



BMV

BMV'S 2019 DIGITAL BRAND:

AWARENESS  
ENGAGEMENT  
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INDEX

# BMV's 2019 Digital Brand: Awareness, Engagement & Action Index

As a boutique digital marketing agency designed from the ground up to turn “no-name” startup brands into known names, the team here at BMV<sup>1</sup> has a lot of experience<sup>2</sup> driving awareness in today’s 86,400-second news cycle on the internet.

We’re not the only ones trying to help brands solve the digital conundrum of earning attention online. 2019 marks the first year<sup>3</sup> that digital marketing/advertising spend will be bigger than analog marketing spend across traditional channels such as TV, radio, and newspapers.

While that means digitally native brands are now competing with the deep pockets of legacy brands such as Walmart, AT&T, and Toyota for consumer attention online, achieving awareness and influence is vastly more democratized in digital settings. Truly any brand can obtain their 15-seconds (or more) of fame on the internet. However, the creation of innumerable open platforms designed to increase awareness has created a Malthusian Trap of sorts, where there’s barely any attention left to feed those who seek it.

Contributing to this noise is the growing chant of fake news, its arrival exacerbating the distrust of the media, content, and brands alike. Moreover, in an age where cynicism has grown rampant, the inability to build trust alongside awareness makes it exceedingly hard for growth or challenger brands to survive, let alone thrive.

So how do you drive consumer awareness, engagement and action in today’s digital landscape?

Today, we’re publishing BMV’s 2019 Digital Brand: Awareness, Engagement & Action Index in an attempt to answer that very question.

We’ve surveyed more than 1,000 consumers (weighted for U.S. population) to see how brands garner attention and drive purchases online, examine consumer viewpoints on the digital channels brands are using to interact with them, and understand how trust is earned in the fake news era.

## Here are the key findings:

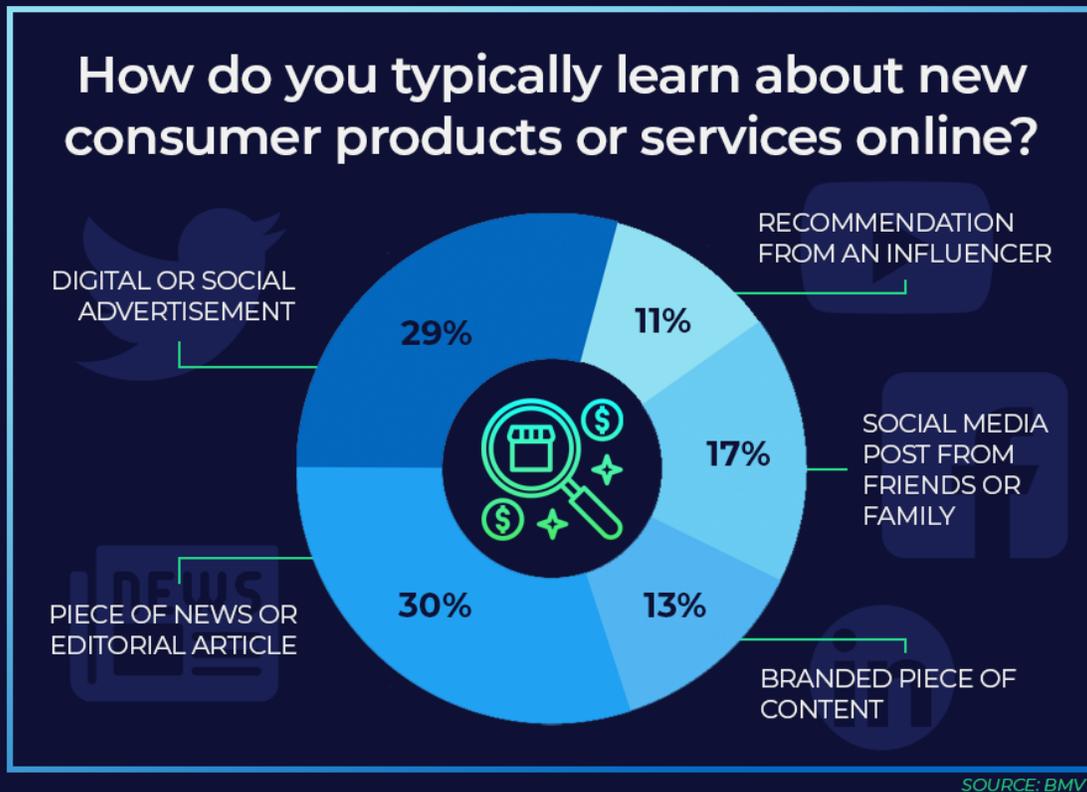
### *On How Brands Are Driving Awareness, Engagement & Action Online*

