STATE OF THE INDUSTRY
VISUAL MARKETING: SCALE TO WIN

CHUTE

DIGIDAY

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INTRODUCTION

No question about it: Consumers today are immersed in a very visual web. More than ever before, marketing is dependent on visual assets of all shapes, sizes, and functions to grab attention — that precious digital commodity. But what toll does this take on creative and marketing teams' available manpower? And which visuals really work?

These are themes that we wrestled with in this State of the Industry study with our partner Chute. From visual marketing budget growth over the past few years to the real obstacles hampering marketing teams, we asked 204 marketers from brands, agencies and publishers to come clean on their teams' preferences and problem areas.
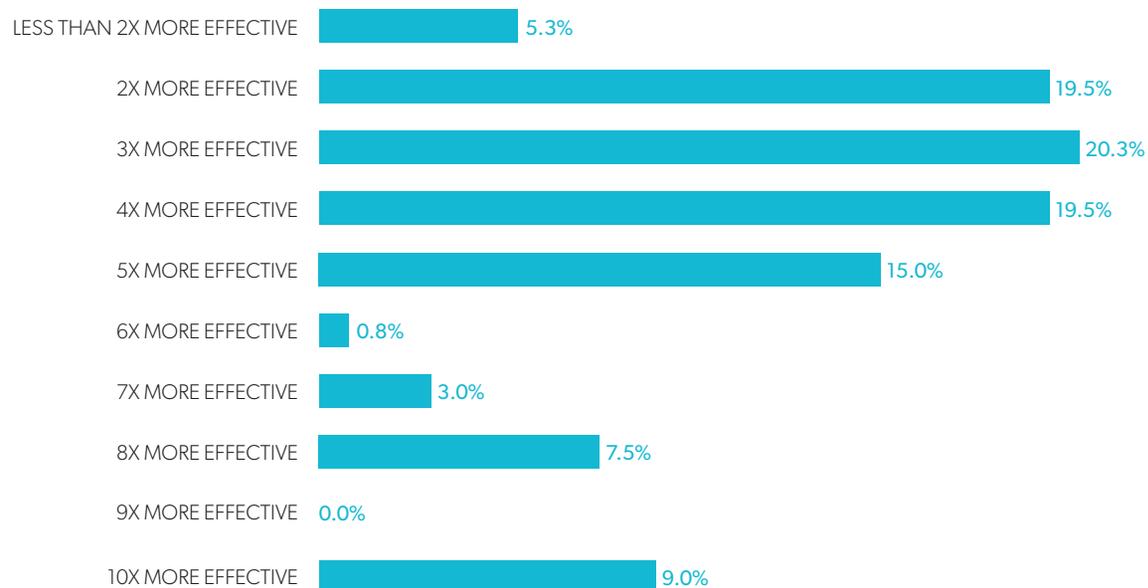
They realize the need for visual-centric content and advertising, but it's clear that the way forward involves a few processes, both logistical and creative, to be cleaned, refined, smoothed over or maybe even automated.

# BUDGETS TELL THE STORY: VISUAL MARKETING TRIUMPHS

There's very little argument: Visual marketing is clearly deemed superior to text-based marketing. An overwhelming 72 percent of respondents said it's more effective; 41 percent went even further, saying it was much more effective than the text-based alternative.

Okay, but how much more effective do these marketers find visuals? On average, they reported about 4.4 times better performance; marketers with budgets lower than $5 million rated effectiveness even higher, averaging at 5.1 times better performance. Ten percent claimed that visuals perform 10 times better than text. That's quite the claim, and one way to see if it's accurate is to look at how much money marketers are putting behind their visuals.

IN TERMS OF THE KEY PERFORMANCE METRICS FOR YOUR MARKETING INITIATIVES, ABOUT HOW MUCH MORE EFFECTIVE WOULD YOU ESTIMATE YOUR VISUAL CONTENT HAS BEEN THAN YOUR TEXT CONTENT?

LESS THAN 2X MORE EFFECTIVE	5.3%
2X MORE EFFECTIVE	19.5%
3X MORE EFFECTIVE	20.3%
4X MORE EFFECTIVE	19.5%
5X MORE EFFECTIVE	15.0%
6X MORE EFFECTIVE	0.8%
7X MORE EFFECTIVE	3.0%
8X MORE EFFECTIVE	7.5%
9X MORE EFFECTIVE	0.0%
10X MORE EFFECTIVE	9.0%

There are unmistakable signs of growth that seem sure to continue into the future.

WHAT PERCENTAGE OF YOUR BUDGET WAS/WILL BE SPENT ON CREATING, PRODUCING AND PUBLISHING VISUAL CONTENT AND MATERIALS (WEBSITE, EMAILS, SOCIAL POSTS, ADS, ETC.) IN THE FOLLOWING YEARS?

