HOW 5G TRANSFORMS THE CUSTOMER EXPERIENCE

(AND WHAT IT MEANS FOR MARKETERS)

MICHAEL STICH VMLY&R MMA IMPACT 3/6/19



Michael Stich

Chief Business Officer, VMLY&R

- Leads VMLY&R Advisory, a group that advises executives on innovation, growth and organizational change.
- Former CEO of Rockfish, a digital innovation agency and one of the fastest-growing mid-sized agencies in the United States.
- Served in senior marketing, strategy and venture capital roles for Bridge Worldwide (now Possible), Texas Instruments, McKinsey and Dell.
- Helped launch the first $999 multimedia PC, the Windows 2000 desktop for Dell, the integrated xDSL/802.11n/VoIP broadband gateway, and multiple consumer web and mobile innovations.
- 2016 COO of the Year (Cincinnati Business Courier C-Suite Awards).
- Happy husband and father of four, local guitarist (The Grateful Dads, St. Henry).
- Michael.Stich@vmlyr.com


VMLY&R
ESTABLISHED 2018


WE CREATE
Connected
BRANDS



WHAT IS A CONNECTED BRAND?

A Connected Brand is a brand that lives in people’s lives
by connecting with them on an emotional level
- wherever they are and whenever they are –
and inspiring them to connect with others.

TODAY

01 What’s 5G Really?

02 Result: New Experiences!

03 What 5G Means for Marketers

WHAT IS 5G REALLY?


5G FIRST

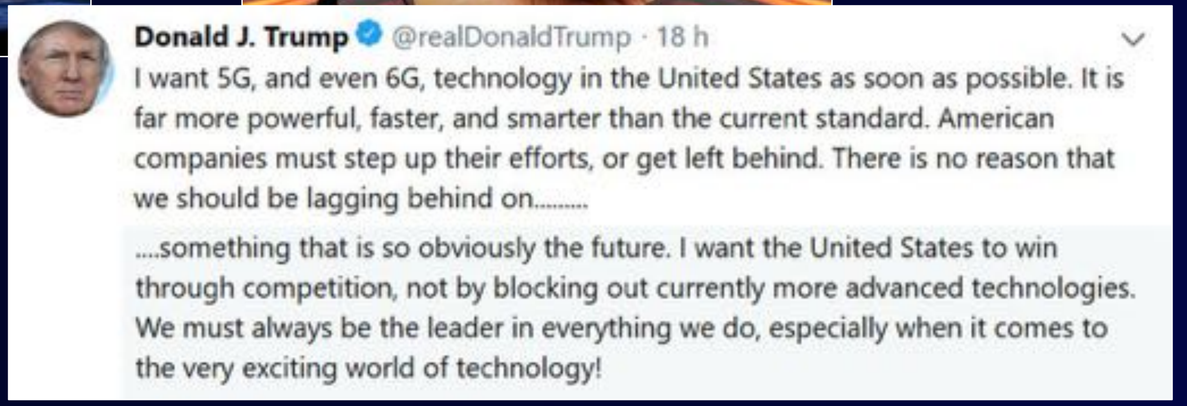

5G:
MOBILE REVOLUTION
OR
TECH HYPE?


