner. "What they saw first-hand was the limited flexibility they offered and just a cluttered marketplace overall," says the buyer. "They came back and said, 'Alright, let's do a head to head [in the fourth quarter], and let's see what Bleacher Report can come back with."

"They zig when everyone zags, which is why they're a brand that our clients are excited about," says another buyer, Alex Stone, digital director for Horizon Media. "They're still a challenger brand to ESPN and CBS Sports, but you're getting more bang for your buck."

For Bleacher Report, the next stage of growth comes from building its brand through original videos. Its "Game of Zones" animated series has proven to be popular, but so has "Vick," its first foray into long-form content.

"We talk a lot internally about what MTV came to mean — not just to music culture but pop culture," says Finocchio. "That's our aspiration, to make that kind of footprint."

One thing's for sure: It has a good parent in its corner.

Unintended Consequences Dept.

The drive for viewable ads is stoking ad blocking

BY LUCIA MOSES

It's hard to find many who argue that ads shouldn't be viewable. The days of buying and selling digital ads that aren't viewable by humans should be over. But what if solving the viewability problem is indirectly causing that other industry scourge du jour, ad blocking?

It's easy to see how this can happen. Agencies and advertisers want to ensure their ads are in view. A sure-fire way to do this is by making sure ads are as big and obnoxious as possible. But that's in direct conflict with the idea that advertising should be unobtrusive, so people aren't encouraged to block ads. Twenty-six percent of internet users block ads, according to Interactive Advertising Bureau research, and the No. 1 reason is to avoid ads that block content or are invasive.

Harry Kargman, founder and CEO of the mobile advertising technology firm Kargo, creates new units all the time of varying degrees of interruptiveness, like ads that pop onto the screen and require the reader to exit out of them. Kargo's analysis found that agencies recommend hovers (a type of pop-up) and interstitials (ads displayed before or after a content page) 43 percent more often when they're buying based on viewability versus on a CPM basis.

"If you're a media planner and buyer, if you're metrics driven and the currency of choice is viewability, that is the holy grail," Kargman says. "The problem is that it has this unintended consequence in terms of consumer experience, ad innovation, organic placement, doing right by the publisher and audience. They're dismissing all these other elements."

Other publishers and agencies agree there's cause and effect between the push to viewability to the rise of intrusive ad formats. "The first problem is publishers making ads that aren't viewable," says Neil Vogel, CEO of About.com. "So intrusiveness solves for that. The second is, all these agencies are hung up on the viewability standard. So what they've ended up with is a Frankenstein problem. It's exactly why there's ad blocking in the world."

Vogel recently fielded a request from a major retailer wanting to run a back-to-school campaign using intrusive mobile takeovers. The campaign could have meant a sweet couple of hundred thousand dollars in About.com's pocket, but he turned it away because it would have ruined the user experience. "What's happened is, agencies and clients, rather than say, 'Let's talk about viewability,' they go right to the solution and say, 'Use this because it's viewable.'"

Some would argue the goals of viewability and good user experience don't have to be incompatible. "A good user experience can have ads that are well-placed, native to the format, not overstuffed with ads," says John Montgomery, global evp of brand safety at GroupM, which has required that publishers meet a tougher viewability bar than the industry standard.

> "AGENCIES AND CLIENTS, RATHER THAN SAY, 'LET'S TALK ABOUT VIEWABILITY,' THEY GO RIGHT TO THE SOLUTION AND SAY, 'USE THIS BECAUSE IT'S VIEWABLE.'"
>
> — NEIL VOGEL

Montgomery believes that the types of ads consumers hate, like animated and unskippable ads, are restricted to a minority of publishers. "I really do think there's a happy medium. Dancing monkeys and wobbly belly fat and autoplay video ads are happening not because of viewability. I think it's because publishers are desperate to monetize their sites. That's what's irritating consumers and causing them to ad block."

Part of the problem in reconciling the goals of viewability and user experience has to do with the way viewability is measured. There's no industry standard, which means a publisher's viewability score can vary depending on which vendor is doing the measuring.

And measurement approaches are imperfect. Even giant takeover ads aren't always considered 100 percent in view, depending on how far down the page they are, points out Geoff Schiller, global CRO of PopSugar. "It's a Whac-a-Mole type of scenario," he says. And viewability vendors' tracking approaches work best for intrusive units, which makes those units a more popular choice for agencies, according to Kargo. Kargman is trying to push back against viewability as the only way to look at an ad's performance, but it's hard to get attention for potentially more interesting ad formats when they don't score as high in viewability.

And while there might be general agreement on what the most egregious ads are, what makes an ad "bad" is somewhat in the eye of the beholder. It not only can vary by user, but by what they're doing. A web surfer might not mind flashy ads while visiting an entertainment site but have a much different expectation when on a general news or health information site. The IAB is working on a system to score publishers and advertisers on their adherence to the organization's "LEAN" best ad practices, but even it admits that it's hard to measure user experience, with all the factors that go into it.

What if publishers could increase viewability and improve the user experience at the same time? About.com's experience shows how hard it is to do. It cut the number of ad placements by about 25 percent when it launched its new health vertical, Verywell, and viewability went up, possibly because the remaining ads stood out more. But this meant investing in a whole new site, and it had to increase the price of the ads or increase traffic to make up for the loss of inventory. "That's really hard to do because we had to build a new site to do it," Vogel says. "We are at the mercy of other people to send us traffic. It's hard to be a good actor in this."

The Art of Science

Inside The Financial Times skunkworks

BY LUCIA MOSES

Like many publishers, The Financial Times used to treat its error page as an afterthought. Readers would land on it when an article couldn't be found. It was polite and had utilitarian value, but was drab and lacked personality.

Last year, however, after a staff-wide competition, the British newspaper rolled out a new 404 page that espouses a clever list of economic theories why the page wasn't found. ("Laissez-faire capitalism: We know this page is needed, but we can't force anyone to make it.")

The page is a result of a new unit: FT Labs. Labs is charged with tackling projects big and small that don't fit into the normal development processes, like the 404 page, or long-term projects that don't have an immediate application but are seen as worth exploring.

"We had quite possibly the worst 404 page in the world," says Chris Gathercole, who heads FT Labs, an ongoing technology team at the British financial newspaper. "It just screamed 'We don't care' to whoever got it."

Gathercole, with three developers underneath him, is exploring business development in new or so-far untapped technologies like VR, Amazon Echo and audio, and bringing together disparate departments to work on things together.

In a place where "there's lots of Whac-a-Mole," Gathercole says, "we're going to look for long-term things that serve everyone."

Its work also could have bigger implications for Japanese media giant Nikkei, which bought the FT in 2015, and which is looking at applying lessons from Labs to the rest of the company.

Projects that FT Labs has worked on have run the gamut. The FT had a way to let subscribers share articles with friends who don't subscribe, but the process was clunky. So FT Labs built a way to let subscribers share an article via their own personal email.

> "IT HELPS TO HAVE A FEW PAIRS OF EYES FOCUSING ON THE HORIZON."
> — CHRIS GATHERCOLE

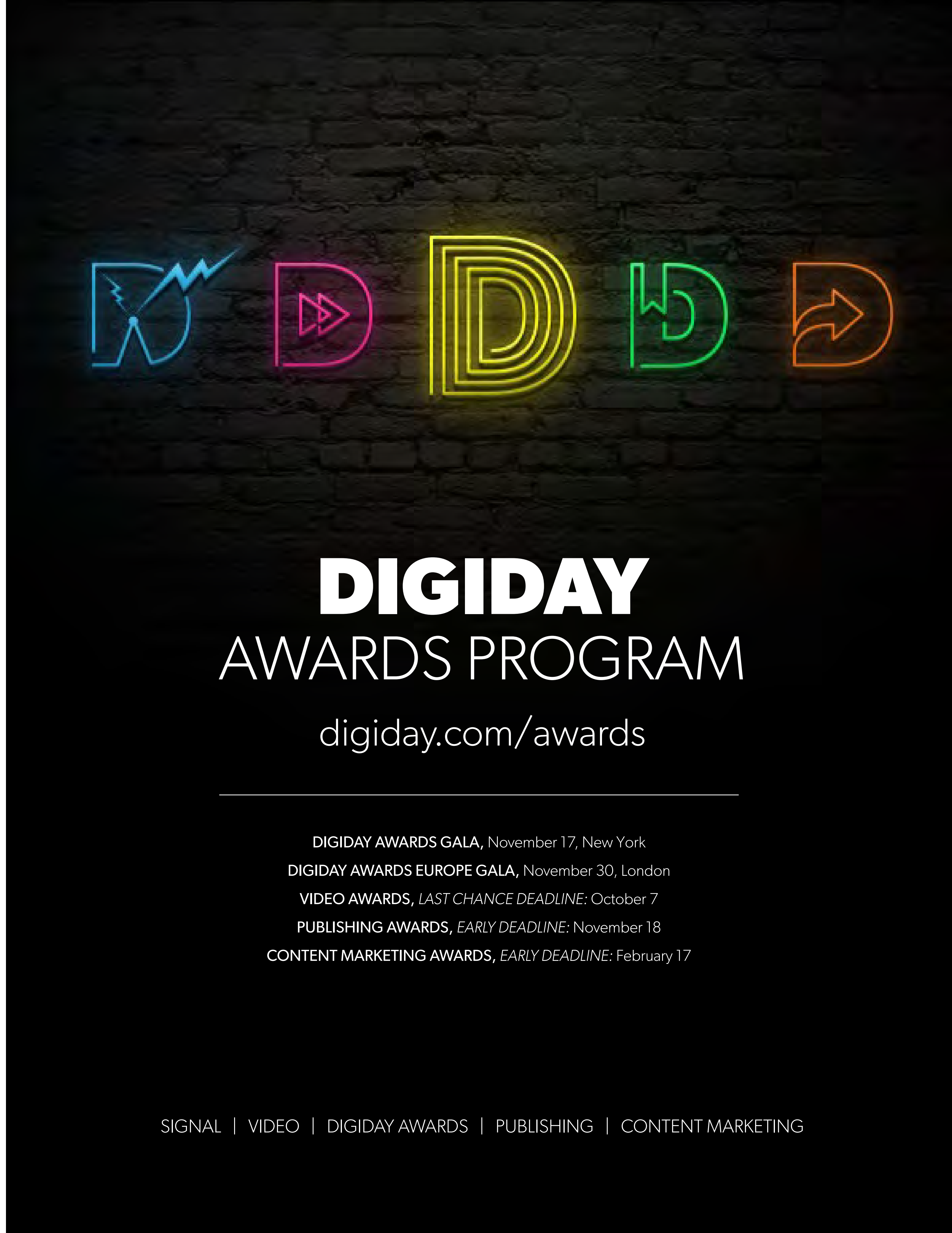
FT Labs also was involved in part of the FT's response to ad blocking. In that case, it created a feature where certain ad blocker users would see various words of an article blocked out. It was part of a test that began in July. Other test groups got messages asking them to whitelist the site or were just blocked from seeing the article altogether. Sometimes, the FT Labs team takes on the projects that fell through the cracks, like the FT's 404 error page.

But things haven't always been smooth sailing. FT Labs is still figuring out how to make sure the work it does gets off the ground and gets carried on elsewhere. Gathercole readily admits that Labs hasn't always succeeded. When it built web-based screens to display content around the FT's offices, the publisher's in-house communications team adopted them as their primary way of disseminating news to its employees. The small Labs team didn't have enough people to run them and continue to work on new projects, but it couldn't just switch off the screens. Lesson learned: FT Labs is in the process of turning the screens' operation over to another department. "It got really awkward," Gathercole said. "It's a thing that happens at hackathons. People have the freedom to go crazy for a couple of days, but then it's, what happens next?"

It's hard to get something like FT Labs right, says Andrew Betts, the former head of FT Labs and now a technology consultant at the FT. Publishers tend to assign product teams to work on big projects, but those don't allow for much creativity. Ideally, a labs team has creative freedom to discover the next big thing, but has a team in place to hand the baton to. "The biggest problem is having to pick the right projects and making sure they won't take over," he says. Even Betts admitted he "never got" the FT Labs' haiku project, which discovered the accidental Japanese poetry hidden in FT articles, whereas another initiative, Big FT, digital billboards that display FT news, is ongoing and has made it to the monetization stage.

Having a team that operates with a loose mandate has other risks. FT Labs has wide latitude to do things that focus on the long-term, but that presents a delicate situation. "A lot of dev teams would love to operate the way we do," Gathercole says. "We're conscious of not becoming this group of happy smiling people while the dev people do all the hard work." To that end, the labs team is trying to support the dev team by being an incubator for their ideas. It's also thinking about building things that have a measurable benefit, like increased ad revenue or subscriptions, in order to not "disappear off in an ivory tower," as Gathercole put it.

But the team still enjoys relative freedom and stability, having a budget in place. "Things are changing so fast, I think the company realizes you can't just focus on the now. It helps to have a few pairs of eyes focusing on the horizon." ■



Marketing

#NOFILTER

89 percent of Fortune 500 brands on Instagram don't retouch photos on Instagram. Among those that do, Juno is the most popular filter.

Walmart's acquisition of Jet.com and Unilever's $1 billion buy of Dollar Shave Club shows shifting CPG landscape.

CPG Investments since 2012 total $7.9 billion

2012 $532m
2013 $941m
2014 $2.1b
2015 $3.4b
2016 projection $1.8b

(source: CB insights)

EMOJIS

The first-ever conference for emojis (and the brands who love them) will take place in San Francisco in November.

THE END OF TARGETING

The world's largest advertiser, P&G, scales back Facebook ad targeting. Scale is everything.

A GIF of Biles tumbling right up into outer space gets 45 million views during Olympics.

B. Bonin Bough makes the jump from C-suite to CNBC as the co-host of "Cleveland Hustle", with LeBron James.

With Donny Deutsch already on board at the network, maybe look for more marketing bigwigs to be calling CNBC for their next 15 seconds of fame.