26%   2014
30.5%   2015
33.5%   2016
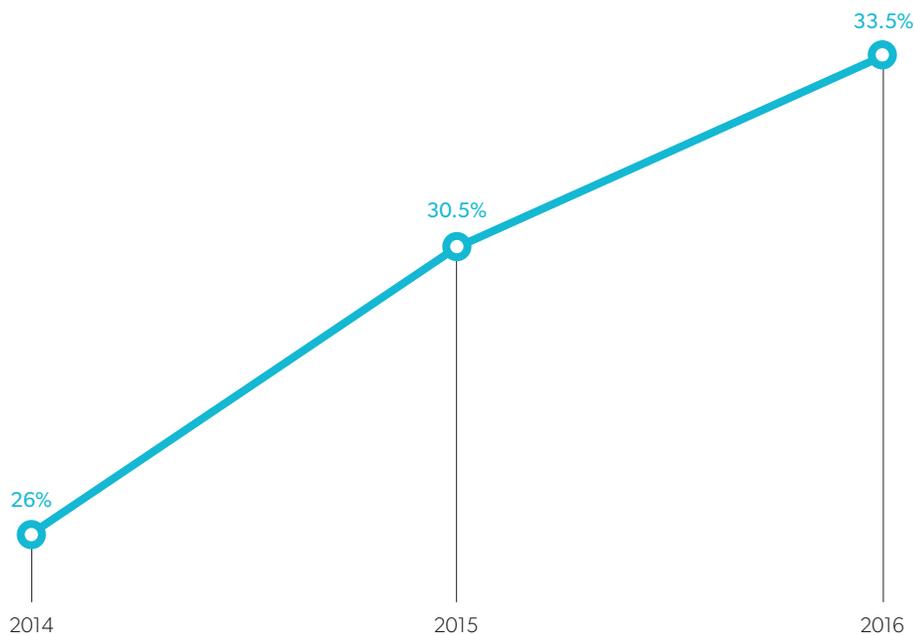
Looking at the proportion of marketing budgets dedicated to creating, producing and publishing visual content and materials, this year's allocation signifies a greater emphasis on this tactic. From 2014 to 2015, budgets grew 3 to 5 percent.

This allocation to visual marketing will continue to increase 3 to 5 percent next year, with visuals projected to be about 33 percent of total annual marketing budgets in 2016. That's one third, a sizable proportion of a marketing department's total spending, and it's due to multiple factors, from the rise of visual content itself to an increased number of platforms on which to air it.

A lot of this growth is a response to organic consumer appetite.

"It's reached such a critical mass that people are creating a lot more visual content themselves, a lot of it on their phones, and sharing it through platforms like Instagram and Facebook," said Steve Rubel, chief content strategist at Edelman. "That predisposition is leading more people to consume more visual assets as well."

But one other reason stands out: the mounting proof of the efficacy of visual marketing for a visual web.
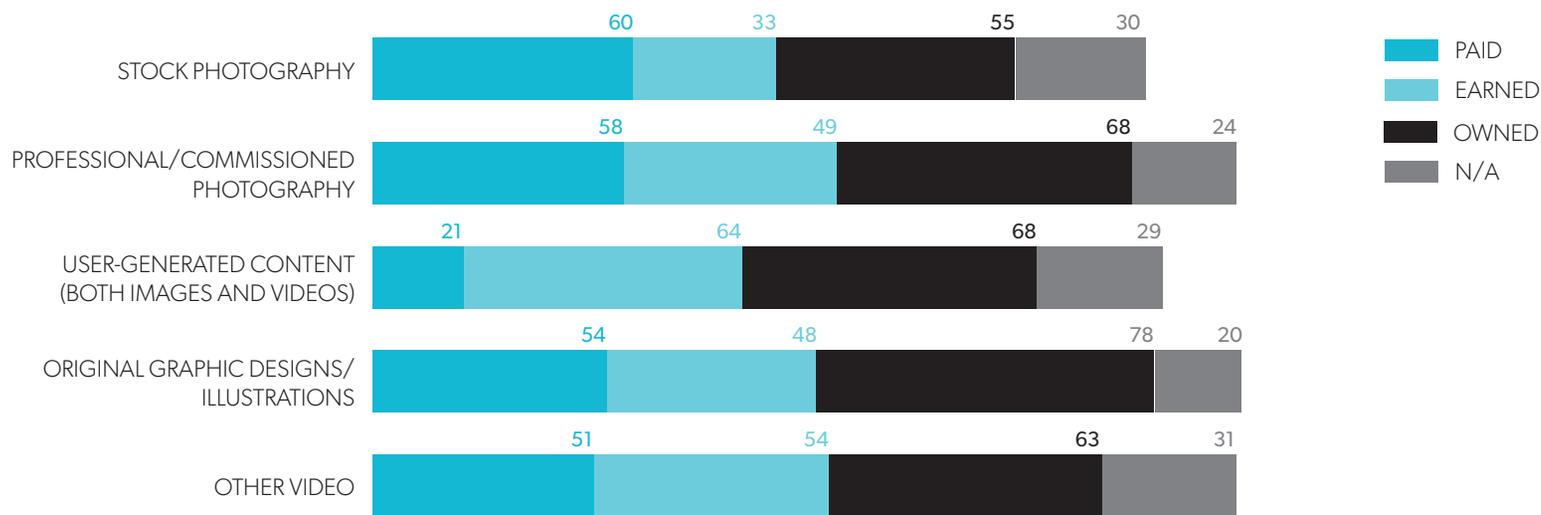
OKAY, BUT ISN'T EVERYTHING "VISUAL MARKETING" NOW?