- Overall, U.S. consumers say digital news articles (earned media) are more likely (30%) to drive awareness of new consumer products/services online than social/digital ads (29%), social media posts from friends & family (18%), a company's branded piece of content (13%), or a recommendation from an industry influencer (11%).
- However, younger consumers (Gen Z & Millennials) say that they're most likely to learn about new consumer products from social media and digital advertisements (35%).
- Compared to consumer products and services, branded content (company blog, social media, video) came in much higher (27%) as the way potential buyers say they discover B2B products vs B2C products online (13%).
- While 29% of all consumers admitted that social/digital ads drive their awareness of products, only 12% said a positive mention of a brand in a digital/social ad impacts their buying decision.
- Nearly  $\frac{1}{3}$  of consumers (32%) say they follow and consume branded social media content simply because it's interesting and engaging. The number is even higher among Gen Z & Millennials (39%) who are increasingly looking for their favorite brands to enlighten and entertain them.

### *How Fake News and Privacy Issues Are Influencing Trust in Media, Marketing & Brands*

- 86% of consumers say fake news is a problem online today.
- Nearly half of consumers (49%) say fake news is most likely to appear first on and spread from social media sites such as Facebook, Twitter and YouTube rather than spreading from national news sites (20%), blogs (11%), radio talk shows (9%), regional/local news sites (6%) or podcasts (5%).
- Over 58% of consumers say they at least sometimes trust what a company or brand says about itself on its owned channels *more* than what a reporter says about that company in a news article.
- 3 out of 4 consumers say they are at least sometimes dissuaded from doing business with a company that they believe/know has been collecting data on them for advertising purposes.

## News Articles & Social/Digital Ads Are Neck-&-Neck in Driving Awareness Online



According to our findings, earned media is the number one way consumers say they discover consumer products online, with 30% of respondents saying that a digital piece of news or editorial article (news/magazine site, podcast, newsletter, blog, etc.) is typically how they hear about new products and services online.

Interestingly, despite the staggering amount that was spent on advertising in 2018 — an estimated<sup>4</sup> \$628.63 billion in 2018, 43% of which was dolled out across digital — social media/digital advertisements came in second (29%) to earned digital media in driving consumer brand awareness.

The findings are especially interesting given the shift in recent years by both brands and agencies<sup>5</sup> away from earned media and into digital advertising. The driver of the shift? Look no further than the downsizing and consolidation<sup>6</sup> of newsrooms across the country as media companies try to find their feet online. Nearly one in five reporters today lives in NY, DC or LA, and PR professionals outnumber them 6-to-1, thus, making it increasingly difficult to drive brand awareness through media relations.

However, given our findings, along with the ROI on digital advertising falling<sup>7</sup> while consumers' appetite for trustworthy news grows,<sup>8</sup> earned media may be preparing for a rebound in the digital landscape.

Meanwhile, the problem of driving consumer awareness via digital advertising may stem from a very similar problem to what those in the earned media world have dealt with over the last decade online — an increasingly noisy landscape. Research has shown that Americans see as many as 10,000 advertisements each day.<sup>9</sup> That digital advertising noise has driven some larger advertisers like P&G to cut hundreds of millions of dollars in paid digital spend and redirect it towards more effective channels.