The 4A's organized a townhall meeting on August 17 for its agency members to discuss what to do about media transparency. It was then postponed to September 14. Too many agency execs summering in the Hamptons.

#ImtellingCindyGallop:

Kevin Roberts drew the ire of the advertising world when he said that the gender debate in advertising was over. BUT perhaps it was his indictment of industry activist Cindy Gallop that was the nail in the coffin.

"The former publicis execs said: "I think she's got problems that are her own making. I think she's making up a lot of the stuff to create profile, and to take applause and to get on the soapbox."

PR SPIN WIN

The New York Times swallows GE's entire spiel with a news story titled: "GE, the 124-year-old software start-up."

#BLACKLIVESMATTER.

"Are you scared to have your brand support #BlackLivesMatter? Hmm. We seem to remember you putting a Martin Luther King Jr. quote on your Facebook page on January 15th and subsequent tweeting a salute to Rosa Parks on Feburary 1st. Does this mean you want to take those back?
— Kara Sax & Tamara Keller, CEO and COO of LA-based agency Sax

Bottoms Up!

One exec's quest to turn down the bro in beer marketing

BY SHAREEN PATHAK

Photo credits : Elise Trattner

in 2009, Britt Dougherty was reviewing ads for MillerCoors along with its agency. The group was going through storyboards for a new television campaign, and it included lots of and lots of women. Great.

Just one problem: All of them were wearing bikinis.

"I remember thinking, 'Who is going to speak up about this?'," recalls Dougherty, 37. "And no one did. As I worked here longer, I realized it was just sort of the way beer was."

It was an a-ha moment that led to where Dougherty is today. Her official title is senior director of marketing insights, but in public, as on her LinkedIn profile, she says she is in charge of "humanizing beer."

That means no more frat guys in ads. No more pinkwashed beer ads specifically only targeting women by touting "citrusy" flavors. And definitely, certainly, no more bikini babes serving beer to men in sports bars.

That means taking beer marketing out of the frat house and into the hands of adults of both genders, reflecting a nuanced view of the beer world. Project Luna sits inside a group Dougherty leads called "human experience, or H-Ex," at the company, which is broadly reimagining the role women play when it comes to beer in the hope of getting rid of cringeworthy sexist advertising and getting more women to pick a brewski over wine. That includes changing how beer consumers are thought of, how they're marketed to, and how to create a beer culture as open to women as it is for men.

If there's a good place to start, it was that Dougherty herself was a woman in the beer business. She grew up in the Chicago suburb of Naperville in the '90s, part of a big Irish Italian Catholic family. She spent more of her childhood and adult years there, participating in the Irish pub culture of the city.

"Chicago is a Miller Lite town, and that's what we drank," she says. "We all considered ourselves beer girls, beer women who grew up here," she said. Dougherty's father worked in marketing and went to night classes at Northwestern to get his MBA. Her mother was a teacher who also worked at the local church — and eventually, went on to get a Master's in pastoral studies from Loyola. Both her parents focused on doing what they loved: One of the mottos she was raised on was "do what you love and you'll never work in a day in your life."

In the mid-90s, she was visiting New York for a high school field trip. "I remember being on the subway and suddenly realizing that every person on that train had their own story," she says. "It was such a moment of awareness… I've been interested in other people's stories ever since."

So after college at Naperville, Illinois, liberal arts school North Central, she went to culinary school, where she said she got fascinated by the idea of pairing food with alcohol — specifically, beer. (Her favorite pairing is a classic: Coors Light with a ballpark hot dog. And loads of toppings: "You New Yorkers would be appalled, I'm sure," she laughs.)

Asked whether she thinks she noticed what she did during that bikini-heavy ad review was because of her gender, Dougherty pauses for a second. "Oh man, perhaps," she says. "But I'd like to think as an insights team we'd be noticing regardless of my gender the dramatic changes. I would have hoped that a man in my boots would have noticed the same thing or we'd be in a little bit of trouble. But perhaps I'm more sensitive to it, as a woman."

There is a pretty good business case to be made for getting more women to drink beer.

Beer sales are slipping with more customers moving to spirits and liquor. Volume sales declined in 2015, and while craft beer is growing — according to Nielsen, craft beers are now 10.7 percent of the dollar share and beer has lost 10 percentage points of volume share to wine and spirits since 2002 — it's not growing enough to make up for what's been lost to spirits.

Light beer is a real opportunity: It represents 47 percent of volume shares of beer, and according to Mintel, there is a need to reposition the segment for "drinkability," not weight loss.

About 29 percent of women said they drank beer regularly, while 59 percent of men did, in a demographic survey by Mintel held last year. About 35 percent of men said they drank it because it tastes good; only 19 percent of women said that.

Recently, Dougherty's team was in Portland — a "craft beer town" — talking to women there.

One woman was telling Dougherty how she used to not like beer because of its bitter taste, but is learning to like it, through craft beer, because it's "what we do here."

"It reminded me that we do hear that from legal drinking age men that they don't like beer but they like it because they're hanging with their buddies." says Dougherty. There is a societal benefit for men to participate in beer. And it's our job to create a societal benefit for women to participate in beer as well. There are plenty of bitter things like coffee and brussels sprouts, too."

"THERE'S A FEELING THAT WOMEN LIKE BITTER DRINKS LESS THAN MEN. THE TRUTH IS, A LOT OF PEOPLE DON'T LIKE BEER WHEN THEY START, BUT WHEN DRINKING BEER IS ROOTED IN THE CULTURE, YOU END UP ACQUIRING THE TASTE."

A national survey presented at the Craft Brewers Conference found that women continue to be underrepresented in beer drinkers. Some of the reasons "why" are telling: Beer drinkers tended to be women who self-identified as "confident," implying that cultural mores told women that beer drinking wasn't something natural, or normal. And 72 percent of craft beer drinkers were also frustrated by brands that treated them as an afterthought.

At the same time, the sheer number of women who do drink beer — and yet, aren't talked to in beer advertising — is also staggering. Market research company Ipsos said that women drank 17 billion servings of beer in 2014, 25 percent of the volume in the category. (But that's down from a decade ago, which means women are now moving away from beer.)

So there are women who drink beer, even though many have moved away from the category, potentially because they haven't been talked to in advertising. But if they drink beer, they're going to craft beer, because of a growth of female beer sommeliers and communities like Women Drinking Beer, both of which focus on small-batch craft brews. In some ways, the small craft beer industry managed to attract women without trying; while big billion dollar brands managed to alienate them.

"Beer has been rooted in the male culture," says Duane Stanford, editor of Beverage Digest. "There's a feeling that women like bitter drinks less than men. The truth is, a lot of people don't like beer when they start, but when drinking beer is rooted in the culture, you end up acquiring the taste."

And that "culture" is what Dougherty wants to fix. The first thing she did is try to figure out why she was seeing the kinds of advertising she was seeing when it came to Big Beer. "We did talk to a lot of people the business, we talked to our partners" she says. "We were asking 'Why haven't we paid more attention, why haven't we evolved our dialog with a quarter of the volume of the category?'" It came down to myths that had been passed down from generation to generation of marketers.

Focus on heavy users. The female market is saturated. Women don't even like the taste of beer. To market to women, we'd have to alienate men. Beer is manly. Sexism is OK, as long as it's funny.

"We really had to debunk those myths, otherwise it was going to prevent us from making progress in the industry." says Dougherty, who recently made a presentation about the new realities of beer advertising at the annual MillerCoors distributor convention, asking distributors to help her debunk those myths and in return, she'd get them marketing that was relevant to every customer.

Usually, the stage at distributor conventions is reserved for C-suite executives. There was trepidation among those distributors, a cohort of

Climb On in 360º - Big Wave Surfing

people that get kegs, bottles and cases from brewers to local bars, stores and restaurants. Pete Marino, chief communications officer at the company, says Dougherty's presentation managed to assuage many of their fears.

Among many other points in the presentation, one slide put the onus on everyone, not just MillerCoors employees: "We can create the most appealing, gender-friendly TV spots on air today, but it won't matter if on premise sampling teams show up wearing short shorts and tight t-shirts."

Dougherty elaborates: "Beer makes you fat? Women don't like the taste of beer? We can't sell beer to women?" Nonsense.

When projects that aren't in the official budget are thought of by employees, MillerCoors assigns a sponsor in the executive team to each one. Marino was the sponsor for Project Luna. When Dougherty started explaining why she was championing it, he says he was sold. "Beer marketing had devolved. There was a need to evolve it," he says. "And Britt had the passion and energy to do it. But also, she has universal respect. So when she speaks, people pay attention. That goes a long way into pushing something like this through."

Dougherty sees her job as bringing empathy into marketing. And one big part is her transformation of marketing inside MillerCoors to never think about beer drinkers as consumers, or even "targets." The people buying products are people, human beings. One key shift was changing market research into going beyond focus groups into more anthropological studies. Then, it was to be clear on what Miller's values were so the brand could create what Dougherty calls "an emotional connection with the brand."

What that looks like is varied: Internally, it just means MillerCoors is more cognizant about how it thinks of its customers. Externally, it's resulted in more ads that speak to all genders, not just to men or even just to women. That's because you don't need separate brands "for women" and also, takes out the potential risk of alienating men.

Probably a good thing, since there have been plenty of hamfisted attempts to "get women to drink beer" through pinkwashing: creating specific brands that are made for women. In 2011, Molson Coors launched Animee, a beer made for women that came in yellow, light yellow — and you guessed it, pink. Women thought it was patronizing and also just tasted bad.

Dougherty says that ads in recent campaigns like "Climb On," which features a series of ads showing both men and women conquering personal goals like a marathon or a rodeo; a female chef working hard all day before enjoying a Coors Light with her staff, are the outward manifestations of her mission at MillerCoors to invite women into a conversation occupied by men. Dougherty said the brand has seen increases in penetration in women with no ill-effects on men. According to Ace Metrix, which measures video ad impact, the four ads from the Coors Light "Climb On" campaign scored "below" the normal for women and performed better among men than women. Women used terms of admiration 11 percent of the time when watching these ads, compared with 14 percent of the time with men.

"We know we have millions of barrels of opportunity if we do this right," she says.

Climb On commercials

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COLOR CODE

Pantone is a quiet force in the hue of pop culture

BY HILARY MILNES

Pantone is a consulting agency, founded in 1956, that's responsible for some of the most important color decisions that we see, even if it's impossible to know that a product or logo has the company's touch. The Carlstadt, New Jersey, company boasts more than 10 million clients worldwide. Here's a look at some of Pantone's highest-profile color projects, as explained by Kathryn Shah, Pantone's vp of global marketing.

BETTY BOOP'S 2016 REVAMP

When Betty Boop needed a fresh update this year, Pantone picked a "modern" red for the 'toon, who turned 86 on August 9. "You want one color that expresses the nature of Betty Boop today," says Shah.

THE WALL OF TOWELS AT BED BATH & BEYOND

A set of towels available at Bed, Bath and Beyond in taupe, seafoam green, eggplant purple and white got its color palette from a team of Pantone consultants, of which there are hundreds all over the world, hand selected for their expertise in home interior.

LIMITED-EDITION LUXURY CONVERTIBLES

Bentley worked with Pantone to release a special limited edition model in two colors: Rose Quartz and Serenity, pink and blue shades designated as 2016's Colors of the Year.

THOSE MINIONS

The banana yellow that's come to symbolize the Minions characters? It was chosen with help from Pantone.

THE BLUE BOX

Color consistency is especially important for a brand like Tiffany, whose chosen signature blue has become the jewelry retailer's most recognizable trait. Pantone counts Tiffany as a client, and whenever the company has a new product roll out or campaign, it works with the color experts to keep its blue-and-white scheme the same as the last.

THE COLORS OF FASHION COLLECTIONS

According to Shah, fashion retailers are aware that the color selection within their new collections each season have an effect on how well they sell. Pantone plucks different specialists from all over the world into one "bespoke color consultancy" for each retail client, providing opinions from people in different countries and industries for a well-rounded point of view for the collection.

SEPHORA'S COLOR IQ

Sephora partnered with Pantone to implement Color IQ, its in-store tool that scans a customer's skin and then determines their exact shading, as well as the foundations that match.

COLOR OF THE YEAR

Pantone makes headlines for having chosen its latest Color of the Year each January. The award, which airs on the side of arbitrary to outsiders, is the result of months of combing the art, fashion and entertainment industries at trade shows, red carpets and fashion weeks. But it's more than just a presence in the arts, the color (or colors) should reflect the "mood of society." In 2016, that mood was "balance and harmony," hence the colors, Rose Quartz and Serenity. Past winners: Marsala, Radiant Orchid, Emerald and Tangerine Tango.

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A look inside the Clinton campaign's social strategy

BY YUYU CHEN

There's an energized vibe at the Clinton campaign headquarters on Tillary Street and Clinton Street in Brooklyn, New York. The office is decorated with colorful Post-its and photos of Clinton's supporters from around the country, including superstars Leonardo DiCaprio and Beyoncé. Different departments feature silly signs that hang from the ceiling — the digital department, for instance, is dubbed "Swipe right for Hillary."

There, more than 100 people on the digital team are crammed in, trying to figure out the best strategy to help the candidate inch closer to the White House, while 10 millennials in charge of social media are typing out posts.

"It's like a media startup, where young people hash out content every hour," said Edda Collins Coleman, founder and managing director of public affairs consultancy The 316 Group, whose husband is a member on the Clinton team but is not authorized to talk to press.

Throughout the campaign, Clinton's social media team is good at alternately playing offense and defense when Donald Trump and other candidates attack Clinton. Of course, it's not an overnight achievement. The team was struggling cultivating a voice for Clinton at the very beginning, as evidenced in her awkward attempt on Twitter last August, asking followers to tell how they feel about their student loan debt in three emojis or less.

