

What is AT&T doing to keep its marketing approaches fresh? George Stenitzer talks to Cathy Coughlin, the company's chief marketing officer, about how she distinguishes between true behavioural change and passing fads

AT&T moves to digital-first marketing strategy to stay ahead of users' changing media habits



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AT&T has shown a pattern of marketing experimentation. You've adopted new ways to reach consumers, such as creating webisodes for your Daybreak initiative and generating consumer interaction with Away We Happened. Why? What is AT&T doing now to keep its marketing approaches fresh?

Cathy Coughlin: At AT&T, we take a learn-and-innovate approach and design our marketing mix with a mobile, digital-first mindset. We want to take smart risks and find new ways to engage with consumers.

One of our latest examples is @SummerBreak, a youth entertainment reality series that follows the lives of a group of California teens in real time, exclusively on social media. It was created for this generation of media consumers, who are mobile-centric, socially connected and co-creators. To date, @SummerBreak has racked up over 40 million views on YouTube alone.

We also launched the Mobile Movement this year. It, too, documents the lives of young America. Its goal is to highlight how mobile innovation has impacted the lives of young people every day. It features our own customers on social media, telling stories about how their wireless devices and our service integrate into their lives. It also showcases their innovation as young entrepreneurs creating new apps and services across the country, every day.

One in three millennials know about the Mobile Movement and it has already delivered more than a billion impressions. What's more, we've seen solid upward movement for our brand among millenni-

als for favourability, willingness to recommend and intent to purchase.

How does AT&T's marketing stay ahead of users' changing media habits? How do you keep advertising effective when people use several screens at the same time?

Coughlin: At AT&T, we work hard to be in tune with both trending and established media-consumption habits. The key is to balance traditional forms of research with actual behavioural data to help distinguish between true behavioural change and passing fads.

What's not a fleeting trend is viewing content on multiple screens. The fact that people are viewing content simultaneously on tablets, smartphones, TVs and other devices gives us an opportunity to coordinate our advertising and marketing experiences across screens to deepen and amplify our messages.

AT&T is crowdsourcing product ideas such as AT&T Toggle. How did you get into crowdsourcing, and why is it important in marketing?

Coughlin: We've leveraged "Rethink Possible" to supercharge innovation inside our company. One of the ways is through The Innovation Pipeline, or TIP. It's the ultimate company suggestion box and possibly the largest corporate crowd-sourcing program worldwide, with more than 130,000 employees participating — including employees in 50 states and 54 countries.

TIP merges crowdsourcing with Silicon Valley's venture capital model to tap expertise and creative thinking within our company. It empowers and engages all employees, not just scientists in the labs. TIP led to the AT&T DriveMode app, which lets people who text you know that you're driving and can't text at the moment. To date, employees have submitted more than 28,000 ideas and we've committed some \$44 million.

You're leading AT&T's work to end texting while driving. Why did you get into this issue? Are you satisfied with the progress you're making so far?

Coughlin: In 2009, our chairman and CEO Randall Stephenson challenged us to get the word out on the dangers of texting and driving in a big way. He told us that we couldn't stand by while people used our service unsafely.

The result is our It Can Wait (ICW) campaign. We set three goals for ICW — raise awareness, change behaviour and save lives. We launched ICW first with our employees — we have nearly 250,000 employees and run one of the largest fleet operations in the world, so first and foremost, this was about protecting our own.

We then used the full force of AT&T to get the word out — through our employees, supply-chain partners, customers like insurance and car companies, and mayors, governors and police departments. To date, 2,500 organisations and more than 65,000 individuals have signed on as partners to get the word out.

We also introduced technology solutions, like our AT&T DriveMode app that lets folks know that you're driving and will get back to them when it's safe. That app has been downloaded 1.7 million times. The results are encouraging:

- 93% of teens and commuters surveyed are aware of the dangers of texting and driving;
- More than 5 million people have taken the pledge to never text and drive;
- Research on crash data from departments of transportation in Texas, Kentucky and other states suggests a correlation between ICW campaign activities and a reduction in crashes.