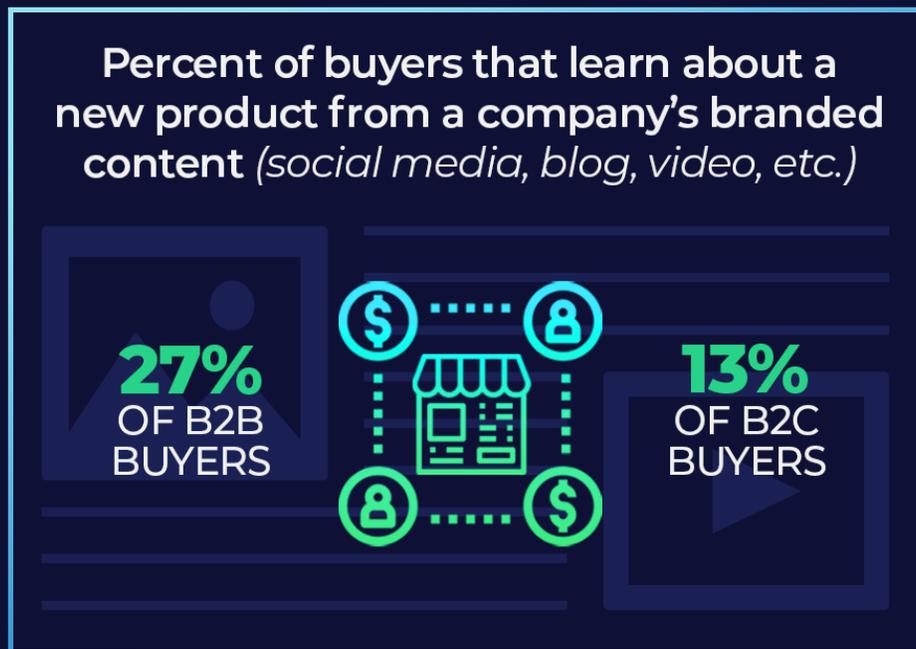
It's also important to note that answers from respondents were heavily influenced by their age. For instance, Baby Boomers were most likely to say they gained awareness of a consumer product via the more traditional route of seeing it featured in a news story (47%), while Gen Z & Millennials were most likely to say they learned about new consumer products from social media and digital advertisements (35%). The latter may indicate that digital advertising certainly holds some promise with providing awareness air cover to younger generations online — even if they're not acting on it (more on that in a minute).

Meanwhile, while influencer marketing continues to be one of the most buzzed-about sectors of digital marketing, consumers were more likely to say they learn about a new consumer product or service from a social media post or friend (18%) than an industry influencer (11%).

In addition, although 86%<sup>10</sup> of B2C brands are now employing content marketing, only 13% of consumers note they first hear or see a new consumer product via branded content.



## B2B Buyers Turn to Branded Content More than B2C Buyers to Learn About Services



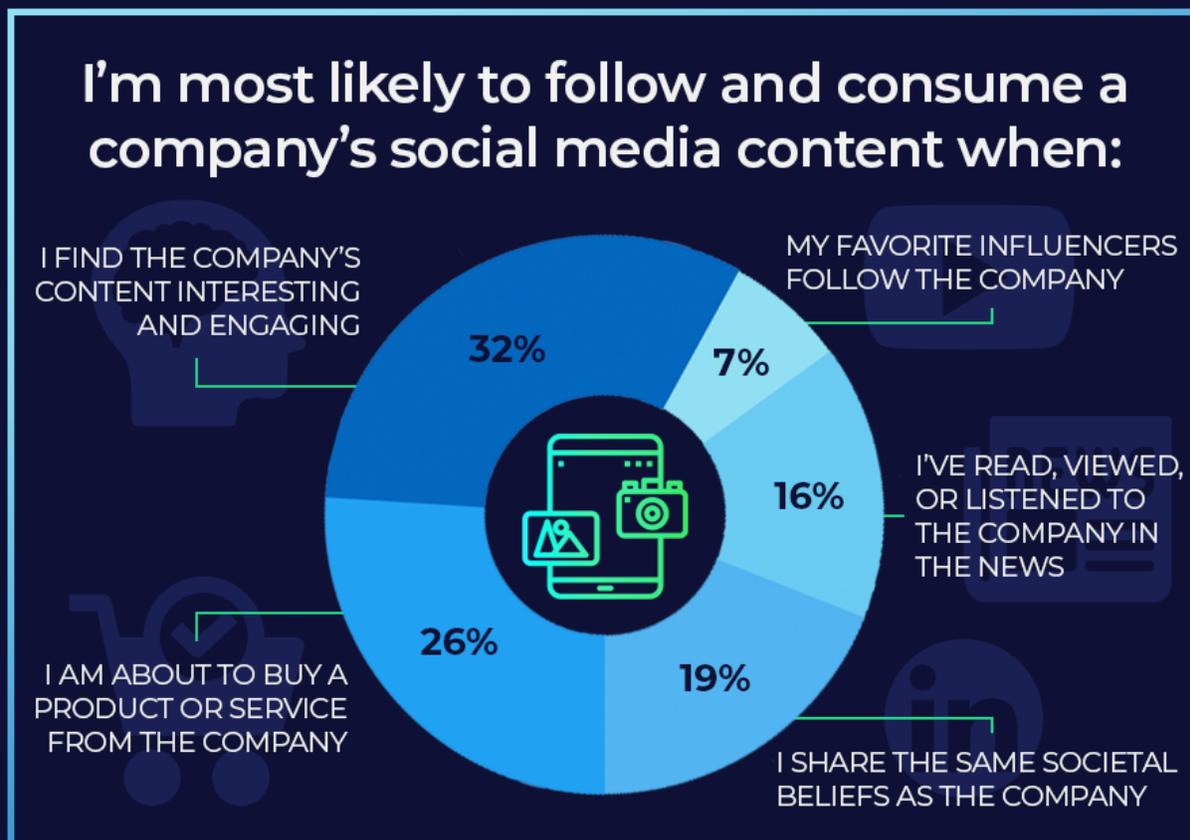
B2B buying is increasingly blurring the line with B2C buying. With the consumerization of IT, B2B buyers today are taking input from all of their employees on the latest tools to use, and are engaging with B2B sellers across multiple digital channels at any given moment. Therefore, we asked respondents to put on their business caps to tell us how they typically hear or learn about new products or services that they can use within their company and on the job.