It's easy to say visual marketing content outperforms text-based… especially when most marketing today incorporates visual components. So exactly what visual marketing techniques are we talking about?

If we're talking about which is used most frequently, the answer depends on the context. In the case of paid media (paid and promoted placements on platforms that you don't own), stock and professional or commissioned photography come out on top.

Interestingly, though, while stock photography might be one of the most-used visual types when it comes to paid media, it was also listed as the worst-performing. This is further proof that visual assets often need to be tailored to specific audiences.

IN WHICH OF THE FOLLOWING CHANNELS DO YOU USE THE FOLLOWING TYPES OF VISUALS?

	PAID	EARNED	OWNED	N/A
STOCK PHOTOGRAPHY	60	33	55	30
PROFESSIONAL/COMMISSIONED PHOTOGRAPHY	58	49	68	24
USER-GENERATED CONTENT (BOTH IMAGES AND VIDEOS)	21	64	68	29
ORIGINAL GRAPHIC DESIGNS/ ILLUSTRATIONS	54	48	78	20
OTHER VIDEO	51	54	63	31

"Ninety percent of it is internally sourced," said Ameen Hussain, interactive marketing manager at Home Depot, about the company's visual output. "We have our own teams to do photoshoots and create visual content that we share, and 10 percent we curate from our user base." However, the cost of all of that in-house production does add up.

With earned media (including organic posting, sharing, and other distribution beyond your owned platforms), user-generated content (UGC) is the most frequently employed, both image- and video-based. This cuts to the heart of the definition of "earned," as more interesting and less branded content, generated by third parties like journalists and consumers, generate more credibility and garner the most voluntary social traction through sharing.

"The social distribution of content is the one channel that's exploding," said Rubel. "Two different companies arguably control about 60 to 70 percent of all time spent on the Internet: Google and Facebook […] It's overwhelmingly Facebook distribution, followed by Pinterest, Instagram, Twitter, but also growing with WhatsApp, Facebook Messenger and so forth."

Now, when it comes to owned media, it's the original graphic designs and illustrations that are key. Advertisers have a good reason for wanting their own platforms to be thoroughly branded and styled to project a consistent image. So that's what the context calls for; but even here, marketers need to remember the rising primacy of social.

"If social is increasingly the major pathway to information and entertainment, the content needs to be crafted in a way that's going to facilitate sharing," said Rubel.

WHICH OF THE FOLLOWING TYPES OF VISUAL ASSETS PERFORM THE BEST IN YOUR MARKETING ON DESKTOP AND MOBILE?
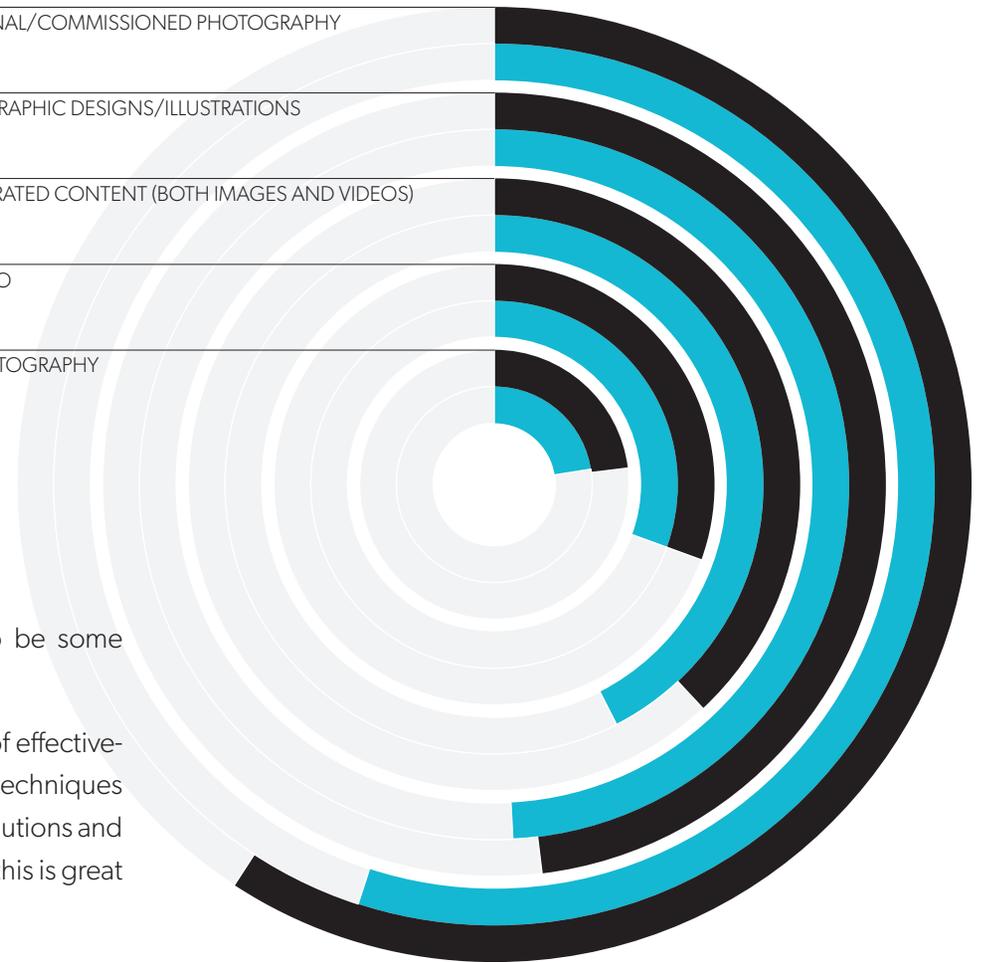
■ DESKTOP
■ MOBILE

