

Turning digital interest, momentum into action, ROI



21 Jan 2011

2010 saw digital really hit the map in South Africa. It's now fully on the radar of any competent marketer and 2011 is about taking that interest and momentum and turning it into actions which deliver real business returns. Here are a few trends which I believe should elevate our industry beyond the hype and onto the top table of marketing.

BZ1 2011 MARKETING TRENDS

Emerging marketing thinking to challenge purely campaign-driven advertising:

A digital-driven shift is taking place, with marketing moving beyond mere consumer interruption and towards creating online experiences that build and maintain relationships. Advertising is often part of an on/off campaign mindset, which still has its place, but digital brings more cost-effective experiential marketing options that are potentially far more effective. Campaigns are also easier to run when built on the back of an existing platform.

2. Shift to mobile:

As the mobile platform begins to deliver a richer experience to the average user (look how many of your friends now have smartphones), we can now start moving to more interesting mobile campaigns, and not just the low tech, low engagement, SMS/MMS options. This is exceptionally exciting for marketers as mobile devices are always on and always personal. No other medium can match this.

3. Email will not die:

Despite talk of social media replacing email as the primary communication channel, for the average business consumer, Twitter DMs and LinkedIn messages can't replace email. Not only would it be too confusing, but people prefer to create a Chinese wall between their business and personal lives - even if that wall becomes increasingly blurred.

People have been predicting the death of email for years, but the truth is, email is not broken and is still the most effective emarketing tool if you have got a high-quality opt in database.

4. Social CRM becomes more than just a buzzword:

In customer service there are always two common factors: a customer with either a complaint or opportunity, and a customer service representative who cares about the customer and the brand (we hope). The medium through which the interaction between these two happens is becoming increasingly irrelevant, especially to the customer.

Last year we saw the emergence of social CRM, but this is still being done on a very ad hoc basis. The traditional contact centre handles the traditional channels, and a couple of people manage the social media side of things.

I think this year we will start to see a real integration between the two, driven by better software and business processes.

5. The gradual death of the focus group continues:

I remember as a student being roped into many focus groups, and I would tell the moderator anything they wanted to hear as they were giving me free food and drink. As such, the act of observation influences the outcome of the experiment - not ideal.

In social media, this observation effect is far less pronounced. Even though many people realise that brands are monitoring social media, that knowledge doesn't necessarily impact their behaviour as much. For this reason, social media monitoring is a far more effective way of gaining an understanding of a target market.

6. Facebook becomes unstoppable, but Google will respond:

Facebook is the most powerful social platform on earth. What will be interesting to watch in 2011 is where it takes its power. It is going to be very difficult, if not impossible, to topple Facebook from its position - it has that compounding network effect, Metcalfe's Law, working in its favour - and it will be interesting to see what Google's response will be.

I predict we are going to see a massive social play from Google. I can't see it launching a social network, but it will increasingly add a social layer under its services and I think there's more than half a chance it won't work.

It's also now too late for it to buy Facebook so this battle is only going to get more interesting. I love competition!

7. Social search goes head to head with algorithmic search:

If Facebook's prediction that socially driven search will be more powerful than Google's algorithm-based search is correct, then Google is in even bigger trouble. It won't be an overnight shift, but it would require it to go back to the drawing board in terms of revenue.

My feeling is the best solution lies in a combination of algorithmic and social search, but the challenge for Google is that engineers can code better algorithms but they can't code social graphs. These have to be built organically and Facebook has that one wrapped up.

8. The rise in social shopping:

The ability for people to shop online in a social way is an obvious next iteration for ecommerce operations.

For many people, shopping is a social experience and, if brands want to capitalise on that, they will need to make the online shopping experience a more social one - even if it's just the ability to easily share a shopping cart with a friend. A good example is the Levi's social shopping store.

While I think this trend will begin to emerge in South Africa, it won't hit the mainstream until 2012.

9. The year of the tablet:

In 2010, the iPad was the catalyst for the creation of a new device that offers almost as much portability as the mobile phone with the usability and processing power of the laptop. Most manufacturers have major tablet plans for 2011, which, due to their lower cost, will put powerful mobile computing into the hands of more people. This is exciting for marketers, but does require a different approach.

10. Where you are in the world matters:

Facebook Places, Google's Hotpot, Foursquare and Gowalla - there is an increasing number of location-based applications. Location matters to marketers because where someone is determines what they are able to buy or give

their attention to.

Key to getting location-based services right in the long term is to make people's lives easier without expecting them to really do anything to facilitate that. The emergence of smarter phones makes LBS a real possibility for the smart marketer.

11. Video Gaga:

Web video has incredible marketing potential and, as such, I expect to see more agencies building video competencies internally, to enable them to offer relatively low-cost productions to clients.

We will see a much better understanding of how to market video online, using services such as Promote Your Video and the other various advertising mechanics which YouTube and others have to offer.

Content has always been king and marketers are starting to realise the power of owned media.

In 2010, digital really grew up in SA. In 2011 I look forward to seeing this adolescent begin to emerge into adulthood.

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ABOUT ROB STOKES

Rob Stokes is an investor and entrepreneur focused on the technology and education sectors. In his first innings he founded award-winning digital agency, Quirk, in 1999. He built Quirk into one of the largest agencies on the African continent before selling it to the London listed global leader, WPP, in 2014. Today, Rob is Chairman of the Red & Yellow Creative School of Business and serves as non exec director at Brandseye, Openbox and Qoudone.mobi.

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