News coverage still ranked highest (30%) as the way people learn about new products online that they can use for their day jobs. Notably, however, compared to consumer products and services, company/branded pieces of content (company blog, social media, video) came in much higher (27%) as the way people typically discover B2B products vs B2C (13%).

With data<sup>11</sup> showing that B2B companies that publish 16+ blog posts per month receive 3.5 times more traffic than companies that publish zero to four times per month, and 71% of buyers<sup>12</sup> reporting that they engage with blog content during the purchase process, it's no wonder that content has become such an important part of the B2B buyers' journey.

Digging into the results by age, respondents ages 45 to 60 were the most likely (30%) to choose content as the way they typically hear about B2B products, closely followed by those 18 to 29 (27%). Not surprisingly, the 18- to 29-year-old demographic was also most likely to say that a social media or digital ad was the top discovery source.

## Owned Social Media is an Engagement and Entertainment Channel



SOURCE: BMV

While previous responses illustrated that owned/branded content channels have promise for driving purchases, we wanted to dig deeper into what makes consumers follow and consume media from a company's corporate social media accounts. How do you build an audience?

Consumers indicate that there may not be short cuts for earning their attention with nearly one-third of consumers (32%) saying they follow and consume branded social media content simply because it's interesting and engaging. This was the top answer and even higher among Gen Z and Millennials (39%) who are increasingly looking for their favorite brands to entertain and enlighten them.

The findings align with one of the largest studies done on Facebook engagement to date. Researchers from Stanford<sup>13</sup> found that when analyzing 106,316 Facebook messages/posts from 782 companies on the social platform, posts that included content related to brand personality—like humor and emotion performed far better than posts that were geared towards selling a product.

Respondents to our index noted that being close to buying a product or service from a company (26%) was the next most likely reason why they followed and consumed that company's social content.

