

The New 



# LOCALISM

Why Local Markets *are*  
Best Positioned *for* Growth

LIVE WEBINAR CHAT

THURSDAY, NOV. 17, 2016 | 2 PM ET



Maribeth Papuga

Executive-in-Residence

BIA/Kelsey

@maribethpapuga

Rick Ducey

Managing Director

BIA/Kelsey

@rducey

Stacey Schulman

EVP

Katz Media Group

@staceyschulman

Welcome!

Webinar Topics

A new day for data.

The New Localism.

Local broadcasters in digital age.



**Rick Ducey**  
**Managing**  
**Director,**  
**BIA/Kelsey**

# Maribeth Papuga

## Executive-in-Residence, BIA/Kelsey

- Maribeth Papuga, a 25-year media, marketing and advertising veteran, serves as executive in residence to BIA/Kelsey.
- **Advises BIA/Kelsey and participates in its practice areas including industry coverage, research, consulting, and forecasting projects related to local media strategy and investment.**
- Specific concentration: local activation of national brands and overall media strategy as it relates to local measurement and investments.
- Throughout her career, Maribeth has championed the benefits of local media, continuously advocating that audiences gathered by local media offer marketers the ability to geotarget campaigns that drive brand and performance lift and deliver audience extension to national-only campaigns.
- Maribeth has received a Mediaweek Media All Stars award for Spot TV and has previously chaired the AAAA Local Television and Radio Committee.



# Stacey Lynn Schulman



## EVP, Strategy, Analytics and Research, Katz Media Group.



- In her role, Stacey leads a team of professionals across both Katz Radio and Katz Television Groups, to provide world-class audience and consumer analytics for Katz partners, advertisers and agencies.
- **Stacey is focused on developing new insights, techniques and approaches that champion local media, bringing additional revenue into the radio sector and expanding the target-ability of broadcast television.**
- Stacey joined Katz from TVB, the television station marketing association, where she served as Chief Research Officer, responsible for driving insights on the value of local broadcast television. Her career has been largely centered on radio and television at broadcasters (CBS), cable networks (Turner) as well as a 10-year career in media and advertising at the Interpublic Group of Companies.
- Stacey is the Gold-medal recipient of the ARF's Great Mind award in Innovation, a Mediaweek Allstar, an Advertising Age Media Maven and was the first research professional to be inducted into the American Advertising Federation's Advertising Hall of Achievement.





# A new day for data.


**mike murphy**   
@murphymike







I've believed in data for 30 years in politics and data died tonight. I could not have been more wrong about this election.


RETWEETS  
**2,027**

LIKES  
**3,105**



11:49 PM - 8 Nov 2016

 2K 3.1K





**mike murphy**   
@murphymike

GOP Strategist. NBC Analyst. Senior Fellow at Harvard Belfer Center. Writer/Prod in Hollywood. Tweets are my personal view. Host of the Radio Free GOP podcast.

 Los Angeles  
 [RadioFreeGOP.com](http://RadioFreeGOP.com)  
 Joined February 2009

# What signals are we missing?

## THE WALL STREET JOURNAL.

CIO JOURNAL.

### The Morning Download: Missed Signals

By [STEVE ROSENBUSH](#)

Nov 9, 2016 7:56 am ET

0 COMMENTS



# “Six marketing clouds walk into a bar . . .”



- *Deliver exceptional customer experiences with personalized campaigns.*



- *The marketing cloud that marketers love and IT trusts.*



- *Eight solutions that help you give customers exactly what they want — at exactly the right moment.*



- *The future of marketing is 1:1 customer journeys.*



- *Create and deliver intelligent interactions, every time.*



- *From acquisition to advocacy, drive measurable results.*




Jeremy Waite  
Strategic Marketing Evangelist  
IBM



# “Why are all marketing clouds the same?” Um, they’re not.

Data from six systems loaded into Watson and voila, six answers.




**Adobe**


- You are opinionated and expressive.
- You are philosophical: you are open to and intrigued by new ideas and love to explore them.
- Your choices are driven by a desire for **efficiency**.
- You are relatively unconcerned with both tradition and taking pleasure in life.
- You care more about making your own path than following what others have done and you like to tell people about it.
- You love creating things that matter – especially for large groups of people.

SELF-CONSCIOUS 19%

HEDONISM 5%

ADVENTUROUS 96%






**IBM**


- You are shrewd and somewhat critical.
- You are energetic: you enjoy a fast-paced, busy schedule with many activities.
- You are assertive: you tend to speak up and take charge of situations, and you are comfortable leading groups.
- And you are self-controlled and you have control over your desires.
- Your choices are driven by a desire for **discovery**.
- You are relatively unconcerned with both tradition and taking pleasure in life.
- You may be the smartest person in the room but you are unlikely to tell jokes or be the centre of attention.