5G Changes Everything

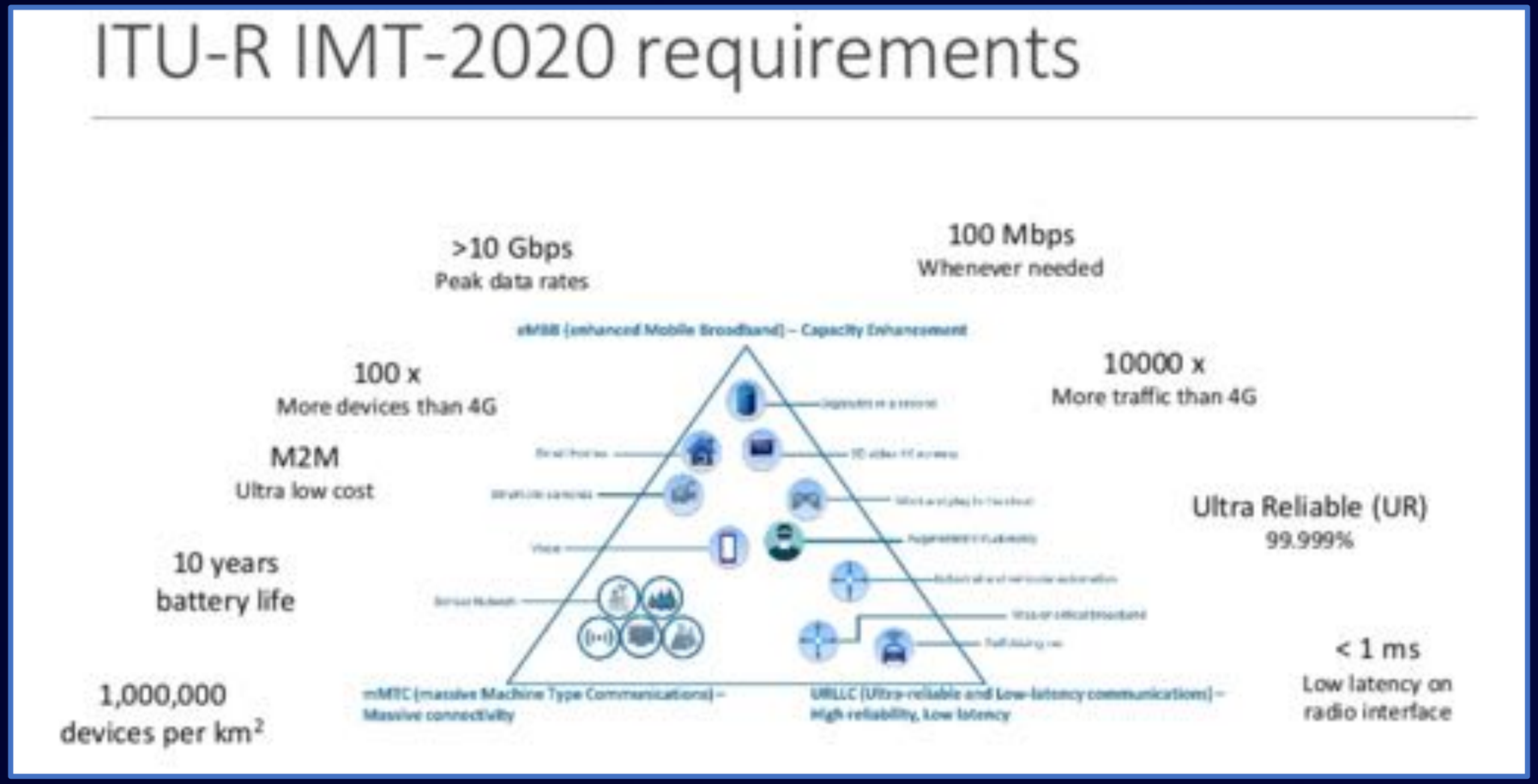



5G unlocks
the future
of immersive experiences


HUAWEI
SAMSU


Donald J. Trump @realDonaldTrump · 18 h
I want 5G, and even 6G, technology in the United States as soon as possible. It is far more powerful, faster, and smarter than the current standard. American companies must step up their efforts, or get left behind. There is no reason that we should be lagging behind on.....
....something that is so obviously the future. I want the United States to win through competition, not by blocking out currently more advanced technologies. We must always be the leader in everything we do, especially when it comes to the very exciting world of technology!

5G, SIMPLY...



- STEP-FUNCTION IMPROVEMENTS IN SPEED, COVERAGE, LATENCY, CAPACITY, POWER AND RELIABILITY.
- GREAT! SO, WHAT DO WE DO WITH IT?

5G ALSO… ENABLES MORE DEVICES...



5G ALSO...ENABLES MORE DATA

(AND FASTER DATA CAPTURE)...