59.2% / **55.0%**   PROFESSIONAL/COMMISSIONED PHOTOGRAPHY

48.3% / **49.2%**   ORIGINAL GRAPHIC DESIGNS/ILLUSTRATIONS

38.3% / **42.5%**   USER-GENERATED CONTENT (BOTH IMAGES AND VIDEOS)

30.8% / **30.8%**   OTHER VIDEO

23.3% / **22.5%**   STOCK PHOTOGRAPHY

But if we're talking about which visual type is most effective, there seem to be some clear winners.

On desktop, professional and commissioned photography top the list in terms of effectiveness alongside original graphic designs and illustrations. Virtually the same visual techniques are ranked most effective on mobile, too. It may be that better mobile screen resolutions and hardware are breaking down the desktop-to-mobile visual language barrier, and this is great for marketers.

"It's also the shifting demographics," added Hussain. "Millennials are more and more inclined to be on mobile devices and more glued to the Internet. It helps us tap into that lucrative market."
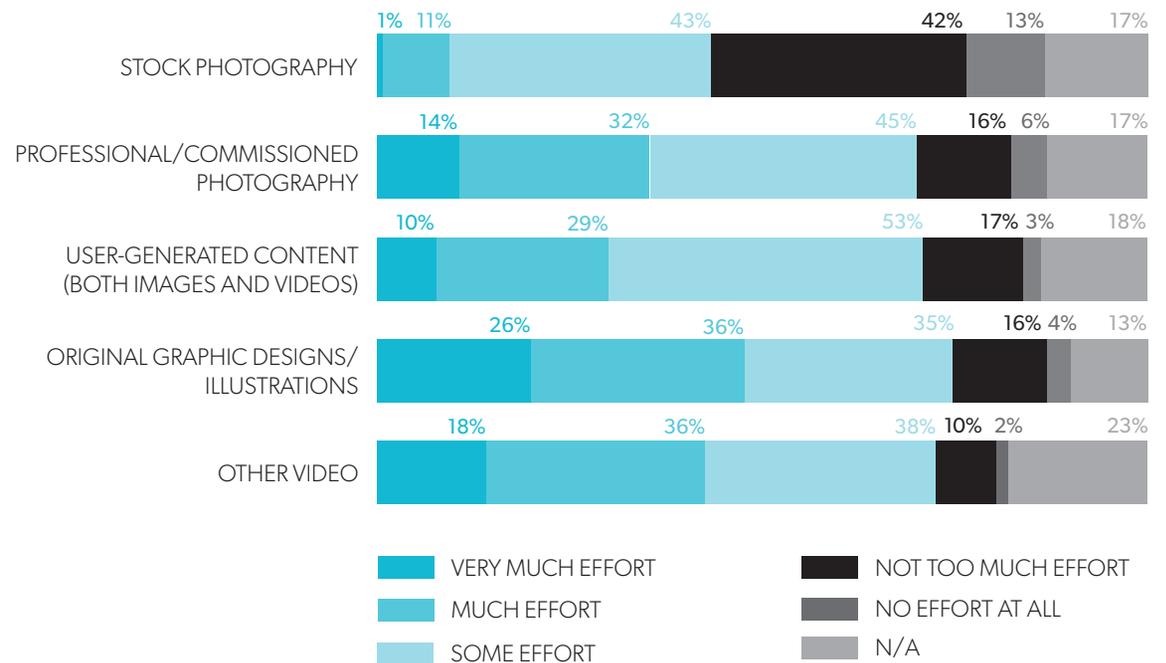
But UGC is generally composed of bold and engaging visuals that are effective on screens of all sizes. Anything that makes the difficulty of mining and manipulating this type of content easier would be a boon to visual marketers.

IT'S NOT ALL COPY AND PASTE

Obviously, visual marketing doesn't produce itself. Each piece requires real effort, some types more than others. Of the techniques or formats discussed, the most labor-intensive for teams to generate just happens to include one of those considered most effective: original graphic designs and illustrations.

Another effective component, professional/commissioned photography, also leans toward the more labor-intensive end of the spectrum. The easiest? As stated before: stock photography. Its popularity among marketers is immediately clear: It's not because it's more effective (it's actually the least effective of the visuals discussed); it just involves less labor.