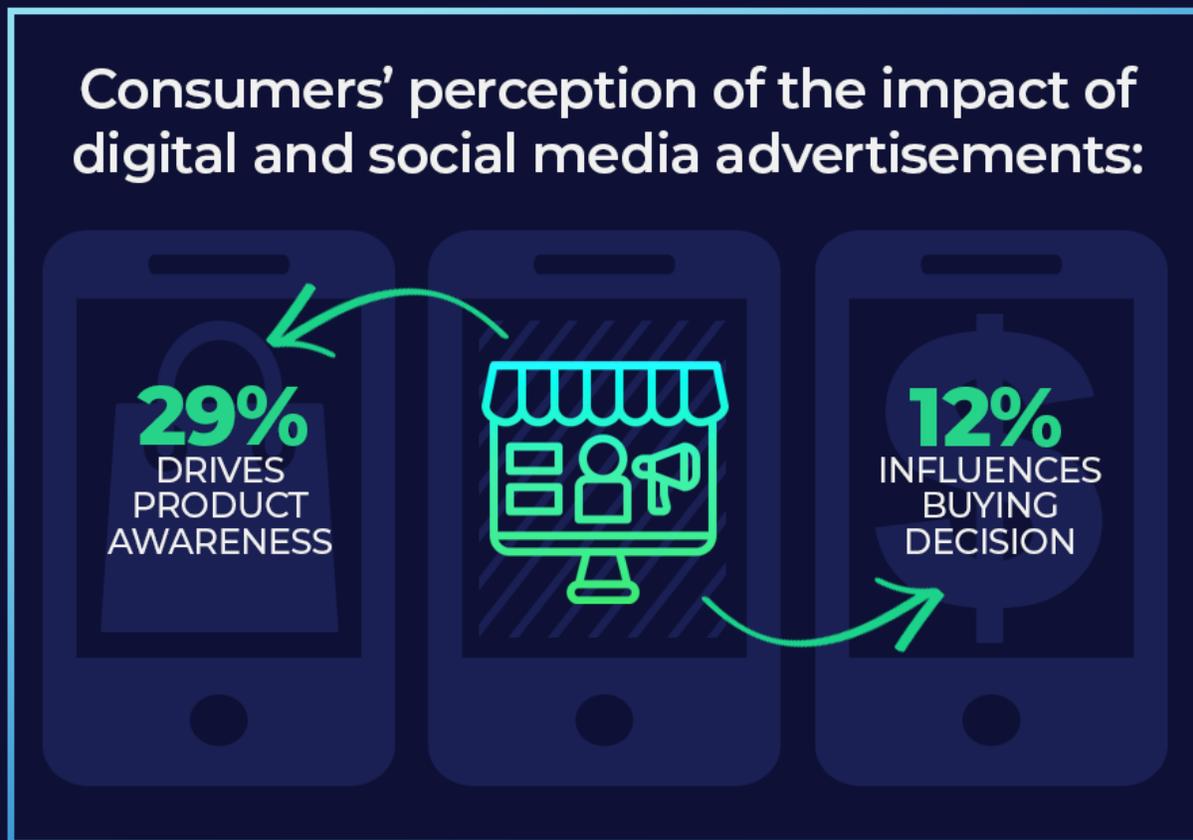
The affluent 45- to 60-year-old demographic was actually the most likely (30%) to say they follow a brand on social media for that reason. Further evidence that branded content — especially content that is distributed via owned social channels — can be a key ingredient in the bottom of the purchase funnel.

It also illustrates that brands are not only engaging their top ambassadors when they post to their social accounts but also very warm prospects. Therefore, content delivered via social channels can make or break a purchase. Which begs the question: Are brands investing enough in social media management if they're simply passing along ownership to their summer intern?

Another reason consumers are following and consuming branded content on social media is because they share the same beliefs of a company on societal issues (19%).



## News Articles Rise and Digital Ads Fall In Impacting Purchases



After looking at what drives digital brand awareness, we shifted to looking at what is most likely to drive action, or specifically, what brands care about most: purchases.

Again, earned media came out as top driver, with 30% of consumers noting that a positive piece of news or an editorial story online would be the most impactful in shaping their buying decision. In fact, news articles even came out ahead of positive social media posts on a product or service from friends and family (28%) as being the most impactful for driving a buying decision.

