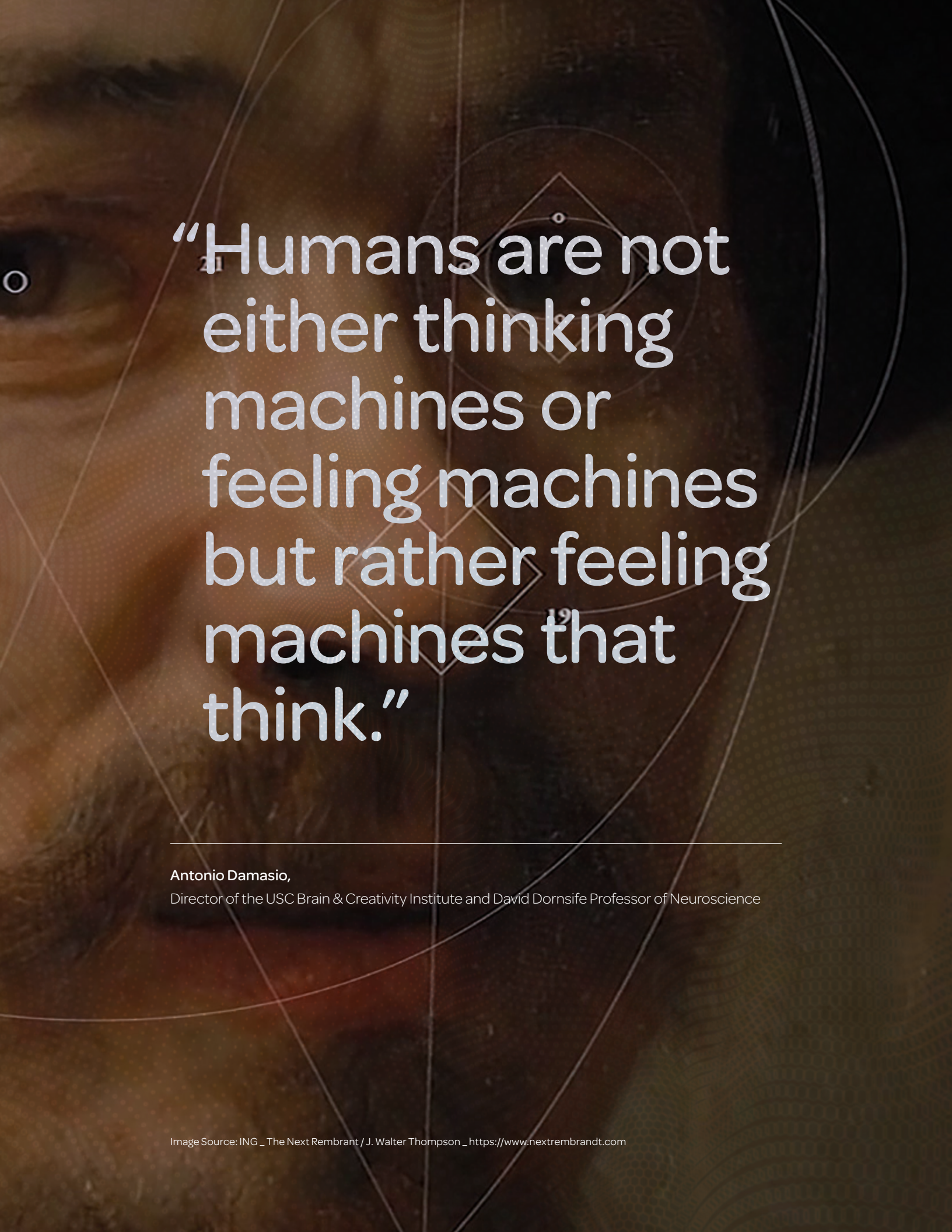


Paradox

Feeling Machines and the Rise of Post-Modern Marketing

June 2017

Introduction



“Humans are not
either thinking
machines or
feeling machines
but rather feeling
machines that
think.”

Antonio Damasio,

Director of the USC Brain & Creativity Institute and David Dornsife Professor of Neuroscience

Our Post-Modern Marketing Thesis

Starting with the rise of the Internet and, then, the advent of marketing technology, the era commonly called “Modern Marketing” was born. As Modern Marketing gained traction, marketers increasingly shifted their emphasis away from intuitive creativity and human emotion in the search for more predictable and measureable results. Post-Modern Marketing represents a necessary correction. It is about restoring the balance between art and science. It corrects the left-brain lean toward data-driven marketing “math,” and re-emphasizes creativity that touches human souls.

