



### Digiday Brand Summit

Palm Springs, California  
December 10–12, 2018

**Brands face some tough decisions ahead.** In 2018 their demands for better control over the marketing landscape -- from their agency partners to platforms -- kept rising, and that trend will become increasingly pronounced in 2019. Meanwhile, brands face challenges as they figure out how to bring more capabilities in-house. At the Digiday Brand Summit in Palm Springs, California, marketers met to discuss these challenges and what the year ahead will hold.



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## WHAT WE LEARNED

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### In-housing is complicated and varied

Brands are interested in taking more advertising functions in-house. Many have already begun the process – multiple brand marketers said they were in the process of “breaking up” with their agency partners. But in-housing happens on a spectrum – the easier things to bring in-house are creative execution, while media buying can be much more difficult. And many brands are finding it harder than expected.

- Reasons why brands want to in-house vary. Digiday+ research of 202 brand marketers in December found that most brands want to do it for increased control and speed. One marketer said agencies simply change things up too much: “The issue we had with the agency we were working with was they were constantly changing the teams they were working with and that led to a slow turn-around,” this person said.

- But still, it’s difficult to find and keep the right talent for an in-house agencies. Brands in far-flung marketers complained about finding the right people, while others are now experimenting with new models including increased remote options and flexibility.
- “Cost has to be your first consideration,” said Teresa Herd, now a vp at Intel, who up until late November ran the company’s in-house agency before it shut down. But, warned Herd, the biggest issue is often internal. For an in-house agency to work, there has to be buy-in from everyone about what it’s for.
- During an anonymous Confessions session, a media agency executive said he doesn’t think in-housing will last, because it’s not easy to fire an in-house team, whereas it is easy to fire an agency, which keeps them doing their best work.

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#### THE BOTTOM LINE

In-housing is all the rage, but brands worry that they’re biting off more than they can chew.

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### Brand purpose is tricky in the current political climate

Brand purpose is turning into one of the trickiest things for brands to figure out. Marketers overall know that it’s important for them to find a purpose and stick to it -- but it’s becoming increasingly difficult to gauge when and where they should be weighing in.

- The big shift: Politics has become culture. And brands eager to comment on culture increasingly risk veering into politics as a result. “I’ve definitely felt the pressure from leadership earlier this year to have a strategy around this,” said one marketer.
- Research suggesting brands need to be culturally relevant in order to effectively tell a brand story adds further pressure. “Where it becomes interesting is it becomes very difficult to have that strategically without touching politics,” said another marketer. “It’s going to be something all marketers feel the pressure around, if it hasn’t yet, it will in the next three years.”

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#### THE BOTTOM LINE

Brands feel the need to connect themselves with culture, but politics presents a problem.

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## WHAT WE LEARNED

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### Data strategy is an ongoing challenge

Data is turning into an even bigger of a challenge: Getting it, ensuring its quality, and figuring out how to use it.

- Some of this is because marketers report they are under more pressure than ever before to connect their spend to revenue. That's necessitated doing much better when it comes to consumer insights to connect those dots.
- The platforms remain a concern on this. More and more marketers are taking a page from DTC brands and trying to shore up their first-party data capabilities. (In some cases, it's as simple as simply asking -- eBay vp of buyer acquisition Bradford Shelhammer said he's been surprised at how much he has learned about his customers by adding questions to the eBay app asking them about their interests and likes.)
- "We put individual pressure on various platforms to understand their efficiency, but when we look ahead and at our own data, it becomes hard to connect the dots," said a brand rep. "It's Frankensteinish at times."

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#### THE BOTTOM LINE

Figuring out data remains a challenge for marketers.

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## SPEAKER HIGHLIGHTS

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**Philadelphia Eagles** svp of marketing and media **Jennifer Kavanagh** was in a fireside chat about how the Eagles are trying to build momentum during the off-season. Her key points:

- The biggest challenge is to figure out the fastest and best way to integrate various teams within the marketing and media organizations. Working cohesively together, even as channels may abound, is the challenge.
- Reality TV and football marketing can be similar: There can be a pivotal turn in a game, and people might be interested in a player, so you need to mine for storylines.
- You can't look at social as a homogenous bucket. People may watch things for longer on YouTube, but have more engagement on Instagram.

**Teresa Herd**, vp creative director at **Intel**, who led Agency Inside until it shut down in November, led a talk about the in-housing roadmap. Key highlights:

- In-housing works as long as it matches with the companies' larger business goals. When it doesn't -- Intel had a shift to focus marketing away from consumers, which is what Agency Inside did -- you have to be OK with changing strategies.
- When in-housing, look what makes sense to bring in-house from an ROI perspective.
- "You have to have support from the C-suite, we lost our CEO and CMO earlier this year, so things change," said Herd. Getting alignment on in-housing is the biggest challenge.



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## OVERHEARD

“With media and creative, and who should own video between the two, I once had a client say this: ‘I have a beautiful 90-second spot that runs in my lobby because media cannot accommodate this glorious creative work.’”

“Everybody comes in and says, ‘We’re the ones with the best source of inventory,’ and we’re like, ‘Okay?’ It’s challenging for us to -- as compared to the normal RFP process -- of who is the direct source and who we should we talking to.”

“At a creative firm, we used to hate six seconds. We love our 2-minute films that would make people cry. When you have clients just interested in performance metrics, you run into trouble. But you can tell [the story] if you’re telling one thing.”

“I think [Facebook pre-roll] is the most annoying and obnoxious ad product. It doesn’t benefit us to have ad products that are annoying to consumers.”

“On YouTube, three of our marquee accounts went dark. The customer service effort [YouTube] put in has been incredible, the ultimate damage control, granted these were big accounts. Facebook and others really dropped the ball by not taking advantage.”

“We have some brands that are more conservative so the risk thereof someone doing something crazy could tarnish. But they still do want to try influencers. It’s just how far do we go?”

“Some influencers are really shitty partners. They might be a diva, way overpriced, have fake followers. But there’s a place for a lot of added value if you find the right partner. There are two sides. They’re just very extreme.”

“Readers don’t want to manage 37 different subscriptions. They maybe want to manage one.”