And then they tried to be strategically focused on what Clinton was going to do and turn Trump's own social bombast into media coverage against him. "They were quite clever in terms of not taking baits when Trump was attacking her during primaries," said a marketer who is very close to the Clinton team. "They are very disciplined. Otherwise it would be very hard for her to win."

On Twitter, for instance, the famous "Delete Your Account" response has been retweeted 482,401 times, and gained 647,088 likes from June to August; the hashtag #DeleteYourAccount has been used 159,000 times, according to Amobee Brand Intelligence analysis.

"That was a nice moment," said Laura Olin, social media director for the Obama campaign in 2012. "It fit nicely with how normal people would use that phrase."

While it's critical to capture voters' attention on social via compelling and clever content, what the team is really sophisticated about – and has done much better than the Trump campaign and the Obama campaign back in 2008 — is bringing social media data into its centralized customer relationship management system.

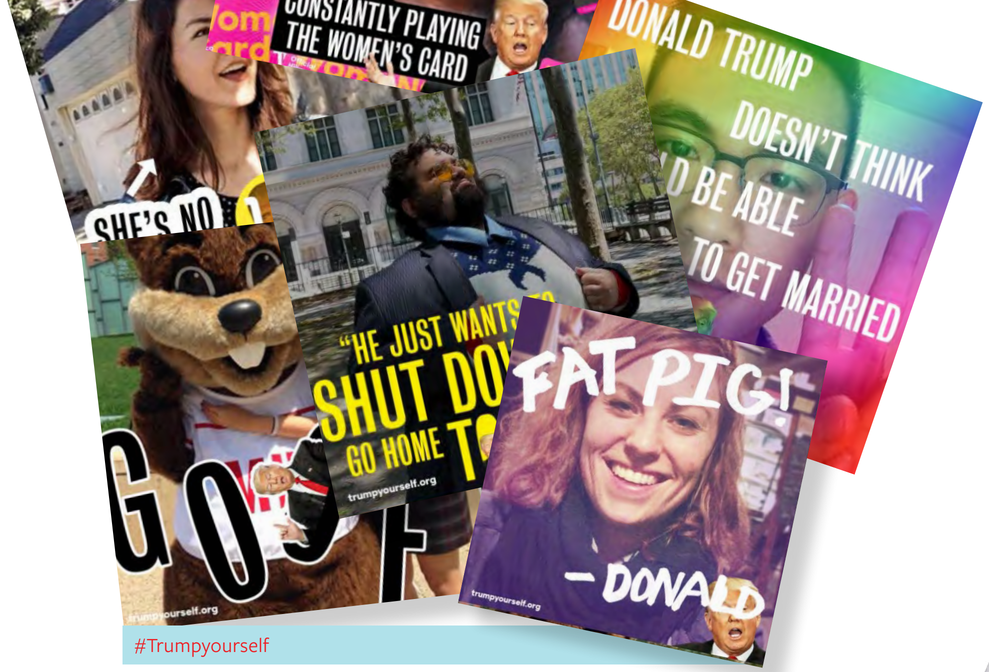
"The Obama campaign invented the CRM system. And now it is becoming much more sophisticated with the Clinton campaign, where every data point is funneled into one centralized CRM system," said the unnamed marketer. "It is the secret weapon of the Clinton campaign."

"SHE USES SOCIAL TO LET PEOPLE DO THE TALKING FOR HER."

During the 2016 Democratic National Convention, thousands of Twitter users were sharing or retweeting a line from Clinton's nomination acceptance speech: "A man you can bait with a tweet is not a man we can trust with nuclear weapons." This tweet captured many Americans' concerns about Trump's temperament. It was a bait: If Trump responded, Clinton was proven right; if he kept silent, he admitted defeat.

This tweet also shows the Clinton campaign's ability to manage real-time marketing, as well as a major difference between her social strategy and Trump's. The former is about allowing people to take part in the talking through relatable content, while the latter is about building his personal brand via self-centered comments, said David Gaines, chief planning officer for agency Maxus.

"Her social content with a sense of humor attached helps people make a point that they may not feel comfortable to say otherwise," said Gaines. "She doesn't have polarized opinions on Twitter, Facebook or other channels. She uses social to let people do the talking for her."



#Trumpyourself

And often that means turning Trump's words against him. Take Trump Yourself, for instance, a game that lets players put Trump's offensive remarks — including "[Women are] always griping and bitching." and "If you need Viagra, you're probably with the wrong girl." — on their Twitter and Facebook profiles. From July 20 to August 25, the hashtag #TrumpYourself raked in around 46,500 tweets, according to Amobee Brand Intelligence analysis.

The team also debuted a TV ad called "Our children are watching" in July that makes a fundamental argument about the Clinton campaign: "Donald Trump isn't a role model we want for our kids," said Olin.

A FOCUS ON DATA

Of course, elections aren't won and lost on witty tweets. They are frequently won on data, however. When people share and like Clinton's posts on social or play the "Trump Yourself" game, her campaign team is collecting email addresses, and converting traffic into actions such as her get-out-the-vote efforts.

When Trump says something offensive, for example, an email from the Clinton team would come out with an embedded video right after, saying that "we need to stop Trump and please donate $10." Obviously $10 is really nothing. What the team wants is your name, address and inclination that is triggered by the activity. It will then analyze your behavior and get you out to vote.

"One thing that is not understood by many is that social media innovations in the Clinton campaign are directly tied to the field grassroots operations," said the anonymous source.

The source explained that the Obama campaign had five or six different databases for different functionalities like fundraising and volunteering. But now all of them have been integrated into one single CRM system in the Clinton campaign. When her team combines social data with other datasets like the voting files that show who voted in the past elections and who didn't even though they registered, it can identify potential voters.

Then, armies of volunteers go door to door to identify voters and get them out to vote. They evaluate those supporters and put their information into the centralized database.

"They know which five people in this neighbor will vote for Hillary and will absolutely get them out to vote," he said. "That type of on-the-ground operations and sophistication of data and targeting is absent from the Trump campaign. They simply just don't have it or they just don't know how to build it. It's in many ways the secret weapon of the Clinton campaign."

Hillary Clinton's social media moments

Hillary Clinton @HillaryClinton · Follow

How does your student loan debt make you feel?
Tell us in 3 emojis or less.

RETWEETS 4,872 · LIKES 3,931

11:49 AM - 12 Aug 2015

Hillary Clinton @HillaryClinton · Follow

"A man you can bait with a tweet is not a man we can trust with nuclear weapons." —Hillary

RETWEETS 25,532 · LIKES 46,883

8:18 PM - 28 Jul 2016

26K · 47K

Hillary Clinton @HillaryClinton · Follow

Delete your account.

> Donald J. Trump @realDonaldTrump
> Obama just endorsed Crooked Hillary. He wants four more years of Obama—but nobody else does!

RETWEETS 482,351 · LIKES 647,548

Tequila Sunrise

Patrón is leading a renaissance for a liquor once synonymous with bad decisions and worse hangovers

BY TANYA DUA

When Philip Ward, Ravi deRossi and Justin Shapiro opened their specialty tequila bar Mayahuel in New York's East Village in 2009, tequila was the ugly step-sibling to whiskey and bourbon. Synonymous with margaritas at best, and hangover-inducing shots at worst, the spirit was far removed from the craft cocktail renaissance that was just beginning to take off.

"Most people would get flashbacks of their 15-year-old selves drinking bottles of Cuervo and getting the most insane hangovers when they heard of tequila," says Shapiro. "They couldn't tell the good ones apart from the bad ones, since most had only ever been familiar with the cheap, 'mixto' variety."

Today, tequila has successfully shunned its lick-shoot-suck frat-boy image. Evolving consumer palettes and a shift towards more premium, 100 percent agave varieties have put tequila on a sustained upswing, with total tequila volumes increasing by 4.5 percent to nearly 14.7 million cases in 2015, according to the Shanken News Daily's Impact Databank. But significant marketing pushes have also helped tequila reinvent itself.

Leading that charge is Patrón. The brand controls a lion's share — 70 percent — of tequila's luxury segment, and has been at the forefront of the spirit's image makeover. In recent years, the brand has responded to increased competition in the category from brands like Pernod Ricard's Avión and Diageo's Don Julio by investing in new product lines and emphasizing "substance over style" in its marketing.

"We relied heavily on our swagger and our market share for the longest time," says Lee Applbaum, Patrón's CMO. "But macro trends necessitated that we shifted the focus on our story and process much more."

FRATTY BEGINNINGS

First launched in 1989 by hairdressing tycoon John Paul DeJoria, the $45-a-bottle Patrón is credited with being the industry's first "premium" tequila. But it didn't get mainstream attention until the early 2000s, when nightclub and bottle service culture began to take off and the brand saw itself namechecked in hundreds of rap and hip hop songs of the decade, including the massive 2009 hit "Patrón Tequila" by The Paradiso Girls, Lil John and Eve.

"Patrón's initial marketing strategy took a page out of Grey Goose and Sidney Frank's playbook, aligning the brand with fancy events, nightclubs and celebrities," says Noah Rothbaum, senior editor of food and drink at The Daily Beast. "That strategy and its iconic bottle undoubtedly created a huge buzz for the brand."

It certainly attracted a legion of new fans: Its sales jumped from 70,000 cases a year in 2000 to nearly 2 million cases in 2010. "For the first 20 years of the brand, our messaging and positioning was indeed built on the foundation of pop culture," says Applbaum. "I am unapologetic for that. Aspiration is critical when you're trying to build a luxury brand."

But by the turn of the decade, Patrón's party persona had become a liability. It was around this time that a new generation of craft cocktail-oriented consumers with an affinity for artisanal and handcrafted spirits was emerging, and distillers, mixologists and bartenders were becoming celebrities in their own right.

"We had our equity with the bros, but we had to play catch up with other sections of the audience," says Applbaum. "We had to start catering to the 'knows,' those who didn't care about the style and the swagger and were more interested in the product quality."

PATRÓN'S PIVOT

Patrón may have become better known for its hand-blown glass bottles and cork stoppers, but it's more than just a fancy bottle. The brand decided to play up the fact that its tequila is a product of the tahona process, in which a giant stone wheel made of volcanic rock slowly crushes the agave plant to release its fiber and juice, before they are fermented in wooden casks and distilled in small-capacity, handmade copper pot stills.

Realizing that consumers today are eager for transparency and authenticity, Patrón has been leaning much more on its heritage to appeal to a growing pool of tequila aficionados. "The tahona process had been a part of Patrón for ages, but both our products and storytelling had to reflect that," says Applbaum.

On the product front, it launched the Roca Patrón in 2014, a line of high-end artisanal tequilas. On social, it has turned the focus of its messaging to mixology, the art of crafting cocktails and its brand story — including its roots and production process in a campaign called "Art of Patrón." One such video in the series, for example, highlighted the story behind how the cork in each Patrón bottle is handcrafted, and netted more than 368,000 views.

Last summer, Patrón even launched "The Art of Patrón Virtual Reality Experience," which let consumers take a virtual tour of its distillery, the Hacienda Patrón in Jalisco. Combining Oculus Rift technology with drone-recorded and live-action video, the brand took viewers through its production process, from the point of view of a bee as it flew through the hacienda. It also launched a program called "Know Your NOM," which lets fans find out where a particular tequila is made by entering the "NOM," a unique identifier found on tequila bottles that identifies the distillery where it was made.

Patrón has also been doing its bit to make tequila more palatable to everyone, including pushing cocktail recipes out on platforms like Amazon's smart speaker Echo. Users can ask Echo's Alexa Voice Service for anything, from trending cocktails to facts about tequila, thanks to "Patrón Cocktail Lab," an interactive cocktail recommendation system. They can also save drinks to their profiles, print recipe cards, watch how-to videos and follow favorite bartenders.

"We aren't trying to distance ourselves from our previous image, or change who we are," says Applbaum. "We're just trying to make sure our fans know that we're as authentic as any other brand out there."

But not everyone is convinced.

A growing numbers of mixologists are switching out other spirits in favor of the highest-quality tequila brands and making classics like the Manhattan and the Old-Fashioned with tequila instead of whisky — but not necessarily with Patrón, Avión or Don Julio. Mayahuel carries over 35 tequila-based cocktails, but it doesn't carry Patrón and uses smaller brands like Siembra Azul.

"With these brands, you're not paying for the product inside the bottle, but for the bottle itself," says Shapiro. "The reality is that they're brilliant marketers, not brilliant producers."

Still, according to Erich Joachimsthaler, CEO at brand consulting firm Vivaldi Partners, the pursuit of quality across messaging, product, marketing and distribution has given Patrón the credibility to play in the broader luxury white spirits arena.

"Its unique positioning as a premium, luxury, high price point brand and tangible brand assets like its unique bottle, have created a perception of art, design, luxury, and premiumness that give meaning to 'hand-crafted' or handmade like no other." ■

Hip Hop's Drink of Choice

"PATRÓN TEQUILA"
Patrón Tequila, Paradiso Girls feat Lil Jon and Eve

I'm on Patrón, Tequila
I'm drunk on Margarita
That Patrón, Tequila
Me and Patrón mamacita

"BLAME IT"
Jamie Foxx

Blame it on the Goose, got you feelin' loose
Blame it on Patrón, got you in the zone
Blame it on the al-al-al-alchol

"SHOTS"
LMFAO

Patrón's on the rocks
and I'm ready for some shots
The women come around
everytime I'm pouring shots

"SNAP YO FINGERS"
Lil Jon

What's happenin', what's up
Got da purp fired up
What's happenin', what's up
Got Patrón in my cup
I pop, I drank
I'm on Patrón and purp, I can't thank
I'm blowed, to tha do'
don't know how tha hell I'm gettin home

"MY DRINK N' MY 2 STEP"
Cassidy feat. Swiss Beatz

I got my drink and my two step,
my drink and my two step
Got my drink and my two step,
my drink and my two step
It's on! It's on, it's on (and I'm home)
(Get the Patrón and tell 'em that it's on)

Big and Beautiful


Photo credits : Caity Arthur

Luxury fashion's slowly coming around to plus sizes

BY JEMMA BRACKEBUSH

Fashion designer Prabal Gurung was sitting in a taxi on his way to a Victoria's Secret show last November when a bus roared past. The advertising on the bus — Lane Bryant's "I'm No Angel" campaign — turned out to be the answer to a question he'd had for two years.

