Marketing Communications in the Digital Age

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A Roadmap

- Where have we come from?
- What are these new techniques?
- Does every campaign have to be digital?
- Effective social media
- Success or failure?
- Conclusions
Where have we come from?

- Point of purchase
- Publicity
- Public relations
- Direct marketing
- Interactive marketing
- Sales promotion
- Packaging
- Direct response
- Media advertising
- Special events
- Advertising

Where have we come from?

- Competing agencies:
  - Rubbishing each other
  - Fighting for a share of one budget
  - Media advertising as ‘king’

- Now we accept the Integrated Marketing Communications approach - or we say we do
The IMC philosophy

Packaging

Sales promotion

Direct response

Point of purchase

Media Advertising

Publicity

Direct marketing

Special events

Interactive marketing

Advertising

Public relations

Integrated Marketing Communications

“IMC is a strategic business process used to plan, develop, execute and evaluate coordinated, measurable, persuasive brand communication programmes with consumers, customers, prospects employees and other relevant external and internal audiences.”

“The goal of IMC is to generate short-term financial returns and build long-term brand value.”

Belch & Belch (2009)
Characteristics of IMC

- A marketing communications planning concept that recognises the value of a comprehensive plan.
- Combines the disciplines to provide:
  - Clarity
  - Consistency
  - Maximum communications impact
The Digital Age: when did it happen?

- **The Internet:**
  - 1969 - Arpanet
  - 1974 - Internet

- **E-mail**
  - 1971

- **World Wide Web**
  - 1989: Tim Berners-Lee
  - 1991: First web page created
  - 1996: Hotmail

- **Social Media**
  - 2004: Digg, Facebook
Bottom Up Communications

- Peter Drucker: “The purpose of a business is to create a customer.”
- Singh “The purpose of a business is to create customers who create other customers.”

**Participation** is the new P of marketing

Social Media - a definition

“Social media are the online means of communication, conveyance, collaboration and cultivation among interconnected and interdependent networks of people, communities and organisations enhanced by technological capabilities and mobility.”

Tuten & Solomon (2013)
A horizontal revolution

- Information flows horizontally *between people* not just up & down vertically

B2C

BUT

- Communications relies on media
- Communications travels along a channel
- Conveyed by a vehicle

*This is still true!*
Social Media Zones

- **Social Community**
  - Sharing
  - Socialising
  - Conversing

- **Social Publishing**
  - Editorial
  - Commercial
  - User Generated

- **Social Commerce**
  - CRM/Service
  - Retailing/Sales
  - Human Resources

- **Social Entertainment**
  - Games
  - Music
  - Art
Examples of Social Media Vehicles

- Twitter
- Facebook
- LinkedIn
- Google Plus

- Blogs e.g. Blogger, Blogspot, Technorati
- Media sites e.g. YouTube, Flickr, Picasa, SmugMug, SlideShare, Scribd

- Come2Play
- SecondLife
- MySpace
- Zynga
- uGame
- Runescape

Social Community
Social Publishing
Social Commerce
Social Entertainment

- Facebook
- LivingSocial
- Groupon
- Snipi
- VideoGeni
- TripAdvisor
- Payvent

- Twitter
- Facebook
- LinkedIn
- Google Plus

- Blogs e.g. Blogger, Blogspot, Technorati
- Media sites e.g. YouTube, Flickr, Picasa, SmugMug, SlideShare, Scribd

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Consolidation

Facebook buys Instagram photo sharing network for $1bn

[Link](http://www.bbc.co.uk/news/technology-17658264)  
10 April 2012

Paul Kedrosky, a tech investor and author of the Infectious Greed blog, told the BBC: "I understand Instagram has 13 employees - so at $77m a head that makes it the most expensive business deal in history that I can think of."
More than Social Media

- Apps
- Mobile marketing
- Interactive media
- Transactional sites
Minority Report

http://www.youtube.com/watch?v=7bXJ_obaiYQ
Do not alarm the children!

- Do we want that kind of advertising?
- Evidence of resistance to location-based technologies
- Push too hard legislation
- We must behave ethically
PEPSI LIKES ME, COKE FOLLOWS ME AND BURGER KING IS MY FRIEND

DO YOU REMEMBER THE GREAT TIMES WHEN WE WERE JUST CUSTOMERS?

AFTER THE CLUE TRAIN HAS ARRIVED
Engagement

- Engagement is key
- To be effective we need to engage in a conversation
- Increasingly used for customer retention
Social Media Value Chain

- Infrastructure
- Channels / Hosts
- Supporting Software & Services
- Devices

Core components

- Share
- Create
- Talk
- Work
- Buy / Sell
- Learn

Core activities

Tuten & Solomon (2013)
Media Use: a fragmented picture

Fixed & mobile computing activity is not the same.

People use social networks differently: Facebook to interact with friends & family; Twitter to follow influencers & share opinions; LinkedIn for professional contacts; Gmail, Hotmail or Yahoo! to contact directly.