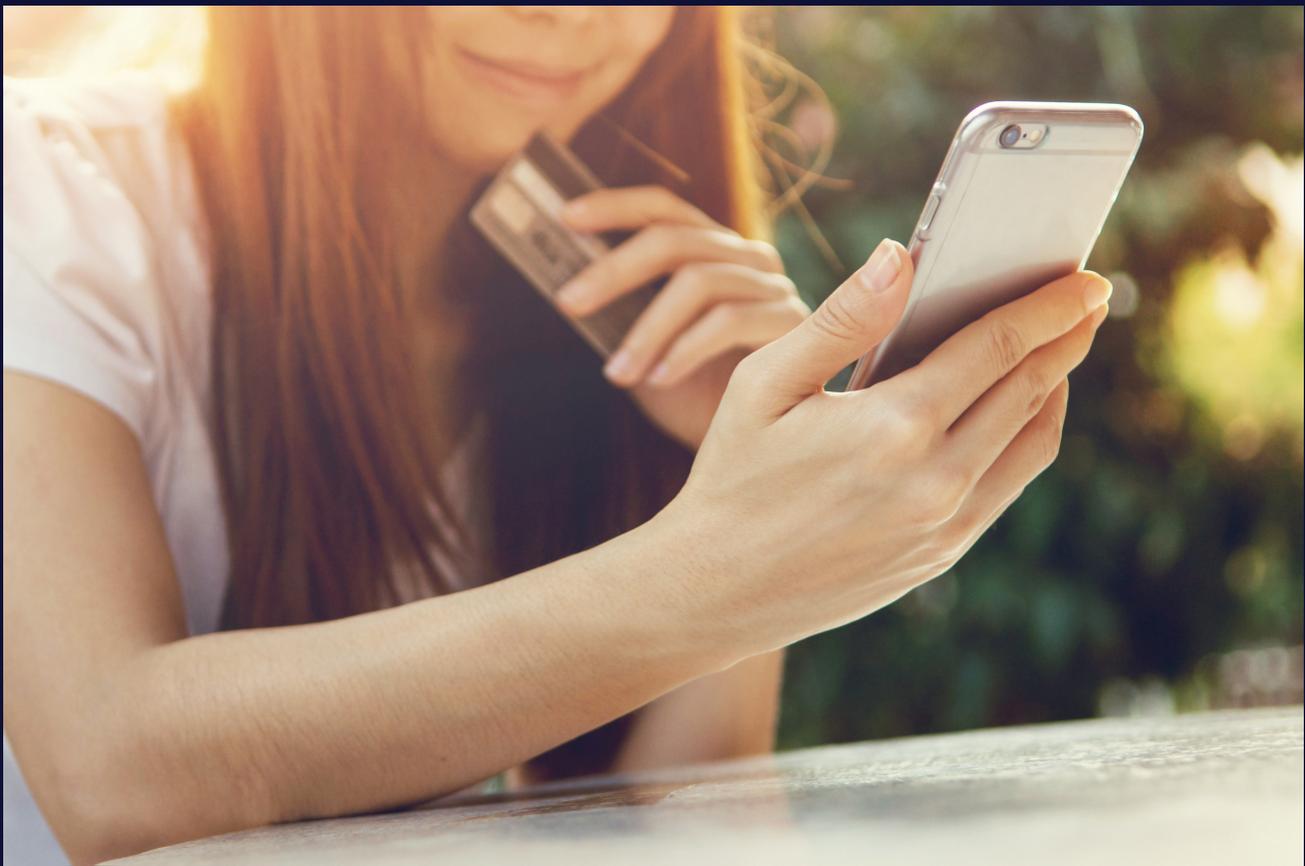
Meanwhile, while 29% of consumers admitted that social/digital ads drive their awareness of new products, only 12% said a positive mention of a brand in a digital/social ad influences their buying decision.

Interestingly, more consumers said positive branded content (on a company's blog, social media handle, etc.) was more impactful (16%) than both influencer posts (14%) that positively mention products when it comes to their buying decision.

It could also point to a shift in how brands should think about digital advertising. Given that consumers say digital and social advertisements are driving more product awareness than actual purchases, brands need to think about how they are supplementing digital advertising air cover with earned and branded content that drives actual purchases.

Furthermore, we may be starting to see growing pushback against the influencer economy. Recent data suggests that as many as half of Americans make purchases based on influencer recommendations, but as many as 30%<sup>14</sup> of consumers don't trust them. Our findings paint a similar picture with consumers growing increasingly aware of the paid promotional aspect of influencer recommendations.

In fact, 29% of respondents to our survey noted that a positive online recommendation from an influencer was the least likely to impact their buying decision. That's compared to the 23% that said a positive mention in a social/digital ad, 18% that said a positive mention in a company's branded content, 16% that said a positive social media mention from a friend/family, and the 14% that said a positive mention in a news or editorial article – were the least impactful in influencing their buying decision.