HOW MUCH EFFORT DOES IT TAKE YOUR TEAM TO CREATE AND INCORPORATE THE FOLLOWING TYPES OF VISUAL ASSETS INTO YOUR MARKETING?

	VERY MUCH EFFORT	MUCH EFFORT	SOME EFFORT	NOT TOO MUCH EFFORT	NO EFFORT AT ALL	N/A
STOCK PHOTOGRAPHY	1%	11%	43%	42%	13%	17%
PROFESSIONAL/COMMISSIONED PHOTOGRAPHY	14%	32%	45%	16%	6%	17%
USER-GENERATED CONTENT (BOTH IMAGES AND VIDEOS)	10%	29%	53%	17%	3%	18%
ORIGINAL GRAPHIC DESIGNS/ ILLUSTRATIONS	26%	36%	35%	16%	4%	13%
OTHER VIDEO	18%	36%	38%	10%	2%	23%

RANVIR GUJRAL
Co-Founder and CEO, Chute

But the effort required by other visuals is worth it when you consider that 78 percent of marketers said that the mounting pile of entertainment and social/ UGC visuals should be considered at least a somewhat serious threat to advertisers' own content. Ads and posts don't exist in a vacuum; your visual marketing has to be impressive and interesting enough to stand out amidst this glut of eye-catching objects.

"The reality is that there are infinite options and limited time and attention," said Rubel. "You have to overcome that hurdle. There's tremendous competition to click away from other types of content: not just things in your competitive set, but broadly speaking. Brands are facing that challenge."

"[The difficulty is] getting the traction in the various channels: word of mouth, getting content picked up," agreed Hussain.

But while the marketers surveyed view the surge in UGC as a "threat," it might be better perceived as an opportunity. It signals an appetite from audiences for content that brands and advertisers can curate and serve… with the right tools, of course.

Visual marketing isn't optional. It's required. This puts marketers under an inordinate amount of pressure to create highly effective visual content every day, across all of their marketing channels – earned, owned and paid.

More than just a challenge of content volume, brand marketers want to understand what visual content will resonate with consumers and perform the best. One of the greatest sources to both uncover consumer insights, as well as solve the need for more content, is a brand's own customers. By tapping into user-generated content (UGC), marketers can see their customers' affinities, interests, and dislikes, all of which, if packaged correctly, can be extremely valuable in guiding the visuals the brand should create. Additionally, UGC can serve as an authentic, nearly unlimited content source, and can perform over 50% better than traditional visuals, like stock photography.

To scale their visual marketing production, brand marketers need to automate the more tedious and expensive aspects of their job: mining for consumer insights, creating repeatable and effective visual content, and collecting and managing their visual media – from professional to UGC. Any brand that believes visuals are part of their marketing mix will invest in a visual marketing automation platform in 2015.

WHAT ARE THE BIGGEST CHALLENGES WHEN CREATING EFFECTIVE VISUAL MARKETING?

65.4% LACK OF TIME OR STAFF RESOURCES

35.5% MAINTAINING TIMELINESS AND RELEVANCE

32.7% DIFFICULT APPROVALS AND GOVERNANCE PROCESSES

25.2% POOR MEASUREMENT/ATTRIBUTION

24.3% LACK OF CREATIVE IDEAS/INSPIRATION

21.5% LIMITED SCALE OF PRODUCTION

20.6% LACK OF ORIGINAL CONTENT TO WORK FROM

18.7% PERCEIVED AS INAUTHENTIC TO AUDIENCE

So with the importance of producing solid visuals clear, what's holding marketers and their teams back from delivering?
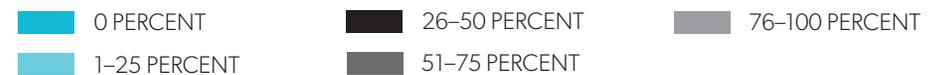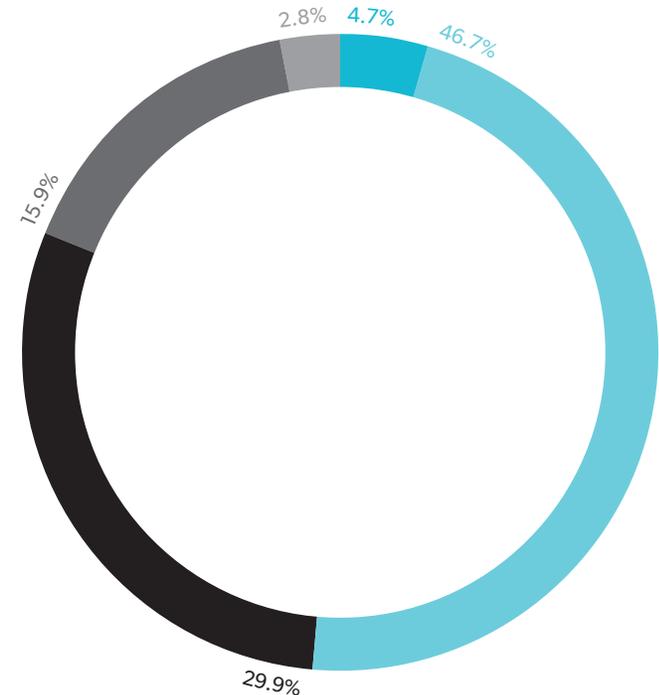
First, and most obviously, they're expensive to create. Costs come from every direction, and they're compounded by a lack of time and staff resources. This all goes back to the taxing nature of some of these very manual practices. Teams need either more manpower or simpler procedures if they're going to get past this hurdle.

