

## **Google ramps up marketing**

December 7 2011, By Mike Swift

Facing a competitive landscape for its expanding menu of products, as well as antitrust investigations, privacy blowups and other PR problems that have dinged its once-spotless image, Google Inc. is spending more money on sales and marketing than ever before.

That effort is intended to help Google recast its image with consumers as its products broaden far beyond search. Google now sells and rents music and movies online like Amazon and <u>Netflix</u>, competes with <u>Facebook</u> - and soon will be competing head to head with Apple to sell smartphones and <u>tablet computers</u>, if its \$12.5 billion purchase of Motorola Mobility is approved by regulators.

"They want to get away from just being a hardscrabble engineering company to being a consumer brand," said Karsten Weide, an analyst with research firm IDC. "They realize they cannot win the war against Apple if they don't do that."

Perhaps the most surprising piece of what is likely to be a \$4 billion sales and marketing effort in 2011 is Google's decision to embrace a medium its founders once viewed with disdain - TV advertising.

When Google bought its first Super Bowl TV ad in 2010, then-CEO Eric Schmidt remarked on Twitter, "Hell has indeed frozen over." This year, Google has plunged into TV advertising, buying time on shows like NBC's "Saturday Night Live," Fox's "Glee," Comedy Central's "Futurama" and even in major TV events such as the World Series. The ads tout Google's Chrome browser and the software products that run on



it.

Google spent nearly four times more on TV advertising time in the first six months of 2011 than in all of 2010, according to estimates by Kantar Media, which tracks ad spending by large companies.

Still, Google's \$21.5 million in TV ad spending is a fraction of the \$204 million Apple spent to hawk its iPhones and <u>iPads</u> in the first half of 2011, according to Kantar. But Google has spent more heavily than some <u>Silicon Valley</u> companies with a longer TV presence, such as Intel.

Characteristically, Google is blazing its own advertising trail, one that runs counter to some industry trends by focusing on longer spots, storytelling and emotion, said Peter Daboll, CEO of Ace Metrix, a Mountain View, Calif., company that analyzes the effectiveness of TV ads. The company is using pop culture icons like Lady Gaga, Justin Bieber and the late Johnny Cash to highlight the constellation of products based on Google's Chrome browser.

Google has had five of the top 10 most effective TV ads by websites so far this year, according to Ace Metrix, including "Dear Sophie," a somewhat mushy 90-second spot in which a father chronicles his young daughter's first years through letters he sends her on Gmail and videos on YouTube.

And Google built an ad featuring YouTube and Google+ around The Johnny Cash Project, an online tribute to the late singer. The ad premiered on Monday Night Football on the eighth anniversary of Cash's death in September.

"They have built a consumer marketing team there, and they've produced some very high-production-value commercials," said Daboll, a former Yahoo executive. "This whole storytelling thing that Google has



been able to do, experimenting with these long-format 90-second ads, consumers responded very well to."

Once Google's ads run on TV, they take up residence on YouTube and continue to promote the company's products. Through Nov. 1, Google was the third most-viewed brand on the Web this year with 67.3 million views, trailing only Old Spice and Volkswagen, according to analytics firm Visible Measures.

The ads begin and end with the red, blue, green and yellow Chrome logo, which flies apart at the end of each spot to reveal some of the long list of Google products that run in the browser - a list that includes everything from Gmail and Google Maps to the new Google Music service, a rival to Apple's iTunes Match and Amazon's Cloud Drive that allows customers to buy songs, store them on the Internet "cloud," and stream that music to any PC or mobile device.

The share of Google's revenue spent on sales and marketing has grown from 8 percent in 2009 to 12 percent this year. The company declined to discuss what it spends on TV ads, and TV is just one piece of a strategy with many elements.

After being tapped to become vice president for global marketing in early 2009, Lorraine Twohill has built Google marketing teams based in more than 40 countries, teams that coordinate everything from newspaper advertising for Google to mobile apps that promote the Android brand.

"They want to become much more of a household name as a consumer product maker," Weide said.

The emphasis on Chrome as the keystone of its online products appears to be paying dividends for Google. Launched in 2008, Chrome has more



than 200 million users worldwide, up from about 70 million in June 2010.

The fact that Google is advertising on TV at all reflects a dramatic reversal in its marketing philosophy, and shows how the company's focus is expanding beyond search, said Scott Epstein, one of the first people to work on marketing at Google.

In 1999, Epstein, then the newly hired interim vice president of marketing, tried to get co-founders Larry Page and Sergey Brin to back his plan for a \$10 million television ad campaign for the fledgling search engine. Page and Brin wanted nothing to do with it.

"They are fairly contrarian with respect to doing the traditional ways of marketing. They just felt the product was so good that it would speak for itself," said Epstein, who left Google soon afterward and is now chief marketing officer for Tout, a social media startup.

Page and Brin, it turned out, were right - Google became the dominant search engine without paid advertising. But Page, back in the role of CEO since April, and other Google leaders have apparently concluded that their products can no longer speak for themselves. <u>Google</u> ran its first TV ads in May 2009.

"They still hold a tremendous lead online in search, and they have made amazing strides with Android, but I don't think the final chapter in any online product, or in mobile, is written," Epstein said. "It would be smart of them to do it now, and they have the money to do it. They need the same work that I did for them - again."

(c)2011 the San Jose Mercury News (San Jose, Calif.) Distributed by MCT Information Services



Citation: Google ramps up marketing (2011, December 7) retrieved 10 May 2024 from <u>https://phys.org/news/2011-12-google-ramps.html</u>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.