Eye Tracking At Shelf


Point of Sale


Panels


Foot Traffic


Loyalty Cards


Mobile Apps


Wearables


Wireless Signals


Retailer Digital Ecosystem


Media Impressions


Focus Groups


Industry Research


Social Media


Historical Sales


Cross-Domain Tracking


Store Data


Payment Sources


In-Store Survey


Owned Property Engagement


Crowd-sourced Shelf Audit


Smart Phones & Tablets


Front of Store Image Recognition


In-Store Pathway Analysis


Image Recognition


Facial Recognition


Ocular Recognition



Character Recognition


Geo-location


Temperature


Ambient Light


Humidity


Barometric Pressure


Blood Contents


Sweat Contents


Weight


Bacteria/Virus Detection


Skin Conditions


Aura

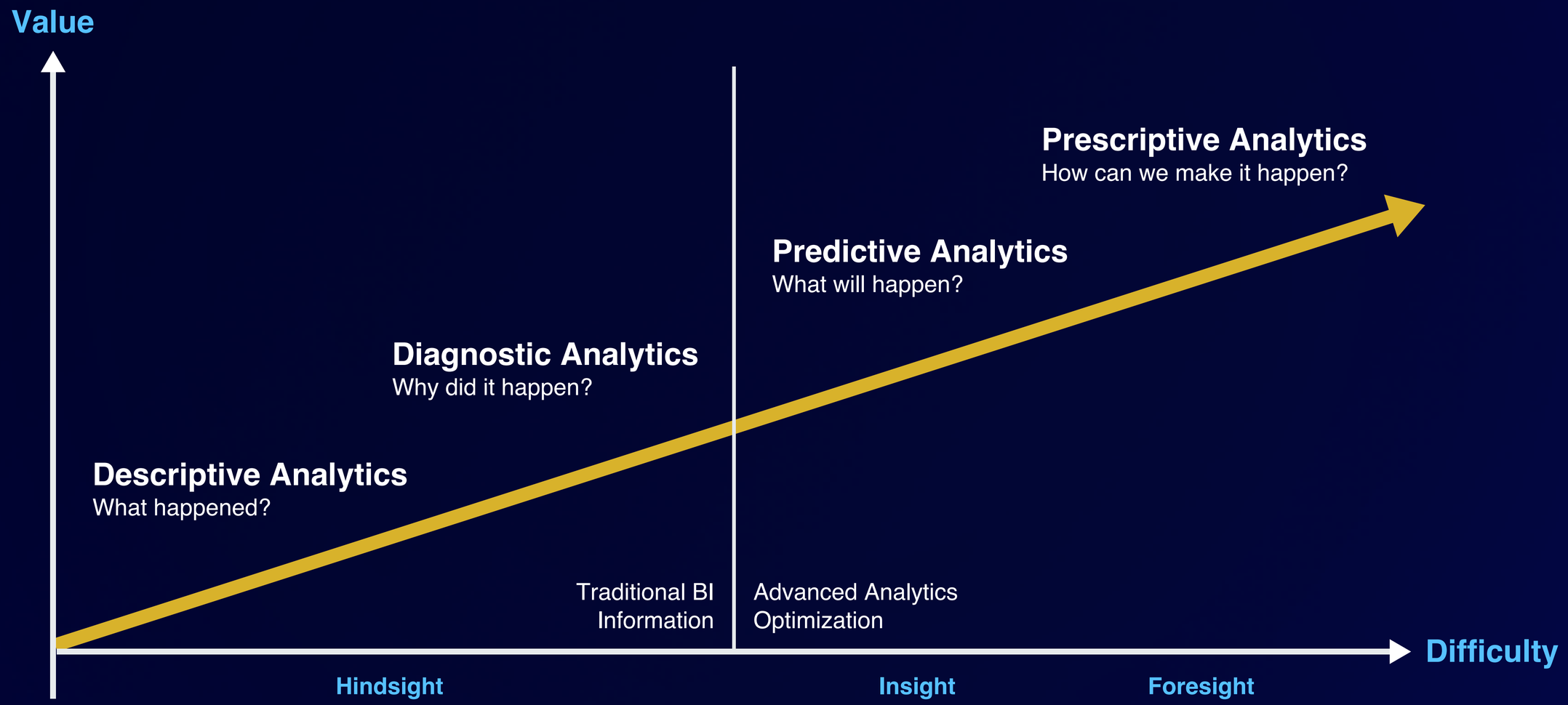

Chemicals in Air


Movement

Heart Rate

Breathing Rate

5G ALSO...ENABLES BETTER INTELLIGENCE...