ACTIVITY LEVEL 99%

TRUST 99%

EMOTIONAL RANGE 95%






**ORACLE**


- You are opinionated and excitable.
- You are assertive: you tend to speak up and take charge of situations.
- You are mild-tempered: it takes a lot to get you angry.
- You enjoy **selling** your ideas to others.
- Your choices are driven by a desire for improvement.
- You are relatively unconcerned with both tradition and taking pleasure in life.
- You care more about making your own path than following what others have done.
- You take pleasure in the commercial success of others.

ASSERTIVENESS 99%

MODESTY 5%

SELF-TRANSCENDENCE 40%






**Experian**


- You are self-controlled but can be explosive.
- You are assertive: you tend to speak up and take charge of situations, and you are comfortable leading groups.
- You are trusting of others.
- You believe the best in others and trust people easily.
- Your choices are driven by a desire for efficiency.

AUTHORITY CHALLENGING 94%

TRUST 99%

EMOTIONAL RANGE 95%






**Marketo**


- You are eager to please, slightly critical and expressive.
- You are dispassionate: you do not frequently think about or openly express your emotions.
- And you are assertive: you tend to speak up and take charge of situations, and you are comfortable leading groups.
- Your choices are driven by a desire for efficiency.
- You care more about making your own path than following what others have done.
- You think people can handle their own business without interference.

INTELLECT 96%

AGREEABLENESS 1%

ACTIVITY LEVEL 98%






**salesforce**

- You are critical and explosive.
- You are self-controlled: you have control over your desires, which are rather intense.
- You are trusting of others: you believe the best in others and trust people easily.
- You are mild-tempered: it takes a lot to get you angry.
- Your choices are driven by a desire to inspire and impress others.
- You don't find taking pleasure in life to be particularly motivating for you.
- You prefer activities with a purpose greater than just personal enjoyment.

ASSERTIVENESS 98%

LIBERTY 79%

EMOTIONAL RANGE 95%



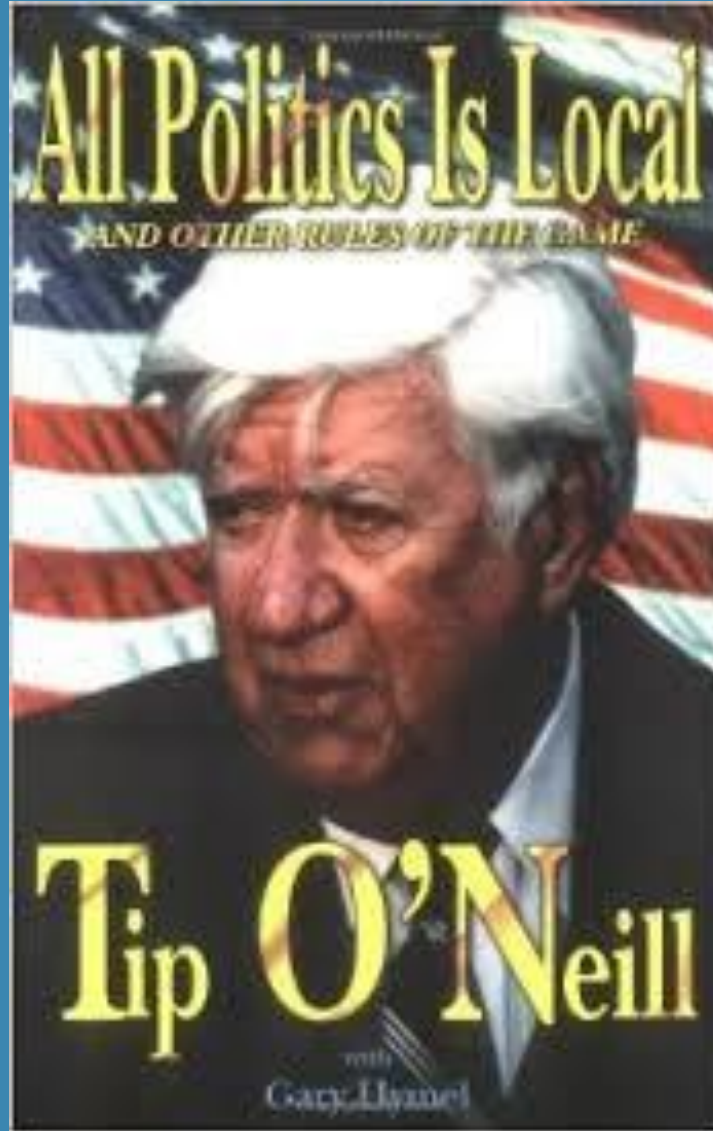
Scott Brinker, “Six s Clouds Walk into Dr. Watson’s Psychology Lab at MarTech,” [chiefmartec.com](http://chiefmartec.com)



Signal and Noise

Data without context is noise.  
The “New Localism” brings  
context back to marketing.