Every once in a rare while the future “tunnels” into the present, and you’re shown a glimpse. But only once (so far) has a Dutch master dead some 347 years had a hand in it. Or a brushstroke.

In April 2016, Dutch bank ING literally boggled the art world (and the whole world) by unveiling a “new” Rembrandt portrait, born of artificial intelligence and 3D printing – but, paradoxically, imbued with surprisingly authentic human emotion. ING, a longtime supporter of art and culture as part of its overall marketing and community relations programs, made an extraordinarily bold decision to pursue that paradox. ING leveraged its advertising budget to raise awareness of Dutch art in a way that also raises important questions about marketing, technology, humanity and soul. In this, ING succeeded.

ING’s agency, J. Walter Thompson Amsterdam, brought in Microsoft and Dutch art experts to help turn its Rembrandt dream into a real painting. They scanned Rembrandt’s 346 known paintings, using AI to understand, and reproduce, how the 17th century Dutch master painted faces, and height mapping technology to analyze his brushstroke technique. The AI created a “new” face, and the portrait was “painted” in 13 layers by a 3D printer loaded with special paint-based ink. More technical details explaining ING’s and JWT’s achievement are in a later chapter of this book, which is being created chapter-by-chapter and will be released over time during 2017.

The paradox of leading-edge technology creating art with authentic human emotional impact via a marketing campaign generated wave after wave of engagement in both traditional and social media. Among the more than 1,400 articles written about “The Next Rembrandt,” The Wall Street Journal said, “It looks exactly like a Rembrandt. It’s mind boggling”; and The Guardian noted the project’s goal to be “the start of a conversation about art and algorithms.”

Neither was the paradox lost on the millions who tweeted: “Sacrilege or utter brilliance?” or “WOOOWWW. Data used to touch the human soul.” All of which was summed up by one tweeter who pointed out, “What a time to be alive, friends.”

In all, JWT estimates 1.8 billion media impressions (both digital and analog) valued at 12.5 million euros, or about \$14.3 million (at the prevailing April 2016 EUR-USD exchange rate). On launch day, ING’s stock value increased 1.22%, and Google search interest for ING increased 61.29%. Impressions and interest continue today. And the technology J Walter Thompson helped develop is being used now for restoration of damaged and partially lost masterpieces.

“The Next Rembrandt” offers visibility into a fast-approaching new future of marketing. It’s being driven by the breathtakingly fast advancement of digital technology and its unfathomable ramifications. But it is driven equally by a high-touch reaction and re-set – a necessary reclamation of marketing’s roots which lie at the core of human emotion. That paradox – advancing technology enabling heightened creativity that touches the soul – is fueling the rise of Post-Modern Marketing.

This re-balance is necessary because the steady rise of modern digital marketing technologies has tended to obscure marketing’s emotional roots. “In the pre-modern marketing world – the Mad Men era – there were abundant amazing and iconic ideas that were of, and at one with, popular culture,” notes Tom Stein, chairman and chief client officer of global agency Stein IAS, and a contributing author to this book. “Brand and marketing ideas were not yet tethered to science and the purely rational.”

Think about Volkswagen’s “Think Small” campaign, Avis’ “We’re No. 2” or Apple’s “1984.” Like “The Next Rembrandt,” these campaigns took bold risks. In return, they touched deep human emotions whose resonance would embed the brands in people’s long-term emotional memories. But unlike “The Next Rembrandt,” they did not have access to the technologies, data science and digital-social-mobile ecosystem that elevated it to such heights.

“The emotional roots of advertising and marketing are from a time when people didn’t torture brands the way we tend to do now. People were out there doing things that would become powerful, emotional, fun and memorable; there was less granular scrutiny. So a brand was a much less self-conscious thing, more free to be intuitive,” Reuben Webb, Stein IAS’ chief creative officer, explains. But that pre-modern marketing world of the ‘60s, ‘70s and ‘80s ended quickly toward the late 1990s. That’s when there arose the Internet, all-things-digital and, later, as **described by Oracle**, “the paradigm of inbound marketing programs driven by digital channels, served by multiple touches, measured by sophisticated technologies – and where data analysis is king.”

Modern marketing’s measurability trumped other considerations; it’s not that marketers wanted to be less creative. The perseverance of ING and others show the opposite is demonstrably true. It’s just that instances of such bold and resonant marketing are considerably fewer, and farther between.

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The reason being, that marketers' attention naturally shifted toward the shiny new object of digital marketing deployment and investment return – call it digital marketing math. The math told marketers that investment X would yield return X+Y – and they could count on it. And because modern marketing math works a magic of its own when it comes to ROI, its emergence skewed marketing's traditional tendency toward art way over toward the science. If the digital marketing math works – who needs art?