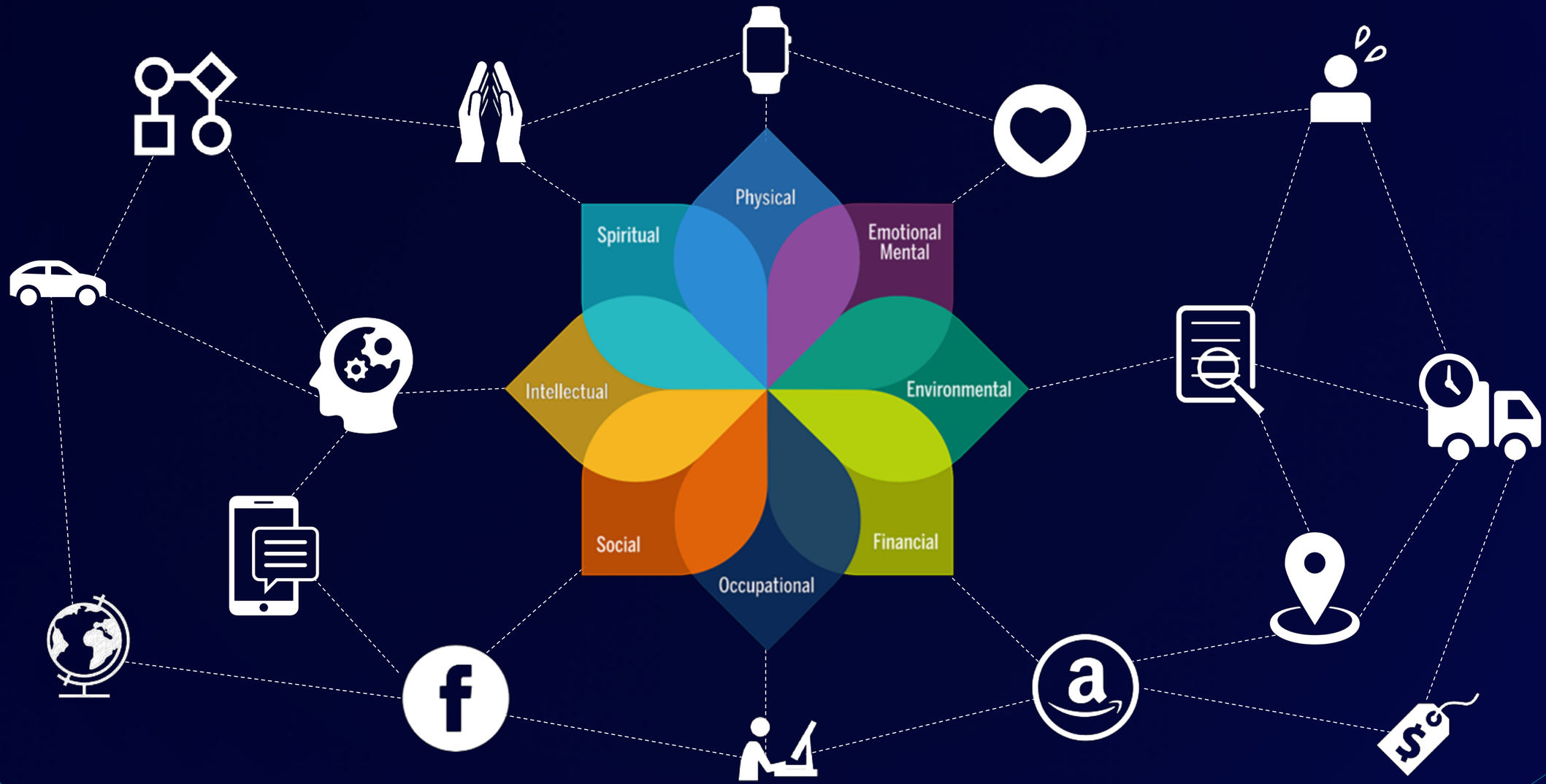
5G ALSO...PUTS US AT THE CENTER

(RATHER THAN OUR PHONES)...



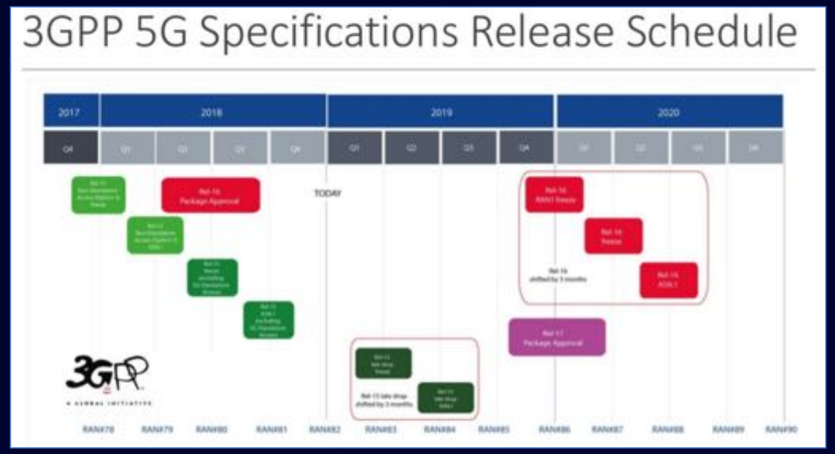


IN THE END, EVERY ASPECT OF OUR LIVES WILL BE TRANSFORMED.

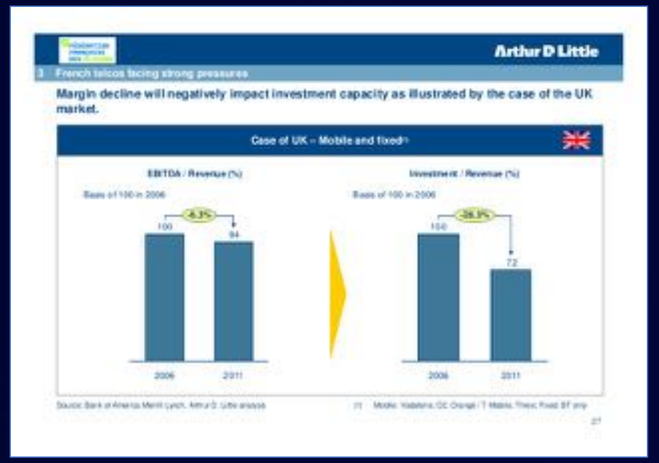


5G CAVEATS: WE'RE NOT THERE YET!

STANDARDS



CARRIER CAPEX AND COVERAGE



CITY-LEVEL ECONOMICS



POLITICS











THE NET RESULTS:
NEW EXPERIENCES!

KNOWING US BETTER THAN WE KNOW OURSELVES



“PERFECTED” COMMUNICATIONS



SMARTER PRODUCTS & SERVICES THAT LEARN AND IMPROVE

PROACTIVE AUTOMATION OF TASKS & SERVICES



FROM POINT PURCHASE TO DYNAMIC SUBSCRIPTIONS





PERSONALIZED, REAL-WORLD EXPERIENCES



MEANINGFUL, COMMUNAL EVENTS



RISKS WILL ALSO INCREASE

Privacy

Security

Reliability

Morality

Unemployment

Control

Unknown!