Another challenge for marketers is keeping their content timely and relevant, a task which gets more and more difficult the longer process slows down a launch. There's the potential for things to get very stale very quickly when processes are manual. The message here is clear: Making creative, distribution and other components simpler will work to counteract all of the issues enumerated above.

HOW MUCH IS VISUAL LABOR REALLY COSTING YOUR TEAM?

IN AN AVERAGE WEEK, HOW MUCH OF YOUR TEAM'S TIME IS CURRENTLY SPENT DESIGNING, ADJUSTING, OR OTHERWISE HANDLING VISUALS FOR YOUR ADS, WEBSITE, SOCIAL CHANNELS, AND OTHER MARKETING CONTENT?

A staggering 49 percent of marketers are spending over a quarter of their day on their visual assets. This includes everything: designing, adjusting and otherwise handling the visuals. Now, for some respondents, creative labor is the very definition of their job, so spending half their day or more on it is not unreasonable. But even in those cases, the things they're spending much of that time on are not the creative aspects, but the management, distribution and reporting components.

2.8%   4.7%   46.7%

15.9%

29.9%

▮ 0 PERCENT	▮ 26–50 PERCENT	▮ 76–100 PERCENT
▮ 1–25 PERCENT	▮ 51–75 PERCENT	

WHICH OF THE FOLLOWING FEATURES WOULD SAVE YOUR TEAM THE MOST TIME IF AUTOMATED?

57.9%	MINING CONSUMER INSIGHTS (I.E. COLLECTING DATA ON CONTENT VIEWERS)
48.6%	CONTENT CREATION
44.9%	COLLECTING AND MANAGING VISUAL MEDIA (I.E. STORING AND RETRIEVING VISUAL ASSETS)
44.9%	PERFORMANCE MEASUREMENT
33.6%	APPROVALS AND GOVERNANCE (I.E. MANAGING STAKEHOLDER SIGN-OFFS)
30.8%	DISCOVERING INFLUENCERS
27.1%	OBTAINING PERMISSION TO USE CONTENT FROM USERS AND LICENSERS
12.1%	SCHEDULING OF SOCIAL POSTING

Next? Content creation.

"We know that on some platforms, you could just click a button and create all sorts of banners," said Freeman Setrana, digital marketing manager at Home Depot. "But we do everything manually in-house. That's a time-consuming effort."
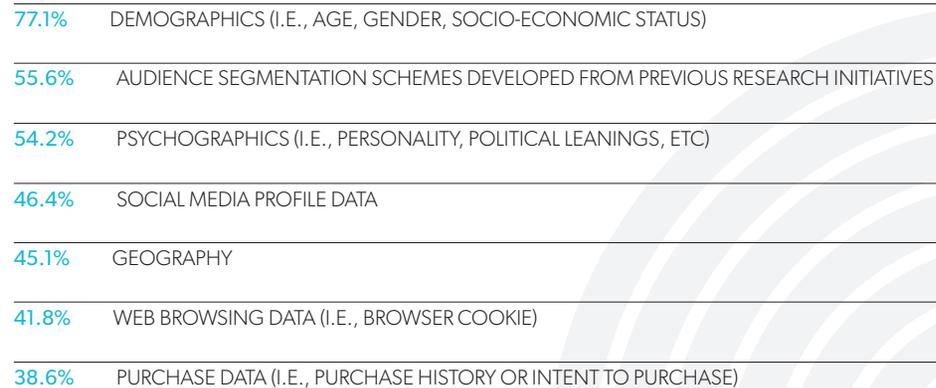
Automatically creating different versions for various audiences or different formats for diverse platforms would take some of the dullest (and often most tedious) work out of the hands of marketing creatives.

Back on the theme of data, metrics are crucial, and marketers would love for their content's performance tracking to be automated as well. This reporting can be time-consuming, and any marketer will describe how much attention it takes away from creative work.

"In terms of tracking and reporting, that's manual, too," said Setrana. "We don't have anything we can tap into right away to get a report or anything like that. We have to manually pull them."

Clearly, many of these aspects that marketers want automated would end up freeing them to focus more on the strategic aspect of their jobs.

WHAT TYPE OF CONSUMER OR MARKET DATA DO YOU USE TO INFORM YOUR VISUAL MARKETING INITIATIVES?