"I wanted plus size to be a big part of my brand's DNA. I was thinking, 'How the hell am I going to do this on my own? Do I launch it?' and when I saw the bus it really hit me: that's my answer."

It took less than a year for the two brands to announce a plus size partnership. Gurung, who regularly cuts up to a size 22 but struggles to sell them to stores, was Lane Bryant's fifth partnership with a luxury designer.

Gurung is unique in that he's one of the few luxury designers devoted to luxury plus size fashion, a market that is growing year on year. Increasingly, many women are complaining mass-market retailers lack variety and don't sell clothes they want to wear. Yet calls for high-end designers to step into the space appear to be falling on deaf ears. The reasons why there's reluctance is also unclear, with many luxury labels refusing to talk about about the topic.

The plus size market for women's clothing is estimated to be worth $20.4 billion this year, up from $17.4 billion in 2013, according to market research company NPD. And that figure is likely to continue to grow, with the percentage of 13 to 17 year old girls buying plus size clothing almost doubling in the past four years, from 19 percent in 2012 to 34 percent this year, according to NPD. The term "plus size," is widely thought to be above a size 12 or 14.

There are a number of contemporary brands that specialize in larger sizes, like online retailer Eloquii and Lane Bryant, but when it comes to luxury brands, the selection and range of larger items is much smaller, and many designers don't go past a size 12 or 14.

There are a few exceptions, of course. Designer Michael Kors has three lines which cater to the plus size market, two that go up to a size 16, or XL, and the third up to a size 24. Luxury Italian knitwear brand Missoni also cuts up to a size 16, while Marc Jacobs and Valentino stop at size 14. Burberry confirmed it does not offer plus sizes and it also declined to comment on past rumours of a plus size collaboration with British singer Adele.

SOCIAL MEDIA PAVES THE WAY FOR CHANGE

Typically, high fashion is centered around sample sizes of zero to two, with the majority of models in campaigns, runway shows and ads, chosen for their height and slender builds.

But social media is giving power and a voice to people who want to see change, and to some extent, it's working.

In February, Sports Illustrated featured model Ashley Graham, who's a size 16, on the cover of its 2016 Swimsuit edition. Four months later, Ghostbusters actress Leslie Jones tweeted that no designers wanted to dress her for movie premier. Luxury designer Christian Siriano tweeted back saying he would. The result of both situations put the conversation around plus size front and center. Siriano, widely praised for dressing Jones, was quick to respond it shouldn't be exceptional to work with people who aren't sample size. "Congrats aren't in order, a change is," his Facebook comment read.

Data shows the conversation on the issue is growing. Over the past six months, the term "plus size" was mentioned 2.9 million times across Twitter, Facebook and Instagram, among other platforms, according to social analytics firm NetBase.

Toni Box, senior director of social and content at PMX Agency, says of the Facebook posts, Tweets and Instagram comments that included "fashion" and "plus size," 63 percent were negative and in response to how a plus size women was defined. The comments that mentioned "luxury" and "plus size" together, which only accounted for 1 percent of the total comments, were all negative, and focused on calling out luxury brands who are not making larger sizes.

"Judging by the data, it seems that the luxury space, to some extent, still excludes plus size," she says.

"The issue is that most designers design because they love fashion and creativity, and not necessarily to solve a problem or answer a market need," says Shira Sue Carmi, founder of the business management firm, Launch Collective. It's this thinking and design process that's holding luxury designers from entering this space, as well as their experiences with fashion magazines and runway photos which are centered around an idea of a "fictionalized" woman, not one whose body needs to be addressed and flattered, she said. "You only need to look at designer sketches to see how most of them think about clothing and bodies."

PLUS-SIZE STARS


Ashley Graham Meghan Trainor Leslie Jones Adele Amber Riley

STEPS TO SOLVING THE PROBLEM

Two thirds of America's female population wears a size 12 or larger, but luxury designers are largely ignoring those figures, says Lane Bryant's CMO Brian Beitler. "The high end market is gaining curiosity, but I wouldn't tell you high end is running into a curvy customer space."

The brand's collaborations with luxury designers including Isabel Toledo, who designed Michelle Obama's 2009 inauguration outfit, and Christian Siriano, is just one example of retailers and designers trying to increase the options of high end fashion for the plus size market. The collaboration with Gurung, which is due to hit shelves next March, will also be priced lower than his typical collections, ranging from $48 for a t-shirt and $398 for a leather jacket.

Gurung is outspoken and critical of how slow the luxury fashion industry is to change. He says when he offers up to a size 22, retail and department store buyers rarely take the size. But he doesn't lay all the blame with them. "Retailers are all trying to figure it out, they have logistics and it's unfair to tell them they're not changing fast enough."

WHAT'S NEXT

Social media has been a catalyst for conversation, but Gurung believes the biggest driver of change will happen through small boutiques, and he thinks that's where conversations need to start happening. He says his brand is launching e-commerce later in the year, but declined to give any details as to whether plus size pieces would be readily available.

Smaller retailers have the advantage of being on the shop floor with customers and knowing what they want and need, says Dawn Klohs, one of the owners of A'maree's, a duo of small California-based clothing boutiques. "Department store buyers are not on the floor with their customers. There's a disconnect," Klohs says. She stocks high end designers including Peter Cohen, Valentina Kova and Arts and Science, up to sizes XXL, or size 16. "A lot of people create larger sizes, but it's not what a larger size wants to wear."

Brand reps need to shift their thinking too, Klohs adds. Many reps will tell her size 12 and 14 will be too large when she requests them and her buyers have to reinforce their customers want them. "We're like, 'No, you don't understand we need that size.' A lot of people don't think that way," she says.

The fashion trends forecaster, WGSN, says acceptance towards plus size models and fashion has seen some major turning points this year, noting the increasing number of Lane Bryant partnerships, Ashley Graham's appearance in Sports Illustrated, and plus-size model Candice Huffine's appearance in designer Sophie Theallet's Spring 2016 show. "The plus size market is definitely on the verge of another revolution," says Lourdes Linares, WGSN's West Coast editor.

From Gurung's perspective the conversation has started, but it still has a long way to go.

"The conversation should no longer be, 'X, Y, Z is doing it'," he said. "It should be, 'Why isn't everyone doing it?'" Still, he's optimistic that winning over the small boutiques is the first step. "Big changes happen in small places." P

Photo credits : Caity Arthur


Video

WHY YAHOO ULTIMATELY FAILED IN VIDEO

"You can't just count on an audience that comes to you for mail and headlines to suddenly go and watch video.

You have to spend more money to bring people who want that experience and get them to check out the content."

— Chet Fenster, MEC

What's new is old again:

Since 2013, the quartet of BuzzFeed, Refinery29, Vice Media and Vox Media alone have raised more than $1.6 billion, with most of that money coming from Disney, NBC Universal, Turner, Hearst and A+E Networks.

A recurring theme of each of those investments: The digital upstarts will use the funds to grow their video businesses.

"Everyone is dazzled by the millions of views they're getting on lightweight content. They think if they're planted on Facebook first, the money is going to hit them before it hits anybody else."

— Keith Hernandez, Slate

TED SARANDOS

"If you don't like what you're watching on Netflix, it's just one click and cancel. So we have to make noise. Part of our business mandate is we're making 'event television', and it ain't cheap. So we have to take those big swings every once in a while. We're not competing against ABC sitcoms. We're competing against Pokemon Go, we're competing against $200 million blockbuster movies."

GroupM VS AD-BLOCKING BLOCKERS

"It's addressing the symptom, not the cause. Let's fix the user experience first, and then we can engage with consumers and tell them that we've fixed the UX, we made experience as light as possible, and ask them to consider whitelisting [the site] or switching off ad blocker."

— John Montgomery, GroupM

TV brought to you by SNAPCHAT

"One of the things that Discover has done for Snapchat is that it's given people an expectation that there is content there. Now it gives a great entry point for shows to stand out. And that's something we have a leg up on versus what a print or pure online publisher could do." — John Nojarian, NBCUniversal

FOODIES ON FACEBOOK

– Tasty (from BuzzFeed) and Tastemade, the top two food channels on Facebook, combined for nearly 2.4 billion views in July, according to Tubular Labs.

JUSTIN SMITH

"The digital ad model is relatively broken. It's dysfunctional model that's faced all sorts of different challenges, whether it's programmatic or mobile or the rise of platforms. This notion that one would take a broken model and run straight forward to the strategy of outsourcing this broken model to frenemies and competitors, people who are not in business of media, is a question that one needs to think about."

Esports go mainstream

Weekly TBS broadcasts of parent company Turner's "ELeague" averaged 271,000 viewers, according to Nielsen. It's not the millions that the NFL and NBA get, but it's up significantly from the 96,000 ESPN2 drew for an eSports competition the year prior.

FACEBOOK LIVE, BY NUMBERS.

$50 million: How much Facebook is paying media companies & celebrities to regularly create live videos for its platform.

140: The number of media companies and celebrities on the Facebook Live payroll.

$3.1 million: How much BuzzFeed, the highest paid media partner, is getting to go live between March 2016 and March 2017.

807,000: peak viewership for BuzzFeed's exploding watermelon live video, the most popular Facebook Live to date.

Funny Business

Four years ago, Matt Bellassai was a BuzzFeed intern. Now he's a star.

BY SAHIL PATEL

Photo credits : Tim Beckford & Karen Seifert

Matt Bellassai had never written a book proposal before. But there he was, four days before he was scheduled to meet with book publishers earlier this year, getting a stern talking-to from his literary agent at CAA. His first stab at a proposal could have politely been described as "incomplete."

"I could just tell I had fucked up," says the 26-year-old. "She was like, 'This is not a book proposal. This is not ready. You need to go home and work on this all weekend.'"

Four years ago, Bellassai did not believe that by 2016 he would be represented by the biggest talent agency in Hollywood, working on a book and had completed a successful, 30-city comedy tour. After all, Bellassai wasn't seeking fame after leaving college at Northwestern — just a spot in an internship program at BuzzFeed.

What that BuzzFeed internship eventually led to was not a career in news, but a Facebook video series called "Whine About It," in which Bellassai would get drunk and rant about various things that were on his mind. Typical videos come with titles like "Reasons Mornings are the Absolute Worst" and "Reasons Growing Up is the Worst." ("Grownup parties are the fucking worst," goes the drunken rant. "You have to wear a bow tie, talk about khaki pants and carry a briefcase.")

It grew to be incredibly popular — 1.5 million fans and 3.5 million views per week by January 2016 — and landed him the favorite social media star award at the People's Choice Awards.

At his highest moment, Bellassai chose to leave BuzzFeed. In doing so, the comedian entered a world that's become all-too-common for the growing number of video makers who have become internet famous, fast: life on the independent circuit can be personally rewarding, but scary. There's no safety net to fall back on.

BUZZED AND FED

About two and a half years into his time at BuzzFeed, Bellassai came up with the idea to bring YouTube-style, straight-to-camera videos to Facebook. Facebook was just beginning its explosive foray into video, and Bellassai thought there was an opportunity to bring a popular web format — albeit, unlike most "vlogs," in a scripted form — to the social network.

To be fair, internal politics played a role in the decision. "YouTube was the [domain] of BuzzFeed Motion Pictures," says Bellassai. "Since I was a member of the editorial team in New York, and I wanted to make a video, [it was easier] to just put it on Facebook."

Given the greenlight, Bellassai and co-worker Jeremy Briggs, an executive producer at BuzzFeed Motion Pictures, shot the first episode of "Whine About It." It got close to a million views.

"He was getting recognized on the street and in the subway after four weeks of us doing this," says Briggs. "It just escalated really fast."

The rest might be history, but it's not the full story.

Last September, Bellassai started receiving inquiries from colleges and other promoters about doing live shows. At the same time, Hollywood agents were making overtures to see if he had any creative interests beyond a Facebook video series. "I was like, 'Well, sure, but I'm really happy here. I don't want to mix anything up,'" says Bellassai.

Soon after he approached BuzzFeed about pursuing other creative projects, the company launched a program that offered career support for its homegrown talent in exchange for a two-year exclusivity on their content. Seven BuzzFeed stars, including The Try Guys and Ashly Perez, signed the dotted line — Bellassai didn't.

"I was thinking about the long term," says Bellassai. "When I worked at BuzzFeed, the page I published to had my name on it, but it wasn't mine; it was owned by BuzzFeed. It felt counterintuitive to be investing all of this energy in growing a page with my name on it where, if at some point I were to leave, I would have to give it up."

It's a relatively new conundrum in the media business. The rise of YouTube, Facebook and other social platforms has made it easier to create videos and distribute them to the masses. Now anyone with the right idea or face can become a video star. On one hand, it's great for companies like BuzzFeed, which can leverage homegrown talent to grow a big video business. On the other hand, it can be a headache if the talent wants to move on or do something else. (Earlier this year, for instance, BuzzFeed fired two of its stars, Brittany Ashley and Jenny Lorenzo, after they appeared in a web series produced by America Ferrera — breaching the company's non-compete for its video talent.)

"The challenge is, in the movie business or TV business, it's just not possible for someone to go make their own movie or TV show in their spare time," says Chris Dorr, executive director of the Global Online Video Association. "It's a slippery slope that all of these [new media] companies will have to find ways to better navigate."

Bellassai does not have any hard feelings about his departure from BuzzFeed, but he doesn't have any regrets either. In fact, he remains friends with several of the creators that elected to sign with BuzzFeed.

"It was a learning process for everybody," says Bellassai. "It was difficult for [BuzzFeed] to suddenly have a situation where they are basically a studio and a talent agency and needing to figure out what to do with the [talent]."