WHAT 5G MEANS FOR MARKETERS

BACKGROUND:

CMO'S ARE ALREADY ASKED TO DO A LOT!

PREDICT THE FUTURE	DELIVER REAL & SUSTAINABLE GROWTH	EVOLVE EXISTING CAPABILITIES	DRIVE ORGANIZATIONAL CHANGE	FORM & MANAGE PARTNERSHIPS
Be the vision and voice of marketing and brands	"Own" the customer mindshare & relationship	Own the enterprise digital strategy	Lead the culture of digital transformation	Lead make/buy/partner decisions
Anticipate market disruptors	Own and deliver ecosystem marketing content	Increase roi through automation	Evolve the org structure and incentive models	Own corporate partnerships (fb, amzn, googl)
Align market fragmentation to future business strategy	Business-based spend justification (cpm -> roi)	Partner with cio to future-proof scale platforms	Implement a market-responsive agile workforce	Lead martech relationships (msft, ibm)

CMO, the Future CEO

From marketing excellence to key agent for change.

BACKGROUND:
BRANDS ALREADY SEARCHING FOR GROWTH THROUGH NEW MODELS. AGENCIES FOLLOWING SUIT.

New Brand Models

P&G joins sustainable subscription model with Loop

General Mill's 301 Inc. invests in Goodbelly probiotic foods and brings brand-building expertise

Chobani launches grants-based incubator for startups

Spark Therapeutics pioneering performance-based payments and rebates for gene therapy cures

Kellogg's launches $100M innovation fund for startups

LVMH buys Belmond, expanding into luxury hotels, ships and trains

DTC startups now in thousands of owned stores and pop-ups

New Agency Models

Omnicom creates bespoke agency model We Are Unlimited for McDonald's

VMLY&R piloting Hybrid Talent model of content and data experts within Unilever brands

Vayner charges clients based on overall lift, in exchange for autonomous planning/buying

Red Fuse exploring Agency Reseller model with Colgate

WPP deploys a flexible, full-service COE focused on selling through Amazon

Publicis and WPP combine to form P&G's "People First" agency pilot on fabric care

VMLY&R and Microsoft deploying revenue-sharing models focused on healthcare and retail martech

Background:
MARKETING TACTICS ALREADY IN OVERHAUL

New Tools for Connected Consumer Experiences



Local Geotargeting
Search
In-App Display
Direct Mail (Millennials!)
Site Search



Personalized Decision Tools
Video Demo's
Ratings/ Reviews



Personalized Offers
Group Buying and Lists
Personalized Storefronts
B2B Community

Mobile Payments
In-App Services
Customer Portals
Subscriptions
Voice Ordering
Supply Chain Flexibility/ Transparency

INSPIRATION ENGAGEMENT COMMITMENT

WHAT IT MEANS FOR MARKETERS

MORE OF THIS

Rich Video Communications

Image Recognition

Flexible, Dynamic Delivery

Augmented Reality

Customizable Video

Personalization

Geo Context as Standard

Dynamic Context

Personalized Decision Tools

“Group” Actions

Virtual Reality

Surveillance

LESS OF THIS

Single-Version Content

Tweets

Device-Dependent Experiences

Local Media Storage

Unencrypted Content

Text-Only Content

Voice-Only Interfaces

Unrecorded Experiences

Static Content

- More rich, real-world and hybrid experiences, delivered more intelligently and locally.

- Less one-size-fit-all, disconnected and unconsidered experiences.

WAYS TO WIN: 4 PILLARS

History will rhyme: The future of brands revolves around people.

1 **Values & Authenticity**

Provide consumers clarity on brand promise, and commitment to deliver it.

2 **Consumer Co-creation**

Meet heightened expectations from consumers through enlistment and collaboration.

3 **Mass Personalization**

Build, model and scale custom solutions seamlessly and creatively.

4 **Experiences & Services**

Create new products, experiences & services that create real value for consumers.

TODAY

01 What’s 5G Really?

02 Result: New Experiences!

03 What 5G Means for Marketers


VMLY&R
THANK YOU!