## *Trust in the Age of Fake News Is a Problem, But How Big?*



SOURCE: BMV

When aiming to drive consumer awareness, engagement and action in today's digital media landscape it's impossible to overlook the role that trust plays in the process. While respondents note a growingly positive viewpoint on the impact on earned media, we also wanted to examine their viewpoint on fake news and if they think it's a problem across digital news outlets and social media.

We first asked if consumers think fake news is a real problem online. The overwhelming majority of respondents (86%) said that fake news is indeed a problem online today. Of those that think it is a problem, 73% saw it as a major concern, and 27% see it occurring but not as a 'major' problem.

Interestingly, when looking at the results by age, the only place where there was any real deviation in the responses was amongst those aged 60 and over — 25% of this cohort said that they don't believe that Fake News is a problem in the media today.

## Consumers Say Social Media Spawns More Fake News Than Digital News Sites



SOURCE: BMV

While the vast majority of consumers believe fake news is a problem, they do not believe that news organizations are spawning the most misinformation online. Nearly half of consumers (49%) noted that they believe fake news is most likely to appear on and spread from social media sites such as Facebook, Twitter, and YouTube.

However, that was followed by the 20% of consumers that said fake news was most likely to appear and spread online from national news organizations such as the *New York Times*, *Wall Street Journal*, *NBC News*, etc.

While our findings illustrate that consumers are still heavily influenced in their purchased by news media online, this data point does point to at least some consumers losing confidence in the trustworthiness of news. In fact, a recent *Columbia Journalism Review*<sup>15</sup> poll found 60% of consumers believe that sources pay reporters and 41% are unlikely to believe stories filled with anonymous sources.

## Owned Media Can Sometimes Provide Trustworthy Info from the Source



SOURCE: BMV

News media online provides at least some third-party validation for consumers, but consumers also say that information directly from a company's owned channels (website, blog, social media) can be as trustworthy on some occasions.

Over 58% of consumers say they at least sometimes trust what a company says about itself on its owned channels more than what a reporter says about that company in a news article. Meanwhile, 42% of consumers said they rarely or never trust what a company says about themselves on its owned channels more than what a reporter says about that company in a news article.

It appears that some of the waning confidence in media has created a desire amongst consumers to seek out info from the source itself rather than consuming content that they believe has been spun or twisted in some way. This shows that brands still have some control of the narratives we read about them in the digital press even after those stories have been published.

## *Distrust in How Data is Handled Could Have Adverse Effects on Paid Media*



According to a poll from ExpressVPN 71%<sup>16</sup> of U.S. consumers worried about how brands collect and use their personal data. Therefore, it's not surprising that respondents to our index note that they can be turned off by a company that they believe or know is collecting their data to better target them with advertising.

Three-fourths of consumers (75%) say they are at least sometimes dissuaded from doing business with a company that they believe/know a company has been collecting data on them for advertising purposes.

This is in line with other recent studies<sup>17</sup> showing that 41% of US internet users believe that ads are too aggressive in following them on every device and browser, and 71% report that ads are more intrusive now than they were three years ago.

As advances in targeting evolve alongside the increase in concern for how an individual's data is collected and used, brands must walk the tightrope of driving awareness or driving customers away.

# Conclusion

With studies showing that 60%<sup>18</sup> of CMOs are "not very confident in their team's ability to determine the most effective way to allocate their marketing budget", understanding the way that different audiences are consuming and perceiving digital content today is critical to making the decisions that impact brand awareness engagement and action today. However, as brands attempt to capitalize on trends, such as influencer marketing and sophisticated ad targeting it appears that they are wearing out the very trends that they are attempting to harness. As a result, we are seeing a rebound of the importance of third party validation via earned media and an undeniable emphasis on trust. Rather than attempt to throw money at the latest platform to pull in as many eye balls as possible, brands would do well to start with telling authentic stories that provide value. Combining this with an understanding of today's buyers and consumers mindset is the only way to survive in today's awareness apocalypse.

## Methodology

A digital survey of 1,000 U.S. consumers was conducted in the 1H of 2019 and was weighted by age, region, and gender for an accurate representation of the U.S. population.

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