DRUNK AND ALONE

Fame can be fleeting. For an independent online video star, that means working double — even triple — to stay current, relevant and interesting for an audience that has too many distractions just a click or tap away.

"Nothing is going to come your way, from the standpoint of massive brand dollars, unless you have a significant enough of an audience," says Rafi Mamalian, CRO of influencer marketing firm TheAmplify. "It takes a lot of work to develop that audience, and it's not something that's going to happen in a day. Even the ones who are really succeeding are putting in a lot of effort."

On Facebook, Bellassai has been reestablishing his fanbase. His new Facebook page has grown to 441,000 followers since January. His new series, "To Be Honest," which he writes and shoots on his own — and is a virtual copy of "Whine About It" — generates more than 2.5 million views per month, according to Tubular Labs.

But Facebook does not keep the lights on.

"The challenge for any creator is: how do you put out entertainment that people are going to love, but make enough money so you can continue doing that?" he says. "For me, I'm totally happy to put out a video once a week and have people enjoy it as long as I'm able to do fun stuff on the side and pay my bills that way."

And so in addition to rebuilding his Facebook audience, Bellassai has added other work to his plate. Over the summer he embarked on a nationwide comedy tour — his first — called "Drunk and Alone." Within days of the announcement, the tour sold 7,500 tickets. Almost every show was sold out with a couple getting close to selling out.

"The shtick of getting drunk and complaining translates well to stand-up," Bellassai says while laughing.

Bellassai also now has his own line of merchandise. Partnering with e-commerce platform Fab.com, he launched a lifestyle and home decor collection that puts his funniest (or most notorious) quotes and tweets on shirts, posters, totes, mugs and other apparel.

Fab.com was interested in working with Bellassai not only because of his sense of humor, but by the fact that he had already developed — or re-developed — an engaged fanbase on Facebook.

"Just looking at the comment section after he uploads a video, it was amazing to see how many fans were just delighted to see Matt be Matt," says Rawaan Alkhatib, director of creative strategy for Fab.com. "They'd immediately start quoting his choicest lines and were tweeting them out. This was one of the easiest partnerships for us — his comedy is great, let's just make it real."

Bellassai's not done. He still has his weekly Facebook series and is working on another web series unaffiliated with his show. He's also looking to do more stand-up specials later in the year.

As for that book proposal?

"I went back and for those four days, I just wrote — something like 10,000 words in four days," says Bellassai. "I sent it to [the agent] before the first meeting and she was like, 'Thank god, thank god you pulled it together.'" P

Can You Stream Me Now?

Inside Verizon's struggle to build a digital entertainment business

BY SAHIL PATEL

On a humid Thursday night in August, a team of Verizon marketing execs and PR handlers invited reporters to a private theater in the basement of the Wythe Hotel in Williamsburg, Brooklyn. The purpose of this "off-the-record" assembly was to screen six upcoming original series for Go90, Verizon's fledgling mobile video streaming app, and receive feedback on the shows.

The projects themselves varied. There was a reality show starring former members of the "Jersey Shore"; a scripted sports comedy about fictional washed-up football players (with cameos from actual football players); another scripted comedy about high-school politics; and a tense action-drama about soldiers undergoing a covert operation. While no one would confuse any of these shows with what's available on HBO or even Netflix, the production quality was slick. Money — real money — was spent on these shows.

But this was no ordinary focus group. You don't invite a group of reporters to get feedback on the script or direction of a particular series. How do you think we're doing? Verizon implicitly seemed to be asking the room. Because as much fanfare as Go90 received inside the video industry in the run-up to its launch last October, the app has yet to make a significant dent among the viewing public. Ask most people outside the industry about Go90, you'll get blank stares back.

THE PHONE COMPANY WANTS TO BE A MEDIA COMPANY

It's hard to build something from scratch. It's even harder if you're trying to build a streaming video business in an environment dominated by Netflix, Hulu and YouTube. Oh, and Amazon. And Snapchat. Come to think of it, Facebook, too. Let's just say that video in 2016 isn't exactly what the MBA types would call a "white space."

That hasn't stopped Verizon from trying to make Go90 happen. The phone company wants very much to be a media company. It's why Verizon dropped $4.4 billion to buy AOL and another $4.8 billion to pick up Yahoo. Together, these portals give Verizon a distribution pipeline of 363 million monthly users in the U.S. alone, per comScore.

Those are a lot of eyeballs to sell to advertisers. All Verizon needs is the content — or so it thinks.

Since last year, the company has been one of the most active buyers in the video market, scooping up libraries of existing TV and digital content as well as commissioning original shows from the likes of Awesomeness TV, BuzzFeed and Vice. It also offers live soccer, NFL and NBA games, though some of those are restricted to Verizon Wireless subscribers and NBA League Pass subscribers.

"What we've been able to do is put up an offering that a lot of people can spend a lot of time with," says Brian Angiolet, svp of consumer product portfolio for Verizon. "They can find a premium level of content from [the sources] they visit across the web, TV and live."

Netflix might be the content-spending king with a 2016 budget of $6 billion, but Verizon's number is not insignificant. Altogether, industry sources estimate that Verizon has spent more than $200 million during this spree — and that doesn't even including money spent on marketing Go90, for which sources estimate the company has spent an additional $75-$100 million. Individual deals largely vary between $2 million to $15 million, depending on the amount of content, whether any originals are involved and if the seller has agreed to help with marketing.

"It does take a big investment [to succeed in video]," says Brian Wieser, senior analyst at Pivotal. "The issue is, if you have a business that's only generating a billion dollars a year — that's not really meaningful for a company the size of Verizon."

WRITING CHECKS ISN'T A STRATEGY

But money doesn't equal eyeballs. For all the investments Verizon has made in Go90, content partners paint a picture of a video service that's had trouble getting off the ground and attracting viewers.

Multiple content partners say individual video views number in the "thousands." One even jokes that the service should be called "slow 90."

"Early on, we thought the platform had promise, but it was an absolute dud when it launched," says one Go90 publishing partner. "We get the sense that unless you're one of the premier folks they paid piles of money to [for original content], there isn't much there from a traffic perspective," said another. "Based on the plan they had originally laid out, it would have been a mid-tier platform for us — millions of views per month, at worst — but it's turned out to be far, far worse than their projections," says yet another.

Still, there are some signs of life. Mobile app analytics firm App Annie reports Go90 has several active million users per month, according to The Wall Street Journal. In a separate report, The Journal also reported that "The Runner," an original short-form series from Ben Affleck and Matt Damon, had more than a million viewers — a Go90 representative said total viewership for the show was much bigger. Additionally, Ron Howard and Brian Grazer's digital studio New Form Digital, which is producing seven shows for Go90, said time spent on its series average eight to 12 minutes per user.

"As you grow, you learn and you pivot," says a content creator.

One of the early knocks against Go90 was that for all of the money Verizon was spending on the service, it didn't really have much of a content and distribution strategy in place. Unsurprisingly, the phone company trying to become a media company didn't have many seasoned media executives.

Admitting that it needed the help, Verizon hired Chip Canter, a 10-year NBCUniversal exec, as gm of digital entertainment and Go90. His task, explicitly, is to build Go90's business while also explore other revenue streams for Verizon's non-Fios entertainment business, including subscription streaming and licensing.

One of Canter's first moves was to hire a chief content officer, which he found in former YouTube and Vessel exec Ivana Kirkbride.

"The sell was essentially: Go90 can't do any worse, here's an opportunity for you to reshape, reform and grow this," says a headhunter who worked with Verizon to search for a head of content.

Hired in July, Kirkbride is currently building out a content team that can build close working relationships with studios and creators in Hollywood. This team would complement the two dozen people Verizon has on its content and acquisitions team, which also oversees the company's Fios TV business.

"These are real executives who know what they're doing, who have long-term relationships [in digital and entertainment]," says Marc Lieberman, svp of business development at Above Average, an online comedy network owned by "SNL" boss Lorne Michaels' Broadway Video. "They're not going 'Oh, we're going to put some digital execs on this job who haven't developed any original content and wish them the best of luck."

IN IT TO WIN IT

Canter is aware of the hard task ahead of him.

"Netflix is nearly 20 years old; Hulu is 10; YouTube is 11. None of these things happen overnight," he says. "They have all taken certain positions. As we develop our video position, we believe there is a space for premium content targeted for a younger demo, that's ad-supported and combines the best of originals, live sports and acquired content."

Since joining, Canter's set out to refine the Go90 product to focus on a core set of eight verticals in comedy, drama, sports and other genres. Within these verticals, Go90 is redoubling its efforts to make distinctive, quality original series and pairing them with everything else that viewer might enjoy. A sports fan might want to watch NFL highlights, but he might also enjoy a comedy about washed-up former football players.

From there, Canter's focus is on improving search and discovery within the app, as well as building out a distribution infrastructure that goes beyond the mobile app. With AOL, Yahoo, AwesomenessTV and Complex Media now under Verizon's growing portfolio, there are plenty of ways to not only distribute shows but also market them to specific audiences, Canter says. "The Runner," for instance, aired on Go90 as well as AOL.com.

Canter also stresses that Go90 is only a part of a growing digital entertainment business for Verizon, which will also explore subscription streaming options in the future. It's also partnered with Hearst to launch two new digital channels, Rated Red and Seriously.TV, which exist both within and outside of Go90.

"If we focus on and market these franchises and present them to the right fan, then that fan is going to come back for more, and we can tee up other content they might like — no different from what Netflix and Hulu do," Canter says.

For the most part, content partners are willing to give Verizon a longer leash.

"It's a longer term bet on how people are going to experience media and brands, and they're going to have a number of fits and starts along the way," says Keith Richman, president of Defy Media, which has an original content and distribution partnership with Go90.

"The hard part is, you want the players to narrow down, and the ones that are working to invest more in content and marketing, so that when you make a show with them, it's a big deal," adds Lieberman. "There's a reason getting a show on HBO is a big deal. The more Go90 becomes a place that is known, the more meaningful it is to us."

Not all are convinced, of course. "Given the amount of money and effort poured into it, I can't see it bringing a positive return. It's easier to just kill it and start over," says one distribution partner.

There are no guarantees in media and entertainment. All of the money in the world can't save you from a flop. But where independent startups like Jason Kilar's Vessel might have a shorter runway to successfully execute a business idea, Go90 still has the backing and resources of a giant — for now.

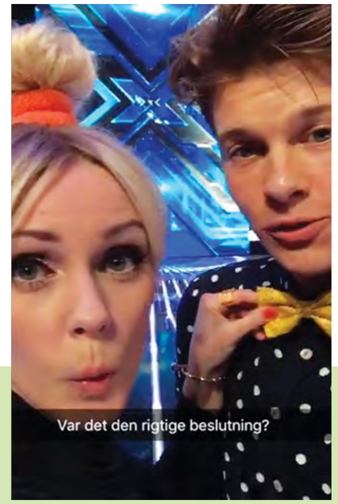
"It got out the door; that's the hardest thing," says Canter. "Expectations are still high. Now it's time to refine [the product] and have a voice — welcome to the media and entertainment business." P

Danish Brands Ghosting

Meet The X Factor's secret Snapchat weapon

BY LUCINDA SOUTHERN

DENMARK



In Denmark, as in other markets, Snapchat has a solid grip on teenages, with two out of three Danish teens using the platform everyday.

Unsurprisingly more media companies turn to influencers for reach. Television show "The X Factor" has gone further and hired Snapchat influencer Rasmus Kolbe, (online he's Lakserytteren, which means "Salmon Rider") as a member of the social media team from January through to April to produce three stories a week for its account.

"Snapchat is usually so individual, something you create on your own so it was great to collaborate with a whole team," says Kolbe.

The 24-year-old graphic design graduate grew his followers from zero to 50,000 in a year, after posting daily stories during a trip to New York last August. Since then he has reported on the national handball championships and interviewed the Prince of Denmark several times. "Each time it goes viral," he said, "it's so amazing to have a person you dont expect on Snapchat laughing out of control and being genuine."

For "The X Factor," Kolbe filmed games with contestants, backstage at judges' houses and regular trips to a local zoo to visit a camel with powers of premonition. In three months the number of views on the X Factor account grew from 40,000 to 70,000.

"He knows how Snapchat works," agrees Rasmus Thaarup, audience researcher at the Danish Broadcasting Corporation. "To produce interesting stories they have to have the same feel as the rest of the content, they almost have to look ugly," Thaarup adds. "Think about the first 10 seconds, they should work with the sound off. Tell the audience what they can expect in the first few seconds, then tell them over the next five minutes and evolve the story."

But it will take a bit more flexibility from the TV networks.

"Traditional media organizations need to stop thinking we are stealing their viewers," Kolbe says. "Otherwise influencers will keep on making better produced content."

Dutch Banks Loosen Up

ABN Amro is finding its voice on Snapchat

BY GRACE CAFFYN

NETHERLANDS

Snapchat — with its emoji stickers and wonky doodle art — is one of the last places you'd expect to find a bank. But ABN Amro, a state-run financial institution in the Netherlands, has had its Snapchat account since February.

The company is running a customer support system aimed at the millions of Dutch youngsters using the video platform. Anyone who adds ABN Amro to their list of Snapchat friends gets "friended" back. After that, they can exchange emoji-filled messages with the bank's webcare team in private.

"People don't expect a financial brand to be on Snapchat," says ABN Amro's social media manager Jeroen van de Ven. "The creative part makes it fun for us, and people react with amazement. They like it."

For ABN Amro, the move to Snapchat is important in keeping up with the changing behavior of its student customers as they shun traditional media. A 2015 survey from the Dutch Central Bureau of Statistics found 32 percent of teenagers in the Netherlands spend three or more hours on social platforms every day.

Customers can message the bank at any time, but most of its requests come in after its weekly Stories, which are themed around student advice.

As there aren't ads in the Netherlands yet, attracting a following on Snapchat requires an organic approach. Despite posting only once a week, the bank has amassed 1,313 friends on the platform. Each of its snaps get between 15 and 20 questions, and are viewed by 93 percent of its friends.