On-line life: the ladder of engagement

<table>
<thead>
<tr>
<th>Activity</th>
<th>Creators</th>
<th>Conversationalists</th>
<th>Critics</th>
<th>Collectors</th>
<th>Joiners</th>
<th>Spectators</th>
<th>Inactives</th>
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</thead>
<tbody>
<tr>
<td>Publish a blog</td>
<td>24%</td>
<td>36%</td>
<td>36%</td>
<td>23%</td>
<td>68%</td>
<td>73%</td>
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<td>Publish your own web pages</td>
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<td>Upload video you created</td>
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<td>Upload audio/music you created</td>
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<td>Write articles or stories and post them</td>
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<td>Update status on a social networking site</td>
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<td>Post updates on Twitter</td>
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<td>Post ratings/reviews of products or services</td>
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<td>Comment on someone else's blog</td>
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<td>Contribute to online forums</td>
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<td>Contribute to/edit articles in a wiki</td>
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<td>Use RSS feeds</td>
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<td>Vote for websites online</td>
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<td>Add “tags” to web pages or photos</td>
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<td>Maintain profile on a social networking site</td>
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<td>Visit social networking sites</td>
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<td>Read blogs</td>
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<td>Listen to podcasts</td>
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<td>Watch video from other users</td>
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<td>Read online forums</td>
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<td>Read customer ratings/reviews</td>
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<td>Read tweets</td>
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<td>None of the above</td>
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Base: 57,924 US online adults (18+); 16,473 European online adults (18+)

Source: North American Technographics® Online Benchmark Survey, Q3 2011 (US, Canada); European Technographics Online Benchmark Survey, Q3 2011


Note: 21% of US adults do not use the internet

Source: Pew Internet & American Life Project (2010)
Who can we reach?

Percentage of consumers with accounts on social sites

- Social networking sites: 89% (Gen Y), 79% (Gen X), 72% (Baby Boomers)
- Media sharing sites: 57% (Gen Y), 42% (Gen X), 33% (Baby Boomers)
- Microblogging sites: 42% (Gen Y), 37% (Gen X), 24% (Baby Boomers)
- Blogging sites: 30% (Gen Y), 24% (Gen X), 12% (Baby Boomers)
- Wikis: 27% (Gen Y), 22% (Gen X), 14% (Baby Boomers)
- Social review sites: 20% (Gen Y), 16% (Gen X), 10% (Baby Boomers)
- Social bookmarking sites: 10% (Gen Y), 12% (Gen X), 7% (Baby Boomers)
- No accounts: 20% (Gen Y), 13% (Gen X), 5% (Baby Boomers)

Notes: 1) Sample size N=1056. 2) Generation Y: People born between 1975 and 1992 (18 to 35 year olds); Generation X: People born between 1965 and 1974 (36 to 45 year olds); Baby Boomers: People born in or before 1964 (46 years olds and older). Source: IBM Institute for Business Value analysis. CRM Study 2011.
Planning for digital marketing

1. Conduct a situation analysis & identify key opportunities
2. State objectives
3. Gather insight into target audience
4. Select social media zones and vehicles
5. Create an experience strategy encompassing selected zones
6. Establish an activation plan
7. Manage & measure
AIDA still applies

Why use Social Media?

But some 45% of adults are non users. Only 12% of companies are ‘effective users’ while 43% of companies are ‘ineffective users’ saying things like: “the CEO has a Twitter account”.

Source: Harvard Business Review Analytic Services and SAS, 2010
Metrics: How do we know it works

Social Media Measurements
(% of respondents, July 2011
Source: Adobe and Econsultancy

Note the difference between importance & practice!
Metrics

- Google Analytics [http://www.google.com/analytics/]
- Tweestats e.g. [http://hashtags.org/] Tweitrratr [https://bitly.com/]
- Tweetdeck
- Social Mention [http://socialmention.com/]
- Facebook Insights [https://www.facebook.com/help/?page=122407381175085]
- LinkedIn [http://www.linkedin.com/groups?groupDashboard=&gid=41533&trk=group_most_recent_rich-an-rr-0]
- YouTube even provide demographics
- Remember ‘traditional’ measures like:
  - Page impressions
  - Dwell time
  - Content generation
<table>
<thead>
<tr>
<th>Category/Characteristic</th>
<th>Quantitative Measures</th>
<th>Qualitative Measures</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Activity (input)</strong></td>
<td>Number, frequency &amp; recency of: Blog posts, Updates/posts, Comments/reply comments, White papers, Photo posts, Video Posts, Activity across media channels</td>
<td>Creative messaging &amp; positioning strategy, Resonance/fit of campaign appeal, Social media involvement</td>
</tr>
<tr>
<td><strong>Performance (outcome)</strong></td>
<td>Costs/prospects, Lead conversion rate, Average new revenue per customer, Cost efficiencies across marketing functions, Customer lifetime value, Earned media values, Shifts in average sales/site, Traffic/search engine ratings, Share of voice, Return on investment</td>
<td>Attitude toward brand, Brand loyalty, Customer satisfaction, Service quality perceptions</td>
</tr>
</tbody>
</table>

Summary

- Digital & social media are new communications tools
- They are evolving
- They are not free
- They can be good for brand engagement
- They must be planned
- They must be measured
- They must be used appropriately: right activity, right people, right place

Then they can have a place in communications toolkit
Use social media or not?
THAT IS THE QUESTION.

When not to use social media...
DEPARTMENT OF HOMELAND SECURITY

WAIT. I THOUGHT PEOPLE DIDN'T WANT US TO KNOW WHAT THEY WERE DOING

@JOE TODAY I'M GOING TO BUILD A WMD. WOOT!

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