77.1% DEMOGRAPHICS (I.E., AGE, GENDER, SOCIO-ECONOMIC STATUS)

55.6% AUDIENCE SEGMENTATION SCHEMES DEVELOPED FROM PREVIOUS RESEARCH INITIATIVES

54.2% PSYCHOGRAPHICS (I.E., PERSONALITY, POLITICAL LEANINGS, ETC)

46.4% SOCIAL MEDIA PROFILE DATA

45.1% GEOGRAPHY

41.8% WEB BROWSING DATA (I.E., BROWSER COOKIE)

38.6% PURCHASE DATA (I.E., PURCHASE HISTORY OR INTENT TO PURCHASE)

There's more data behind visuals than just the pixels

When it comes to data, marketers are using many of the usual suspects to inform their visual content: Demographics (age, gender, socio-economic status) and psychographics (personality, political leanings, etc.) lead the pack. This is no shock, as they're both pretty familiar and easily accessible to marketers.

"The metrics we rely on most right now are the traditional ones," said Setrana.

WHICH OF THE FOLLOWING TYPES OF CONSUMER OR MARKET DATA ARE THE MOST ESSENTIAL TO CREATING EFFECTIVE VISUAL MARKETING?

69.2% DEMOGRAPHICS (I.E., AGE, GENDER, SOCIO-ECONOMIC STATUS)

54.5% PSYCHOGRAPHICS (I.E., PERSONALITY, POLITICAL LEANINGS, ETC)

46.8% AUDIENCE SEGMENTATION SCHEMES DEVELOPED FROM PREVIOUS RESEARCH INITIATIVES

37.2% PURCHASE DATA (I.E., PURCHASE HISTORY OR INTENT TO PURCHASE)

33.3% WEB BROWSING DATA (I.E., BROWSER COOKIE)

32.7% SOCIAL MEDIA PROFILE DATA
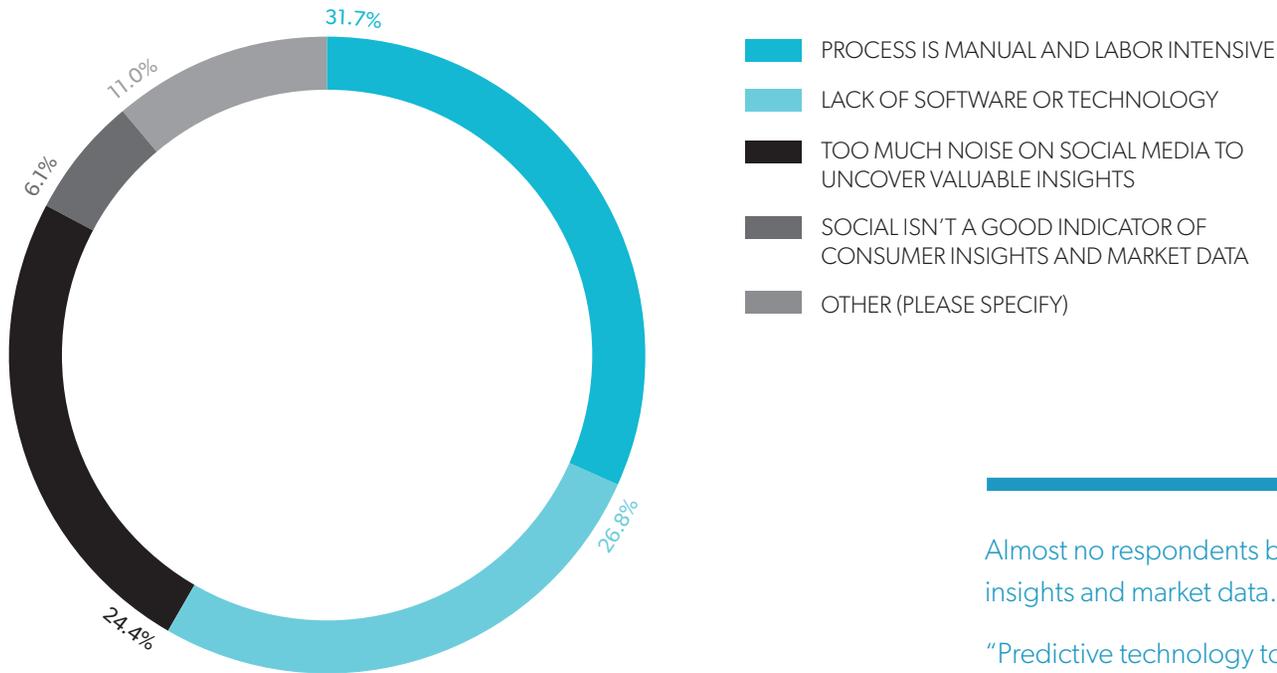
23.1% GEOGRAPHY

3.2% OTHER (PLEASE SPECIFY)

There's also interest in repurposing the audience segments developed from past research. If it worked for your brand once, there's no reason not to target according to the same criteria again, proof that it's not always profitable to reinvent the wheel.

Unsurprisingly, though perhaps unfortunately, purchase data is the least utilized of the data types. This is probably because it's the most difficult (and most costly) to get your hands on. Despite this, 40 percent of marketers are currently using it, which bodes well since purchase data is the closest to consumers' true buying behavior.

The picture doesn't change much when asking which data types are most essential to creating effective visuals.