While these numbers pale in comparison to the 16,000 fans on ABN Amro's student Facebook page, engagement there is far lower, according to van de Ven.

As social media isn't yet an official customer contact channel, members of the bank's 24-hour webcare team can only deal with simple banking queries. Anything that requires verification needs to take place over the phone.

While that may change someday, for now the goal is to be a Snapchat "sparring partner." "We're not a sexy brand like Red Bull, but we want to create something that's more human and more effective," says van de Ven.

Germany's 360-degree turn

Die Welt explores new places

BY LUCINDA SOUTHERN

360° GERMANY

Axel Springer's Die Welt is busy churning out 360-degree videos for a year, with 50 under its belt, on subjects ranging from a former U.S. marine playing the violin in a Greek refugee camp, to mourners in the Grand Place hours after the Brussels terrorist attack, to a feature on Highway 1 in California.

"360-degree video is all about the place connected to the story," says Martin Heller, head of video innovation at publisher. "If a story isn't linked to a special place then it's not a story for 360."

The title chose to keep production in-house to keep an eye on the detail, cost and workflow. In 2015 the video team, now over double figures, brought in a virtual reality specialist to disseminate knowledge across the team. The camera needs to be the height of a human, for instance, around 1.60 meters, too high up doesn't feel comfortable. Close ups are tricky too, and no quick edits because the viewer needs time to look around.

"We've been learning a lot about how to direct the attention of the user," he adds. "Introduce a person walking up to the camera and you can bet 90 percent of eyes will be on that person." Audio signals work here too, in a prison cell hearing the keys in the door will make the viewer turn around.

Die Welt works to the highest common denominator, approving each piece of content through virtual reality headsets when 98 percent of people with watch via mobile or desktop. One video featuring the view from going down a zip wire over a lake ended with a jolt, almost imperceptible on mobile, through a VR headset it was enough to cause motion sickness.

Some videos received tens of thousands of views, others 300,000, and it varies to platform. But whether this investment can have any bearing on the bottom line is unknown. "We're getting strong, positive emotions from viewers," says Heller. "More so than anything else we've ever seen with video before."

Press Play for Norwegian DIY

Inside Maxbo's YouTube strategy

BY HILDE NYMAN, editor, Kampanje

NORWAY

A Norwegian pastime is home redecoration. In fact, Norwegians spend about $7.3 billion a year on fixing, painting and making our homes look even prettier.

In the old days, skills were frequently learned from parents or from manuals. But nowadays YouTube is the first place many young people look for inspiration and instruction, says Linda Ege, head of communication at one of Norway's leading chain of construction material shops, Maxbo.

Maxbo started the production of simple instructional videos back in 2003, and published these on their homepages. This spring, it launched its own YouTube channel, where films with tips and instruction related to all aspects of redecoration are published. This is where they want Norwegians to go when they wonder how to clean a paintbrush or how to make their own headboard.

"We know our content is good, and we are happy to share our knowledge with more people. YouTube felt like the best and most natural choice, and all the new films have been made especially for this channel," says Ege.

It has worked with the YouTube channel together with the advertising agency McCann in Oslo. Up until now, McCann has produced 65 videos. Ege says the response both on the channel itself and the videos has exceeded their expectations, with one of its videos getting almost 600,000 views. "What we have done of advertising on YouTube has also shown very good results," said Ege. According to McCann, videos have been seen 2.5 million times since April, and people have spent more than 2.7 million minutes viewing the films, with an average view of one minute and three seconds.

The goal is to build Maxbo as the brand you go to to get the content you need.

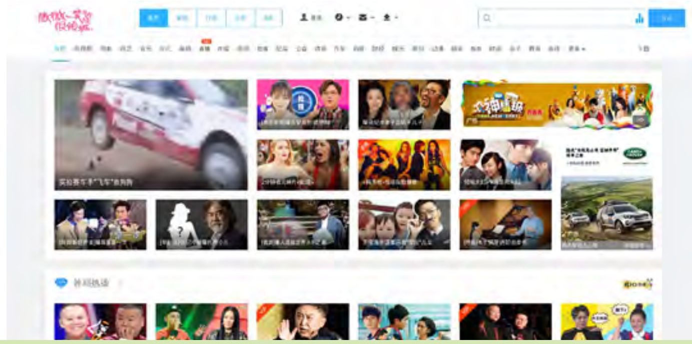
Tone Helene Angsund, head of live video at McCann, says another reason for the popularity of the shows, which explain how to do home DIY, is that men are scared of instruction booklets provided with furniture or other project. "It is kind of funny that men who don't want any help in the store use this as their instruction," says Angsund.

Kampanje (Campaign) is Norway's leading publisher for the media, marketing and communications industries.

China's YouTube Clone

Youku is massive and just getting started

BY YUYU CHEN



CHINA

In China, everything is big. Youku, the Chinese equivalent of YouTube, is no exception.

Like YouTube, Youku has become a hub for content creators. The platform has carved out a section on the website, called "Youku Channel," to let creators manage and distribute their work, interact with subscribers, and monetize their content. Some of them have even become big social media influencers.

"We are the largest user-generated content community in China," says Jay Chen, director of marketing for Youku. "[Influencers] work with us over the long run. Very few people became celebrities first and then came to Youku Channel."

To monetize its content, Youku is offering pre-roll, post-roll and pause ads that can be 15 seconds, 30 seconds or even one minute. In July of this year, the video provider further tested an "ad-free" format for the first time with China's biggest cocktail brand Rio, during singing contest "Sing! China." (Think of it as "American Idol.")

Rather than placing clickable pre-roll ads, Rio bought the show's exclusive online title-sponsor rights from Youku, where it only served a five-second-long pre-roll. Other branded content was integrated into the show — there were no commercial breaks.

Meanwhile, Rio exclusively sponsored the landing page of "Sing! China" on Youku, with all banners linking back to its flagship store on Alibaba's online retail platform Tmall. Rio also purchased keywords on Youku's search engine to further enhance its exposure, according to Ken Zhang, strategy director for agency OMD in Shanghai.

"I haven't seen many successful campaigns like this lately," he says.

Virtual reality also took off on Youku in May of this year. It now has more than 20,000 VR videos (mainly 360-degree videos) and is adding 1,000 titles every day.

"Youku has become the largest video platform for VR content in China today," said Chen. "Our goal is to gain 30 million VR and 360-degree users this year."

WTF is Youku (优酷)

A look inside China's biggest online video provider

BY YUYU CHEN

Youku placed the Clear product into "Mars Intelligence Agency."

THE BASICS

Youku has 23.6 billion monthly views (580 million unique views per month) and nearly 60 percent of its users are under the age of 30. Youku was taken private by Alibaba in a $3.5 billion deal last year.

ADVERTISING ON YOUKU

Advertising represents around 80 percent of Youku's overall revenues, says Jay Chen, director of marketing for Youku. In the first nine months of last year, the platform made about 1.4 billion yuan (about $212.2 million) in ad revenue.

Pre-roll ads are the most popular on Youku, which can last 15 seconds, 30 seconds or even one minute. So oftentimes Chinese viewers feel sick of seeing so many ads on Youku, especially when the pre-rolls are too long and repetitive, according to Ken Zhang, strategy director of agency OMD in Shanghai.

But this year Youku has been subtler in advertising when working with big ad spenders. Take Unilever-owned shampoo brand Clear, it became the title sponsor for Youku's popular original talk show called 火星情局, whose name translates to "Mars Intelligence Agency."

Aside from the obvious brand signage, Youku placed the Clear product into the show and even customized a song for the brand in one episode, because viewers are more likely to understand the product value when they are emotionally invested in the content, according to Chen.

THE ONLINE PIRACY PROBLEM

Youku is reportedly rife with pirated content from Hollywood movies as well an online video produced by other Chinese companies. Just this year, Baidu (China's Google) and Youku have sued each other for copyright infringement. But Chen says the platform spends billions of yuan buying copyrights ever year, and has developed technology to block pirated content automatically. "We are one of the largest [copyright] buyers in the industry," he says.

DIGIDAY SUMMIT SCHEDULE 2016

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OCTOBER 23–25,2016
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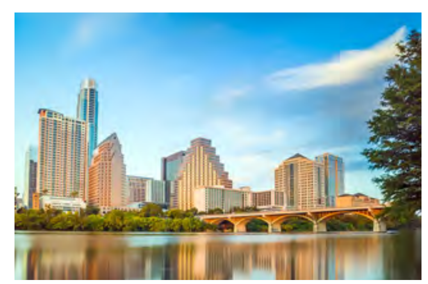
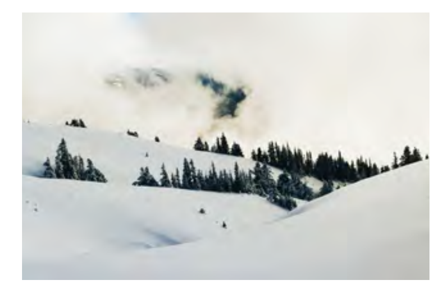


DIGIDAY
VIDEO ANYWHERE SUMMIT
NOVEMBER 9–11, 2016
AUSTIN, TEXAS

DIGIDAY
PROGRAMMATIC SUMMIT
NOVEMBER 14–16, 2016
PALM BEACH, FLORIDA



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DIGIDAY BRAND SUMMIT
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Chief Content Officer, Mashable

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Going Short to Go Long

How The Economist uses social video

BY JESSICA DAVIES

Publishers piling into video face a Catch-22: Longer-form video holds the most promise for making money, but the big view counts come from Facebook clips.

That's why The Economist developed a two-pronged video model strategy centered around expensive and highly produced mini documentaries from its 15-person Economist Films team, and quick-hit social clips to drive awareness and viewership. Using social media as a driver for its commercial content is also a brand awareness booster: The Economist is a subscription-based business so mass reach isn't its sales pitch. By doing this, it can guarantee more reach to advertisers.

"Good luck if you can find a way to make money from Facebook video alone," says The Economist's deputy editor Tom Standage. "Our strategy depends on having both long-form and social video, because each one supports the other. I can't see a business model for social-friendly videos."

It's taken its cue from Vice, which proved the publishing model for branded content with its Creators Project format, securing Intel as its longstanding partner. The likes of BuzzFeed have gone entirely down the branded content route, avoiding display or pre-roll video advertising entirely. The Huffington Post is also prolific at using social media content to drive people back to its editorial and branded content. "The Economist's strategy is clever, though not unique," says James Harris, global chief digital officer of media agency Carat.

The Economist Films documentaries on the other hand hold potential for making money. Typical deals involve brands underwriting the production, having their logos on all videos made, and a dedicated a hub where they can run additional videos, messages and ads of their own, relating to the same themes as the Economist series. In the past year, the unit has produced six documentaries series, typically running about 15 minutes and distributed through YouTube, Facebook and The Economist's own sites. Those documentaries have been sponsored by the likes of Salesforce, Turkish Airlines and Virgin Unite — to the tune of $100,000 and up. The Economist typically guarantees a million views per video, which it's "comfortably exceeding," says Standage.

The Economist's "Future Works" series, sponsored by Salesforce, which looks at how new technology has made jobs evolve. Salesforce has no editorial influence on the film but can add its own content to the content hub the videos sit on. One of the latest for this series takes a deep dive into the rise of a new kind of job: drone rangers. These are people who fly drones, and whose skills are sought after because of their role in using drone technology to catch poachers and save lives.

The tricky part is then using original social videos that can capitalize on the Facebook algorithm to drive reach and then feed back into the longer videos. The purpose is to increase how many more people it can guarantee sponsors it will reach. So far it's made short explainers and animated charts to drive interest, as well as pulling out clips from the longer pieces. It did this for "Passport", a travel series it created for Turkish Airlines. It pulled shorter video clips such as a two-minute video on the biggest street mural in the world, which ran on social media. But it wants to do more standalone social videos to drive the reach of the longer films.

"We can then guarantee millions of views for the sponsor. Those two pieces of the model - social and long form video - lean against each other," Standage adds.

Advertisers still care a lot about reach and frequency, for all the progress digital has made in making communications more individually relevant. "We see publishers who want to be digital publishers, and then assume it all has to be digital. But some of the digital stuff is too small scale." Sometimes a TV show created by a broadcaster or publisher, which is fairly "analogue" in its execution, can still get the reach if boosted with all the social media commentary and warrant free PR, he adds. "That can be more powerful because it still has the scale side, which is something that's coming back into conversations with clients again."

Harris also believes some publishers are too quick to default to pre-roll for their video strategy.

"The likes of Huffington Post are among those who good at driving people to their site from social media and then hitting people with pre-roll. Though there's always the question of how much pre-roll a consumer wants to be exposed to. On some publisher sites, the pre-roll also isn't premium because they're in the volume game. Whereas The Economist has that quality factor to making content that is respected," he adds.

Fewer people watch the documentaries on YouTube, than on Facebook, but people more often watch the longer films to the end on YouTube, according to Standage. The videos also go out on all the platforms the publisher sits on like Amazon Fire and Apple TV.

This summer The Economist Films increased the output of the shorter films, and The Economist will introduce it all into its daily, bite-size briefing mobile app Espresso. It's also readying a bunch of new short form video formats, which are currently in development. One new format it's tried is an animated cartoon series, which has clocked one million views across its social platforms.

"Both long and short-form videos get around 4 million views a month across all our platforms and Facebook and Google. We get very little of that on our own sites. We have to go where the viewers are, but with a model that works, and helps us brings in serious revenue from sponsors so we can do the really high-quality video," says Standage. P

Be Kind, Please Rewind

How publishers repurpose video for multiple platforms

BY LUCIA MOSES & SAHIL PATEL

When National Geographic launched "Wild_Life with Bertie Gregory," a new digital series on Vancouver Island's predators, for its Nat Geo Wild channel, there were YouTube videos at the hub, supplemented by videos specifically created for Snapchat, Facebook and Instagram.