# Local is a part of us, gives us context.



Maribeth Papuga

# The New Localism



## Defining the New Localism

An economic evolution influencing sustainable local consumption, competitiveness and inclusion

# Factors That Give Rise to Localism Efforts

- Federal policy dysfunction and funding cuts
- Slow economic growth, shifting demographics and diverse community needs
- Vulnerability of one cluster economies
- Data and technology advancements
- Local government transparency and community inclusion
- Unstable business and job development practices
- Stronger emphasis on sustainability and resilience

# Localism is Leading With Purpose

- Synchronizing community action to satisfy a broader blueprint
- Managing the transitional needs and establishing new rules of local engagement
- Embracing and attracting new partnerships to remain inclusive





# The New Localism Movement Presents Challenges & Opportunity

Marketers and the broader ecosystem is largely unaware of subtle competitive shifts

- Local and regional metros are collaborating to improve local economic development
- Shift toward promotion and support of localized business
- Building stronger and more inclusive businesses is a key goal
- Walkability, access to transport and improved projects for public spaces are influencing a renewed interest in attracting civic pride and new business development
- Shifts in national chains, real estate development and business incentives are being reimagined through local co-op groups and united citizen leader
- The 3P's (Public, Private Partnerships) are enhancing the civic and private industry benefits
  - Marketers can align/compliment non-profit and corporate investments



## The Localism Movement and Its Elusive Data Insights

BY MARIBETH PAPUGA

THOUGHT LEADERS

APRIL 13, 2016



# Why Localism Should Not Be Overlooked

No matter what your role and responsibility, local market literacy is important

| <i><b>Group</b></i>                                  | <i><b>CONSIDERATIONS</b></i>                                                                                                                                                                                                                                                                                                                     |
|------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <i><b>Marketers</b></i>                              | <ul style="list-style-type: none"><li>▪ Reliance on data and traditional marketing models have been largely bias toward aggregation and cost</li><li>▪ Due to corporate consolidation and national distribution, a generation of marketers may not understand the complexity of US markets and their differences to national averages.</li></ul> |
| <i><b>Agencies</b></i>                               | <ul style="list-style-type: none"><li>▪ The break up of full service advertising agencies over the last twenty years, along with the explosive growth of new media channels, has shifted these firms emphasis toward improving technical expertise and media buying leverage in lieu of local market research study.</li></ul>                   |
| <i><b>MEDIA</b></i>                                  | <ul style="list-style-type: none"><li>▪ Media channels are generally more involved in the local markets they serve but have been handicapped in promoting local market value due to the emphasis on advertising media cost as a key point of evaluation by marketers.</li></ul>                                                                  |
| <i><b>Data Analysts and Measurement Services</b></i> | <ul style="list-style-type: none"><li>▪ The advanced need for data experts across the emerging and traditional media has integrated new talent that may unwittingly be establishing data matching preferences that ignore the local market contextual differences</li></ul>                                                                      |
| <i><b>Tech Developers and System Providers</b></i>   | <ul style="list-style-type: none"><li>▪ New technology should make it easier to develop dashboards and management systems that enable better forensic analysis and market comparison within and across local markets as well as tracking these nuances when aggregated.</li></ul>                                                                |

# Local Literacy Skills in Steep Decline Among Marketers/Agencies

## Industry Consolidation Has Mitigated Local Market Analysis and Study

### Traditional Market Practices

- ▶ Full Service Agency/Marketing partnerships, graduated product rollout, and market conquests
- ▶ Deep site study, market evaluation and competitive analysis
- ▶ Local cultural tastes and customs factored into messaging and distribution
- ▶ Incorporated local civic advancements and population estimates into planning
- ▶ Reviewed context and perceptions relative to local factors

### Current Market Practices

- ▶ Nationally scaled rollouts and programs
- ▶ Reliant on digital advancements to cover local market needs
- ▶ Procurement and bottom line efficiency steer important considerations that mute local market insights
- ▶ Increased advertising channels creating more complex environment and resources
- ▶ Technology and data automation provide false security around local intelligence



# Shifting Demographics Have Greater Influence

# Demographic Shifts are Influencing Local Policies & Services

- 20% of Americans will be 65 or older by 2020
- By 2044, the US will be a no-majority nation
- Confluence of demographics is altering how markets build out products and services for diverse constituents and workforce
- Individual metros, primarily in the SW, already display these predominant demographic trends



# Metro Economies & Trends Are Driving Local Prosperity Discussions



# Metro Economies and Economic Development

## Advocating for Broader Local Market Control

- Attract Advanced Industries
- Incubate and support Small Business
- Create a resilient infrastructure and support sustainable solutions
- Shift emphasis toward local market assets versus reliance on incentivizing large companies



# Non Profits Are Leading the Charge



INSTITUTE FOR  
Local Self-Reliance

Formed in 1974, ILSR champions local self-reliance, to satisfy the goal of creating humanly scaled institutions and economies to maximize distribution of ownership.