WHAT HAS PREVENTED YOU FROM USING USER-GENERATED IMAGES AND VIDEOS SHARED ON SOCIAL MEDIA TO UNCOVER CONSUMER AND/OR MARKET DATA? SELECT THE MOST APPLICABLE REASON.

31.7%

11.0%

6.1%

24.4%

26.8%

PROCESS IS MANUAL AND LABOR INTENSIVE

LACK OF SOFTWARE OR TECHNOLOGY

TOO MUCH NOISE ON SOCIAL MEDIA TO UNCOVER VALUABLE INSIGHTS

SOCIAL ISN'T A GOOD INDICATOR OF CONSUMER INSIGHTS AND MARKET DATA

OTHER (PLEASE SPECIFY)

Almost no respondents believe that social is a poor indicator of consumer insights and market data.

"Predictive technology to help guide marketers on what kind of content they should be creating that is likely to generate social distribution would be a helpful dataset to provide," said Rubel. "It's to show you the white spaces that a brand can credibly fulfill."

The marketing teams that find a way to simplify or automate these actions will be able to tap a vital source of UGC visuals that will work to win them their audiences.

"If we could identify trending content, that would help us to optimize our campaigns and tailor them around that," said Setrana.

CONCLUSION

5.0% 5.0% 11.9% 14.9% 11.9% 20.8% 30.7%

■ 1–VERY LOW PRIORITY	■ 4	■ 7–VERY HIGH PRIORITY
■ 2	■ 5	
■ 3	■ 6	

The visual web is now all-encompassing. Consumers expect content to earn their attention, and that's led marketers to turn to eye-catching images, videos and other captivating graphics.

It's become a matter of promoting the most data-supported, strategic visuals in a marketer's arsenal that will resonate best with consumers, a task made more urgent by competition from the glut of commercial and amateur visuals.

But most marketing teams still don't have the platforms and processes in place to increase their visual output to keep up with the slew of media and channels, not to mention unique versions of their content for different audiences. It's no easy task, especially when they're already juggling at least 3 to 5 tools and platforms to handle things like UGC management, insights and analysis.

In the end, about 58 percent are looking to consolidate those platforms, making the road from design to distribution and measurement a seamless one. Publishers are even more zealous: 76 percent are looking for an automated solution.

And this is a pretty high priority for most companies.
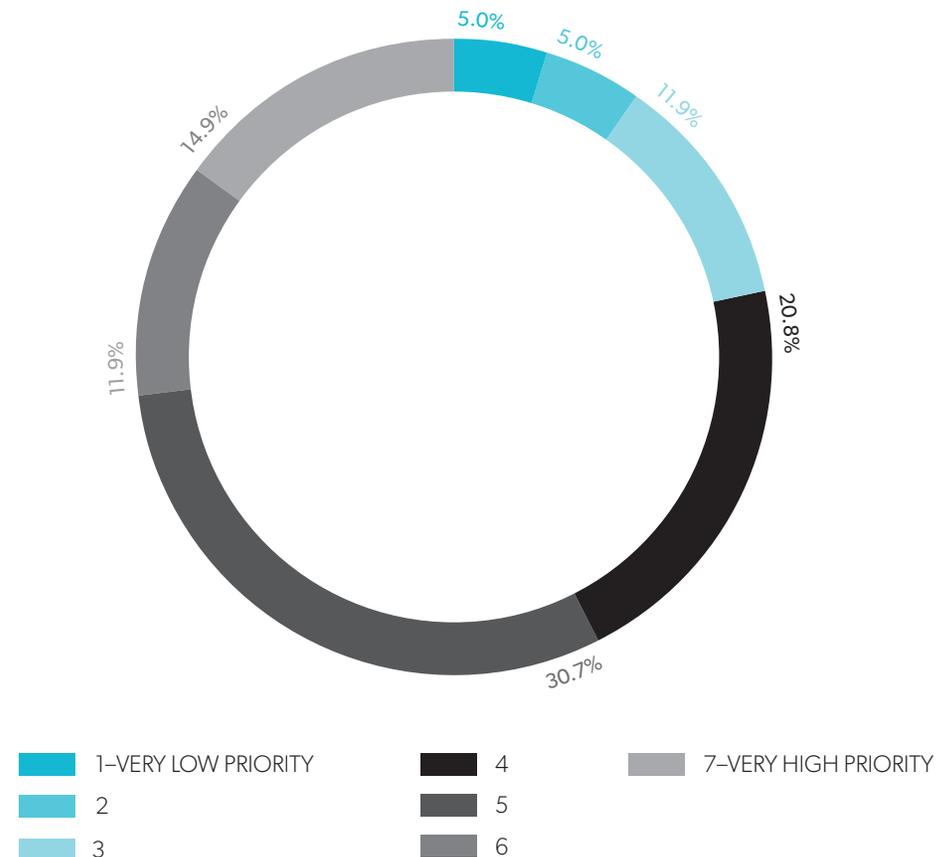
So marketers have two main choices: continue to have their teams spend time on the more tedious aspects of creating high-cost visuals; or implement the streamlined tools necessary to lift a heavy burden from their staff, freeing them to fully tackle the important creative and strategic work they were trained to do.

The right decision seems pretty clear.