Two years ago, Nat Geo would have shot one digital video and published that exact same clip on every platform it distributed to. Today, with the advent of new social platforms, its videographers are expected to shoot video that can run horizontally and vertically so it can be spun up into different versions destined not just for its own site but YouTube, Facebook, Instagram and Snapchat. From 2014 to 2015, Nat Geo has nearly quadrupled the number of videos it produced.

This is digital video in 2016, where the ability to reframe video seems to be as important as its creation in the first place. The tipping point came in 2015, with the advent of vertical video on Snapchat and rise of silent, autoplay video on Facebook. Suddenly, you couldn't just publish the same thing everywhere. Viewers, with increasingly specific expectations for each channel, would tune out. Each platform demands its own style, length and format.

"The advent of Snapchat Discover was a big eye opener for us," says James Williams, director of digital video for Nat Geo, who oversees a 15-person team. "As Facebook video began to rise in popularity and video became more of a priority for us, unless we adapted to what viewers were looking for, we were going to be fighting a steeper uphill battle to get views."

But some of these platforms lack a clear path for publishers to monetize their video, so repurposing all this video also had to be cost-effective.

Nat Geo has an informal process. It employs experts for all the different social platforms, and they all talk to each other. "Anytime you send anyone out in the field, you want them to get as much content as they possibly can," Williams says. "You can't reinvent the wheel every time you need to make a video."

The process has become somewhat routinized. Adapting a four-minute video that's bound for the website for, say, Facebook or Snapchat, would involve identifying the main idea, then building a story around it that could be told in a fraction of that time, because if people will watch videos of varying lengths on a website or YouTube, publishers only have a few seconds to catch a viewer's attention on Facebook or Snapchat. Assuming the video will be watched on silent, the next step is figuring out what text will be needed to carry the viewer through the narrative.

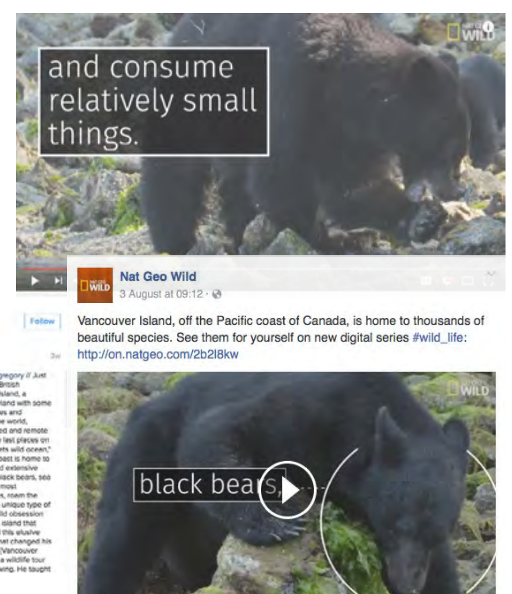
Facebook has been aggressively pushing live video in the news feed as it tries to figure out how to ultimately capture TV ad dollars. But for the publishers that are actually producing the content, the financial return has been unclear, which has them thinking about how they can give those assets a longer shelf life, whether by turning them into a text article or cutting shorter segments from them.

Business Insider has a New York video studio where it conducts 30-minute Facebook Live interviews with personalities. Those then get whittled down into as many as five or six different segments that are then published inside stories on BusinessInsider.com. A Tony Robbins Q&A ran as a 40-minute Facebook Live video, is expected to be cut into four or five shorter segments when all is said and done. Food videos also lend themselves to this treatment. A live video to cover a new Shake Shack burger was turned into a 70-second clip for the site and other platforms, for instance. In this way, BI can produce about 35 videos a day for the main BI as well as Insider, its general news spinoff. The Huffington Post similarly has taken its Facebook Live and Snapchat videos and repurposed them into content to run on its site.

With BI and Insider producing three times as much video today as they were a year ago, Justin Maiman, head of video at BI, says. "We're always thinking about how we can get the most out of a story, shoot or interview we're doing."

In some cases the publishers get a helping hand from the platform. YouNow, a live-streaming social network that's popular with teens, lets publishers download their broadcasts and republish them to other platforms.

But as long as platforms' appetite for video continues, it seems like publishers' work will never be done. "Not only are we constantly thinking about our audience," says Williams, "but whatever new platform may be coming about."



DIGIDAY CONTENT MARKETING SUMMIT

PARK CITY, UT

In August, Digiday gathered together executives from 150 brands, agencies, publishers and technology vendors in Park City, Utah, for the Digiday Content Marketing Summit. Over three days, executives convened in town halls and sessions to discuss the ongoing challenges they face when it comes to creating great content. High on the list of issues: getting senior management to understand the value of content creation and not getting bogged down in internal competition.

BY SHAREEN PATHAK

'You can't get the buy-in':

Marketers confess their biggest content challenges

BY SHAREEN PATHAK

Making great content is hard work for brands. One consistent question at the Digiday Content Marketing Summit this week in Park City, Utah, was how to ensure that great content is championed and executed in the right way.

We asked attendees from the world's top brands to write down the single biggest challenge they have when it comes to creating good content, then asked them to anonymously expand on the issues. The themes that came up more than once touched upon internal issues, silos and getting senior management to buy into measurement.

Senior management BUY-IN

"If you don't have a CMO who is willing to invest some of the media budget in the content and understand it has different metrics than a banner ad, then your life is hell. It makes your job 10,000 times harder. And let's face it: You can't get the buy-in. You won't ever get it. Go work somewhere else. If your CMO is someone who is not a marketer at heart, they are never going to take $10 million out of digital and put it to social. You're always gonna hit a wall."

RESOURCES

"Internally, budget is always a struggle. When you come up with a campaign, it's always about who is paying to make it successful, and it's always a battle between marketing and e-commerce. It sort of evolved, and we realized it. And we're always fighting to get budget for digital. Digital is the first thing that gets cut. And internally, an e-commerce team wants everything to be direct response and they don't focus on brand affinity. For us, we want to focus on brand affinity."

Instagram Stories – WHY?

"I can't believe we have another channel for an identical product. This just makes everything more difficult."

Organizational Silos

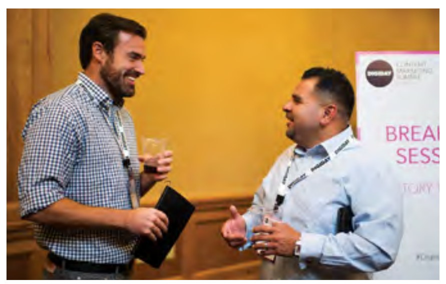
"There is so much internal competition. Everyone wants to own content.But maybe the group who is owning it doesn't understand content. Anyway, it's not like the customer understands or knows the difference between content produced by marketing, or PR, or public affairs. It's not cohesive."

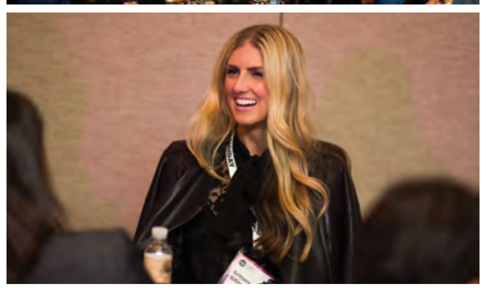
Who should own content? One team? Multiple? Comms. or marketing?

"I personally think content marketing is a marketing function because it's about perception of a brand by a consumer. But internally, there's always a fight where either it is disorganized or everyone is doing it differently, or nobody is owning it. Or worse, there are three teams, all creating content that competes with each other."

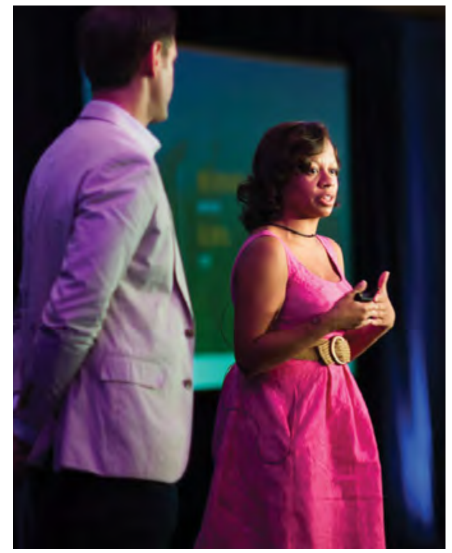
Marketing Movers

On the ground and in the mountains in Park City





DCMS



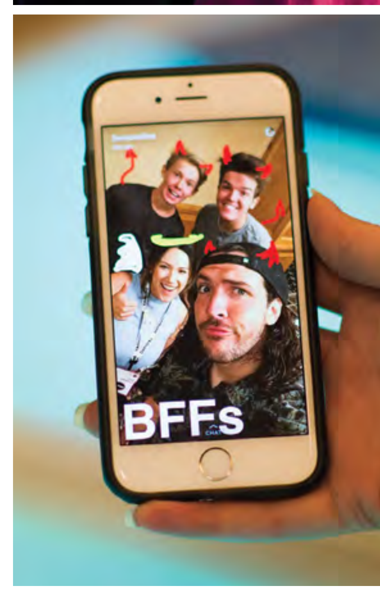


Photo credits : Bonnie Burke

Photo credits : Brit + Co

The Crafty One

For Brit Morin, building a business was a lot like assembling one of her brand's DIY boxes

BY JORDAN VALINSKY

Brit Morin laid out the idea in front of her: Build a digital company focused on creating physical things. The initial iteration of Brit + Co. was to create a suite of apps centered on topics attractive to female millennials, like cooking and weddings. It didn't take off.

"The content side of the business was growing faster than the app, so we shifted focus to be a full-out media company," says Morin, 30. Today Brit + Co is a content and commerce hybrid website focused on DIY projects, make-up tips and healthy cooking. The lifestyle media brand has attracted over $27 million in venture backing.

While the website's traffic is small — Brit + Co. attracted 2.4 million U.S. visitors in June according to comScore — its audience is passionate, she says. Across its social media platforms, including a unique pop-up Snapchat channel around major holidays, Morin claims to reach 80 million users each month.

Roughly 98 percent of its advertising revenue comes from native ads. Brit + Co. also makes money from selling DIY kits, instructional videos and tickets to events, like its annual Re:Make festival in San Francisco, which attracts 15,000 fans. Morin said the company will "soon" be profitable.

She walked us through a typical day in her life.

6:00 a.m.

Wake up, scan the news. This includes, but is not limited to: email, Instagram, Snapchat, Facebook, Twitter, my text messages, stocks I'm following, and the New York Times.

6:15 a.m.

Work out, if it's going to happen. (There's often a snooze alarm that gets in the way of me and my tennis shoes.) If I do work out, it's generally a trail run on one of the beautiful northern California trails right outside my house. I listen to podcasts along the way, never music. I've been running to podcasts since I was in college and am addicted!

7:00 a.m.

Baby time. My newest addition, Austin, was just born in May, so he's still nursing first thing in the morning. Luckily he's a pretty consistent sleeper, though, so 7 a.m. is a safe bet for his breakfast.

7:30 a.m.

Toddler time. My oldest, Ansel, is 21 months now and bounces off the walls with happiness when he wakes up in the morning. I love getting a few minutes of playtime in with him before I get ready for the day.

8:00 a.m

Speeding through a shower, hair, makeup, and wardrobe decisions. (I usually have the Today Show, which I appear on from time to time, on in the background — gotta keep up with my crew over there!) Every morning I consider dumping out my closet in lieu of a capsule wardrobe soon to cut down on decision making. Steve Jobs may have really been onto something there...

8:30 a.m.

Breakfast! Which, for me, generally means green juice, coffee and Ezekial toast. I'm kind of a health nut.

8:45 a.m.

Out the door. My commute to work entails driving through the redwood forest then across the Golden Gate bridge. It doesn't suck, to say the least. I love listening to podcasts along the way for more brain food and entertainment, though sometimes I will drive in complete silence just to think and prep for the day.

9:15 a.m.

I've made it to the office. I keep a "WORK BLOCK" on my calendar so that no one can schedule time with me for the first two hours I arrive. This gives me time to catch up on emails that have come in overnight and to get some personal work done before a day of meetings.

11:00 a.m.

Bi-weekly sync up with my marketing and events team for Re:Make, our annual conference and festival. Today, we are finalizing the logistics of the conference speakers (which include the likes of Tyra Banks and Sophia Amoruso) as well as the infrastructure plan to house roughly 15,000 people at the festival. I try not to be OCD about all the tiny things that can go wrong. (Planning Re:Make is like planning my wedding x 1000. #bridezilla)

11:30 a.m.

Interview with a candidate who has applied to be an executive on our engineering team. I'm judging him on how to drive deeper engagement on our site, but also how he thinks about reaching a distributed audience with new technologies.

Noon

Grab my lunch and head to a last-minute meetup with a few team members to put together a response to a multi-million dollar RFP we just received. My college degree was in advertising, so I'm always excited to think about how to build successful campaigns for our clients. I love to think big and outside of the box.

12:30 p.m.

Content review for our Snapchat Discover channel. I'm extremely close to the content we put out on Snapchat and review everything in extreme detail, from the inception of article/video ideas to teeny tiny grammatical or design errors.

12:58 p.m.

Tidy up the office en route to my next meeting. I can't stand crooked frames on the wall. (Didn't I mention I was OCD?)

1:00 p.m.

Meeting with a few of our partners from Pinterest (who are also our neighbors, just down the street here in San Francisco) to discuss some of the new, exciting things happening on their platform. Brit + Co has a pretty massive organic reach there given our focus on creativity and DIY, so we check in with the team at Pinterest frequently.

2:00 p.m.

Say hello to a teacher stopping by our video studio to shoot a class for Brit + Co. Watercolor calligraphy FTW.

2:03 p.m.

Product/tech review of a new page redesign that will be rolling out soon. We do the review from our mobile phones since that's where 70 percent of our users are consuming our content

2:30 p.m.