Forrester Research coined a term for this; they called it “left-brain marketing.”

Increasingly, however, marketers have come to realize those equations are incomplete. Digital marketing solves linear equations in an increasingly non-linear world. Powerful as it is, modern marketing math doesn't fully account for the intuitive, emotional magic that characterized pre-modern marketing.


Of course, it never had to be digital math or emotional magic. It always should have been and. Unfortunately, the finite nature of human attention caused marketers to lose sight of the fact that we can make cool, fun and interesting things, and still use technology to make them even cooler and more interesting as well as measureable and accountable.

But digital technology does nothing better or faster than advance like crazy. Like ING, other glimpses we've had of the emerging next-generation of AI-driven marketing technologies have taken our breath away. They fuel powerful visions of truly individualized brand-customer interaction and fantastic, new customer experiences.

Best of all, they promise a necessary rebalancing: whether you lean left brain or right, marketing today needs both lobes working as one. And it's beginning to look like machine learning and other developing technologies are apt to bring those lobes back into close collaboration.

Take the work of Persado, a marketing AI company whose technology creates, tests and optimizes alternative language to increase engagement and conversion. At a May 2017 conference in New York City, Persado chief operating officer Greg Dale explained, “We are finding through algorithmic analysis that a lot of clients don't use enough emotional content in their messaging. This insight helped Choice Hotels, for example, increase response to its messages. Brands want this relationship, they want to have that personalized feel, but you can't have a personalized feel if you don't talk to a person, like a person.”

“It's a huge irony that a bunch of mathematicians have figured out that it's actually the emotional content that has the biggest impact on the performance of messaging,” Dale concluded.



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This is what we mean
by Post-Modern
Marketing, and why
we believe it will be
a time of immense
opportunity.

The technologies that brought us modern marketing – digital detection of audience members’ “information exhaust,” the big data analytics to interpret it and the programmatic systems that automate marketing activities based on it – will continue to rapidly evolve.

Natural language recognition and artificial intelligence are layering atop that modern marketing technology stack to enable highly personal – and in fact, individualized – conversations between brands and each audience member, automated and at scale.

Together, these technologies dramatically raise the bar on brand and customer experience, enabling brand drivers and business objectives to be automatically embedded into all forms of brand-customer interactions – leading to the emergence of a kind of omni-experiential brand-as-platform.

None of this can succeed without harking back to marketing’s “pre-modern” era – finding and leveraging brands’ emotional truths – and embedding them into the artificial intelligences that will direct automated brands-as-platforms.

Similarly, Post-Modern Marketing is unlikely to work without the right organization to support it. And most marketing organizations and agencies are a ways away from the post-modern processes and culture that are required.

Post-Modern Marketing will bring about a new era in which marketers will have unprecedented ability to do what they've always done, at their best: find the right person for a brand's message/product/service, at the perfect moment, and engage him or her with that brand's story in an authentic way that creates a lasting emotional impression of brand value. It will bring a much-needed rebalancing of marketing science and human emotion, on the back of new technologies that can help researchers and creatives alike find, touch, and engage human emotions as well as or better than modern marketing technology can count impressions.

Reprising the tweet in response to ING's
"Next Rembrandt":

what a
time to
be alive.



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Feeling Machines and the Rise of Post-Modern Marketing

tells the story of marketing's transformation – from pre-modern to modern to post-modern. From interrupt-driven advertising and mass media to the powerful, enriching, incredibly relevant experiences that rely on the Mad Men and Women within us – while calling equally on the Mad Scientists we must become!

01 | The Pre-Modern Era

Our emotional roots; touching human hearts in mass marketing during a homogenous cultural era

02 | Modern Marketing

Technology fragments culture and modern marketing emerges

03 | Post-Modern Marketing Emerges

It both untethers and tames technology to create emotional truth in the service of near-future brands and their customers

04 | The Near-Future of Marketing Tech

Massive personalization, AI, natural language ...

05 | The Near-Future of Creative and Content Experiences

How human intuition fuses with emerging technologies to inspire customers, collectively and individually, as never before

06 | The Near-Future of Customer Interactions

Automatically adapting the customer journey for each individual customer

07 | The Near-Future of Brands

Emergence of brands-as-platforms and the rising role of brand purpose and values

08 | Organizational Culture in a Post-Modern World

Management philosophy to enable the continuous innovation, creativity and agility that is necessary to prosper in the post-modern world

09 | The Near-Future of Business

Massive decentralization of process, innovation, and the very structure of corporations – i.e., the next natural step in the long arc of human civilization's evolution toward increasing specialization