But the urge to text and drive is strong and there is more work to be done.

How can you make AT&T — the industry's most well-known brand — even more trusted and beloved?

Coughlin: We have a great opportunity in front of us. Think about it. There are two things you'll turn your car around and go home for — your wallet and your smartphone — and we're working to replace the wallet.

When I joined AT&T 35 years ago, we were a utility — the phone company. I couldn't have imagined the role we would play today in people's lives.

Our brand promise is "Mobilizing Your World", and everything we do is designed to deliver on that promise for our customers. That includes our investments in spectrum to fibre build-outs and our leadership in the internet of things including:

- Connecting cars for GM, Tesla, BMW and others;
- Connecting homes in 82 US markets and now for Telefónica;
- Connecting machines from GE locomotives to aircraft engines; and
- Delivering award-winning customer service.

Recently AT&T combined its business services and wireless units. Do you see an upside for marketing here?

Coughlin: Mobility is how businesses are doing business. It's disrupting industries, blurring lines between personal and work lives and allowing companies to redefine their business models, using mobile and cloud-based technology.

By combining our business services and mobile groups together, we'll accelerate the transformation of how we serve customers — from how we think about product development to how we go to market.

This new organisation under Ralph de la Vega serves more than 116 million mobile subscribers and more than 3.5 million business customers in 100 countries globally. It puts the best of AT&T together for our customers by delivering differentiated, best-in-class, highly secure mobile solutions worldwide — truly delivering on our brand promise of Mobilizing Your World — and now doing so in a way that is more seamless and integrated, exactly what customers are asking for.

How does AT&T partner with other telecoms operators to deliver what customers want? Are you looking for partners in specific markets now?

Coughlin: We serve 1,000 of the Fortune 1,000 companies in 100 countries across the globe, so it's important that we follow them wherever they do business. Our strategic partnerships and global SIM extend our network reach in key markets.

As a result, our network delivers IP-based services to customers in countries representing more than 99% of the world's economy. We're the only US operator offering roaming on the fastest speeds — 4G LTE — and we make it easier for business customers with M2M services to do business around the globe. For example, shipping companies can use our technology to closely monitor cargo over land and sea or by air with our global SIM.

You've been AT&T's CMO since 2007 — a remarkably long tenure for a CMO. What advice do you have for other CMOs on how to approach marketing?

Coughlin: As marketers, our job is to ensure that we have a deep understanding of our customers and our company. Our job is to ensure that our brand — what we stand for and deliver on — is relevant, credible and valuable to customers.

What are the keys to your success? What career advice would you offer to aspiring telecoms marketers?

Coughlin: I have been lucky to work for and around really great, smart leaders and have taken a lot of lessons away from them. A couple to point to — first and foremost, build the best possible team. Be very aware of what you bring to the table and look for people who are smart in ways that you are not.

Second, if you're given a chance to learn a new part of the business, grab it. At AT&T, I have been afforded that opportunity many times over — you'll be a better marketer if you take the chance to lead sales teams, technical groups or front-line business office people. You learn a lot about customers and what they need by having a different lens from jobs outside of marketing.

And lastly, move with a sense of urgency. Rarely do we look back and think: "I wish we hadn't gone so fast."

You've put a lot of work into improving science, technology, engineering and maths (STEM) education for women. Why are you so passionate about this?

Coughlin: I think we should all be passionate about this. STEM jobs are among the fastest growing and highest-paying in the US and yet nearly two-thirds of companies have STEM vacancies due to lack of qualified applicants.

We need more men and women to pursue STEM degrees — the problem is especially acute with women who are earning only one in four STEM degrees. Research suggests that girls lose interest in math and science around the seventh grade [age 12 in US schools] — so it's a pipeline issue.

We have to do more to inspire girls — with support from parents and teachers — to pursue degrees and careers in STEM. And that's why AT&T has invested millions of dollars in STEM programmes with organisations like the Girls Scouts and Girls Who Code to develop a strong pipeline of talent for the future. ■