One-on-one meeting with Anjelika Temple, our executive creative director and my first hire. Sometimes it's about logistical things, but today the agenda was light, so we just decided to take a few minutes to brainstorm crazy ideas for the business. We literally have a Google Doc entitled: "Things that should be things" — it includes a big list of puns as well as many other wild topics.

3:00 p.m.

We just kicked off prep for Halloween and it's time for one of our first photoshoots! I am in and out of 5 costumes in 30 minutes, thanks to all the folks who have prepped beforehand. And yes, we've Snapchatted the whole thing. Naturally.

3:30 p.m.

Quick finance review of our latest profit and loss with my CFO ahead of our board call immediately following. Things are in order, which as a CEO, is the No. 1 most comforting thing to see.

4:00 p.m.

Board call. Today we talked through the ever-changing media landscape and relevant business updates, then had some time for discussion about a few big deals we are working on. My board is incredibly supportive and super media savvy, so I always look forward to our chats.

5:00 p.m.

Check on the B+C Slack feed once more before heading home to make sure I haven't missed anything major in the last hour or so.

5:05 p.m.

Out the door and on the way home with all the other parents. Then it's playtime, dinnertime, bathtime and bedtime for the kiddos. They are out by 7 p.m.

7:30 p.m.

Dinner with a small group of female entrepreneurs in Silicon Valley. We get together from time to time to compare notes and cheer each other on. Life is tough out there, and it's helpful to know you're not in it alone.

9:00 p.m.

Finish the day's emails and work, usually from my bed.

10:30 p.m.

Confession: I'm a huge content junkie. So I DVR almost all major morning, daytime and late night talk shows. I catch up on them the hour before I go to bed to study the types of content that everyone is making on television these days. If I'm lucky, I'll have a "Game of Thrones" or "Silicon Valley" episode ready to watch as well.

11:30 p.m.

Head to bed and get ready to start the whole thing all over again.

The Funny Guy

"The Tonight Show" producer Gavin Purcell will clean the shit out of a fridge

Job: Producer, "The Tonight Show, Starring Jimmy Fallon"

Age: 42

BY BRIAN BRAIKER

"The Tonight Show" did not conquer the internet by accident. Its producer, Gavin Purcell, is perhaps the first late-night show producer in history to have spent his childhood obsessing over video games. With a keen intuition of how to make stuff go viral online (having the Roots "slow jam the news" with President Obama doesn't hurt), he also understands how important it is to work really, really hard — no matter how mundane the task might seem.

So how does one become Jimmy Fallon's producer?

I was the executive producer of "Attack of the Show" for G4. Jimmy was a fan of the show and I didn't know that at all. I got a call from Jimmy's manager. He wanted to meet with me about something coming up; I don't think he mentioned the show. I had heard from someone that he was taking over "Late Night" so I thought at least I'd write up a bunch of things that I think should be different about "Late Night" than it is now. I got a call later that afternoon saying Lorne Michaels wants to meet with me in New York, which was really cool. It seemed like a vibe check: Jimmy liked me.

Have you ever been fired?

I've never been fired but I've been not brought back on purpose, which to me is kind of the same thing. I was working at a very fancy restaurant in Seattle in the grunge era and I had a fat goatee. I don't think I did a good job of reading the room in how to present myself. I didn't live up to the standards of the service level they wanted. So I wasn't asked back at the end of the season. It was a very good lesson: You have to know the environment you're in and be ready to live up to it.

Were you ready to live up to "Late Night?"

The benefit when we started was we were all coming at it fresh. Very few people who had worked on that kind of show. Jimmy and ["Saturday Night Live" producer] Mike Shoemaker and those guys had worked at a sketch show. I had worked for a talk-tech hybrid format. The benefit we had going into it was we were all new to the format and learning it.

What advice would you give to someone starting out?

Know that if you work really hard people will notice. When I was a production assistant I got the illustrious job of cleaning up the refrigerator at our work. I was just a person who had worked at restaurants for a long time. I was a janitor in high school. I had not had the most illustrious jobs in the world. So I cleaned the shit out of that refrigerator. The executive producer at the time said, "I want to take a moment to shout out that person who cleaned the fridge." If you bust your butt, people do care, no matter what you do.

What advice has worked for you?

The best advice I got as a producer is that your job is to put the pieces in place and sit back and let it play. Once you set it up you have to step back and hope it works. So it pays to know how to set it up.

What's the biggest change you've seen in online video in the past five years or so?

Autoplay video is a big thing. In the beginning everyone couldn't believe it was happening. It was such a disruption. Now everyone is used to it. There's also a tendency for people to say they saw something even if they've just seen the headline for it a bunch or read about it. You may convince yourself that you watched it but then you talk to someone and you realize, 'oh, no I actually haven't seen that.'

You work in TV yet you have a track record for making stuff that does very well online. What's the secret there?

There are two secrets: One is surprise. You have to be surprising. That's something we've done really well. We also just work really hard at making stuff that's good. Good stuff connects, no matter how long it is. It could be a Vine. We make segmented stuff anyway; we're not creating a half-hour sitcom. We make an hour of TV a night and it's segmented already into other pieces. We have to do five hours of stuff a week. That's relentless. So, yes, there's a lot of stuff that goes viral, but we are making a lot of stuff all the time.

Who's your media crush?

[Blogger] Jason Kottke is my long term crush. What he's doing — and been doing for a long time — is weirdly the future. People like him who are tastemakers. There's so much stuff out there, there has to be people you trust to make your feed for you. He's been making your feed for you for 10 years. In some ways he's the future and the past. For me, 10 years from now, you'll have a much more pared-down version of your Twitter feed.

So the future of digital media is curation?

I really do believe it is. There's not going to be any stop to the amount of content being made. You have old media people and new media people making stuff for the web. There's no way to stop it. More and more, there will be curators with special preferences who whittle it down for you. What I love about YouTube is that there's so much stuff there. But they've done a bad job of curating their home page. We need more people like Jason who can do that.

What's an app or piece of tech you can't live without?

The biggest piece of tech that's impacted my life in the last five years has been Spotify. The fact that I can have a significant portion of music history at my beck and call at any given time is the biggest gift; $10 a month feels like too little to pay for the amount of music I have access to. People nowadays don't have to become the old person who is out of touch with pop culture. I am just as in touch with new music as I was when I was young and going out to Cellophane Square. ◼

DIGIDAY

WTF

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December 7, 2016 | New York, NY

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The Contrarian

Josh Topolsky believes that he can build a sustainable digital publishing model without being obsessed with scale

BY LUCIA MOSES

After years as a technology journalist, at Engadget, The Verge and Bloomberg Media, Joshua Topolsky has seen a lot — and there's a lot he doesn't like. So now that he has a chance to start with a clean slate with his forthcoming site, The Outline, he's betting that there's another way to make money in publishing that doesn't require joining the race for scale or doing Facebook's bidding. He laid out his case for why there's a financial future in fresh stories on politics, business, culture and the future, presented in innovative ways.

While others are going for scale, you have a very different goal. Why?

In a business that's been preoccupied with scale, it's very hard to justify a story only 5,000 people read about some corruption in a small town somewhere. Those stories are important, but no one's created the right vehicle for them. So there has to be another way. The goal is to get a nice-sized audience that really gives a shit, to get the right set of partners who really give a shit and want a different kind of audience — and to work in concert with those partners to develop something that isn't a turnoff.

But it will keep you out of consideration with a certain number of advertisers.

That's fine. Monocle's out of consideration with a certain set of advertisers, but they're making pretty good money. They have this great 24-hour radio network, a pretty good digital experience, they have stores. Quartz is out of consideration with a certain number of advertisers, but they're making pretty good money. I'm interested in sustainable business models. I'm interested in what happens when you make Trader Joe's versus Twitter. Ten years out, I think we could be an interesting family of businesses.

Can you have a media business without programmatic advertising?

I think programmatic is part of the problem. It's like a Band-Aid. If you go back 20 years you have publishers who want to be [online] but don't know how to monetize it and you have Google saying, we have a technical fix for it. That has been the way we've solved the problem for 20 years. It doesn't serve the consumer or publisher or advertiser. Very few things are being done to fix it. Then all of a sudden you have ad blocking. And click fraud became a thing. But very few people are taking concerted, technology-first action to address it.

I'm guessing you're on the side of the ad blockers.

The reality is, advertising is disgusting on the internet. The basic concept of ad blocking is offensive because you should be able to monetize the work you do. But I get why you would turn on an ad blocker. It's not like we're giving an audience something that's fair. We're giving them something offensive and intrusive. So our track was, let's not do any of that.

Why not have a subscription model if what you're doing is going to be so valuable to your readers, as The Information did?

I guess if a few thousand subscribers is all you need. It limits the audience opportunities. I'm interested in being part of the conversation that happens on the open web and increasingly connected world.

What kind of story is The Outline going to do that isn't being done today?

Something of the caliber of The New Yorker hasn't really been created for a modern audience. Inside the millennial audience, I think there's an audience that's not being spoken to, or it's being spoken to in fits and starts. At Bloomberg Politics, we did a story when the Supreme Court struck down a number of gay marriage bans. One reporter discovered that of the top 50 newspapers, 39 showed female couples and a handful showed male couples. The question is, how do you tell that story? We created a story form that hadn't been done before that showed all 50 papers broken down by type. You had an interesting position to put forward and interesting way to put it forward. That's what the Outline is all about.

You've been critical of publishers that overrely on Facebook. What are some of the underused tools you see besides social media that you want to take advantage of?

Video, gaming, inventive uses of text, audio. There are millions of colors we can paint with in digital and we use four or five. The reason I'm interested in platforms that aren't just social is, that's how we can figure out what the audience will respond to. What people want is evolving and what we've done hasn't evolved along with it.

What's the answer to Facebook's dominance?

We should all be fighting tooth and nail not to get on their platform but to diversify around their platform. I do think we're a little wave out in the ocean. We will not be the only wave. Audiences adapt really quickly. Already there's a new generation of audience that is not that interested in Facebook. There's a new generation of audience that is not that interested in Snapchat. The only constant in technology is change.

Tech Killed the Big Idea

The Mad Men have gone extinct. The Mad Women, too, for that matter.

BY MARK DUFFY

Rothschild's unforgettable ad for J&B

We're not talking about Don Draper here. Real Mad Men and Women have nothing to do with the TV show. They existed before the TV show, were called "mad" before the TV show. They were advertising's creative leaders from the beginning of the advertising creative revolution in the late 1950s through the mid-1990s — before internet advertising, which started advertising's creative devolution that we're in the middle of right now.

To be a Mad Man (or Woman), you of course had to be good, very good, at creating ads. You also probably were a little crazy in the head. For instance, there was legendary art director George Lois who started his own New York City agency in 1960.

Once, while presenting a campaign to Goodman's matzos, Lois climbed out of a window onto the ledge and threatened to jump after the client balked at buying the work. Said Lois: "You make the matzos, I'll make the ads." The client bought the work.

Two of the most famous Mad Women, Mary Wells Lawrence and Grace Rothschild, started their own agencies, something women just did not (or weren't allowed to) do in other businesses back then. Wells Lawrence launched her shop, Wells Rich Greene, when she was 38, becoming the first female ad CEO and first female CEO of a company listed on the New York Stock Exchange.

The brilliant copywriter Rothschild started her own agency with the great DDB art director Roy Grace in 1973 when she was 30.

My favorite "Mad" story again involves Lois. In 1960 his agency won the Xerox account, and the first commercial he produced showed a young girl making a copy to demonstrate the machine's ease of use.

Xerox's competitors cried fraud. So Lois, with FTC investigators watching, made the exact same spot — except he used a chimpanzee instead of a girl.

You just don't hear stories like these anymore. And that's simply because ad agencies — both digital and traditional — no longer have fearless leaders willing to present "risky" ideas, ideas that make people nervous, that "make you choke, make your eyes water," as Lois said in the 2009 documentary "Art & Copy." (Note: Lois, now 85, just opened another new New York City ad agency earlier this year. If I had a brand, I'd call him first.)

Now, most ideas are group "brainstormed" to mush by people who have no business working on creative executions. The result: No more Big Ideas, or big campaigns or concepts, period; those take a lot work and talent. Instead, you get "projects" and "activations" and "apps" and "stunts" and "Snapchat lenses," here today gone later today.

This situation developed because tech is beginning to overtake creativity as the most important part of advertising. This is an astounding mistake. A brand is built by a consistent brilliantly conceived benefit or image message. Not by technology. Ever. As Bill Bernbach, considered the father of creative advertising said: "Adapt your techniques to an idea, not an idea to your techniques." The statement is more true now than ever. His New York agency, Doyle Dane Bernbach, created all the brilliant Volkswagen ads of the 1960s.

Check the rosters of agencies in 2016. Look at all the new "Chief" titles. You have Chief Digital, Experience, Knowledge, Culture, Innovation, and Content Officers, and other such pointless, vainglorious titles. And all of these people are invited into the "creative process" despite never creating an ad in their lives. This makes sense, how?

Mad Men and Women had one of two titles: Copywriter or Art Director. Of course many become bosses and were given the title "Creative Director." But unlike today's big agency CDs, they kept making ads, every day.

The term Creative Director has now also become pointless. In-house creative studios at social media news sites like Huffington Post, BuzzFeed, and Mashable feature many kids in their 20s with a couple of years of experience sporting the title. This is just sad.

Back in 1981, copywriter Tom McElligott, the son of a preacher, opened his own agency in Minneapolis — Fallon McElligott Rice. And from 1981 to 1988, he produced some of the greatest copywriting and creative work that ever ran or aired.

He's not considered one of the "traditional" Mad Men, which is an injustice. He was crazy — crazy for producing great work. He often puked before presentations out of fear, fear that the client wouldn't have the foresight or guts to buy his amazing work.

If today's presenters ever puke, it certainly isn't from fear; it's probably from a stomach bug. ■

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