In 2015, Bloomberg Philanthropies launched What Works Cities to assist 100 mid-sized American cities enhance their use of data to improve services, inform local decision-making and engage residents.



The Business Alliance for Local Living Economies (BALLE) represents thousands of communities, funders, and investors and seeks to create real prosperity by connecting leaders, spreading solutions and driving investment resulting in strong local economies.



Project for Public Spaces (PPS) was founded in 1974 as a planning, design and educational organization dedicated to helping people create and sustain public spaces that reinforce stronger communities.

# Bottom Up Philosophy is Driving Local Initiatives

## Prioritize Local Origination & Support

- FOOD
- FINANCE
- NEWS
- CHARITY
- HOUSING
- PLACE
- DIVERSE SERVICES



# Using Localism To Build Brand Equity



Branding & Promotion For Good

- Deluxe corporation commemorated its 100th Anniversary by creating “Small Business Revolution” and showcasing 100 small businesses from across the US.
- Followed up by a documentary film about the strength of small business that led US out of recession.
- This led to a specific effort on a small town America contest and the pledge of \$500,000 to a winning community.



## The Result

- Over 10,000 entries
- Wabash, IN won in May, 2016
- Provided business advice and supported downtown makeover
- Included an eight episode series documenting each business and the results
- Deluxe solidified its partnership with current and potential customers while capitalizing on local market economic development.

# Audience Data + Market Context = Better Information

- Market level literacy reveals thriving competitive environment that is muted nationally
- Data science and tech development could miss important insights without broader local market signal inclusion
- Local government migrating to open source data collection and more transparency may require similar openness in marketing and advertising data
- Changing demographic and economic conditions are altering service needs and access
- Local market revitalization initiates renewal of community investment, new fund sources
- Rise in walkable cities and multi-generational services introduces opportunities for marketers
- Local media has opportunity to be critical conduit of local information and knowledge leader



# Key Takeaways & Considerations

## Multiple opportunities deserve deeper discussion

- Local market knowledge and expertise is lagging within and across the broad marketing ecosystem.
  - Dependency on data requires industry education and discussion on how technology can aid development of new products to facilitate
- The local markets are building unique capabilities to capture and use local market data to better inform and provide local services
  - Demographic and economic shifts impact consumer choices, supporting local business in lieu of online or national chains is important trend to study.
- All consumers are local consumers and relevant messages matter
  - Purchase patterns online and data attribution may miss important signals without building in market assumptions relative to local mindset and conditions

# Key Takeaways & Considerations (cont.)

## Multiple opportunities deserve deeper discussion

- Local market policies around data collection and usage could impact marketers
  - As cities and metropolitan areas utilize more data within local markets, privacy issues and associated legislation could develop
  - Open source and transparency of data sources is gaining more traction
- Media fragmentation is making local market data more important
  - Aggregation of single sources or client specific data misses context and market factors that hinder predictive modeling
  - A new type of data analyst who understands these differences is important
- Academia could help drive local market literacy
  - Marketing/Communication, Data Science, Journalism departments should partner on curriculum that includes cross pollination with economic development, public policy, urban geography and other course work .

# Let Us Put Our 30+ Years of Experience & Success to Work for You.

Founded to serve the specialized needs of radio, TV & newspaper.

Gained reputation as for leading firm for valuation & appraisal services.

Acquired The Kelsey Group and became BIA/Kelsey to expand media services.

Became well-known, respected for our award-winning industry data and research.

Expanded to offer private investment & banking services.

Leading local with a full suite of services & products that cover the digital transition and its implications for companies in the local media ecosystem



**What's 'next' when it comes to paid local digital advertising? We'll answer at BIA/Kelsey NEXT.**

**Programmatic | Video Adtech | Digital Analytics | Multicultural Digital Marketing | Content Marketing  
| Location-Based Attribution | Mobile Measurement | Brand Intelligence with AI**

[www.biakelsey.com/next2016](http://www.biakelsey.com/next2016) | Save \$100 off registration with code: EXCITE



Guiding **Media**. Inspiring **Innovation**. Leading **Local**.

# Questions & Comments:

---

Rick Ducey

Managing Director

[rducey@biakelsey.com](mailto:rducey@biakelsey.com)

@rducey

© 2016 BIA/Kelsey. All Rights Reserved.

This published material is for internal client use only. It may not be duplicated or distributed in any manner not permitted by contract. Any unauthorized distribution could result in termination of the client relationship, fines and other civil or criminal penalties under federal law. BIA/Kelsey disclaims all warranties regarding the accuracy of the information herein and similarly disclaims any liability for direct, indirect or consequential damages that may result from the use or interpretation of this information.