Chapter 12

Communication Tools & Social Marketing Impact

Objectives

- After reading this chapter you will be able to understand:
  - Integrated Marketing Communication Components
  - Community building principles and social networks

Integrated Marketing Communication

Integrated Marketing Communication

- Integrated marketing communications (IMC) is a process for managing customer relationships that drive brand value primarily through communication efforts.

- IMC includes the coordination and integration of all marketing communication tools, avenues, and sources within a company into a seamless program in order to maximize the impact on end users at a minimal cost

Integrated Marketing Communication

- All of these communications tools work better if they work together in harmony rather than in isolation

- This is enhanced when integration goes beyond just the basic communications tools

Integrated Marketing Communication

- **Horizontal Integration** occurs across the marketing mix and across business functions
- While different departments such as sales, direct mail and advertising can help each other through Data Integration

Integrated Marketing Communication

- **Vertical Integration** means marketing and communications objectives must support the higher level corporate objectives and corporate missions

- Meanwhile Internal Integration requires internal marketing

Integrated Marketing Communication

- **External Integration**, on the other hand, requires external partners such as advertising and PR agencies to work closely together to deliver a single seamless solution - a cohesive message - an integrated message

IMC Components

The Foundation

Advertising Tools

Promotional Tools

Marketing mix component

- The way new products and services are marketed have changed even though the aim of business in bringing economic and social values remain unchanged

- Marketing efforts incorporate the "marketing mix".

- Promotion is one element of marketing mix

Marketing mix component

- The starting point of the IMC process is the marketing mix that includes different types of marketing, advertising, and sales efforts

- The goal of an organization is to create and maintain communication throughout its own employees and throughout its customers

Marketing mix component

A marketing plan consists on the following steps:

⬇

Situation analysis

⬇

Marketing objectives

⬇

Marketing budget

Marketing mix component

- Integrated marketing communications aims to ensure consistency of message and the complementary use of media

- Offline marketing channels are traditional print (newspaper, magazine), mail order, public relations, industry relations, billboard, traditional radio, and television.

Marketing mix component

- A company develops its integrated marketing communication programmer using all the elements of the marketing mix

- The reasons for their importance begin with the explosion of information technologies

- Channel power has shifted from manufacturers to retailers to consumers.

Marketing mix component

- Using outside-in thinking, Integrated Marketing Communications is a data-driven approach that focuses on identifying consumer insights and developing a strategy with the right (online and offline combination) channels to forge a stronger brand-consumer relationship
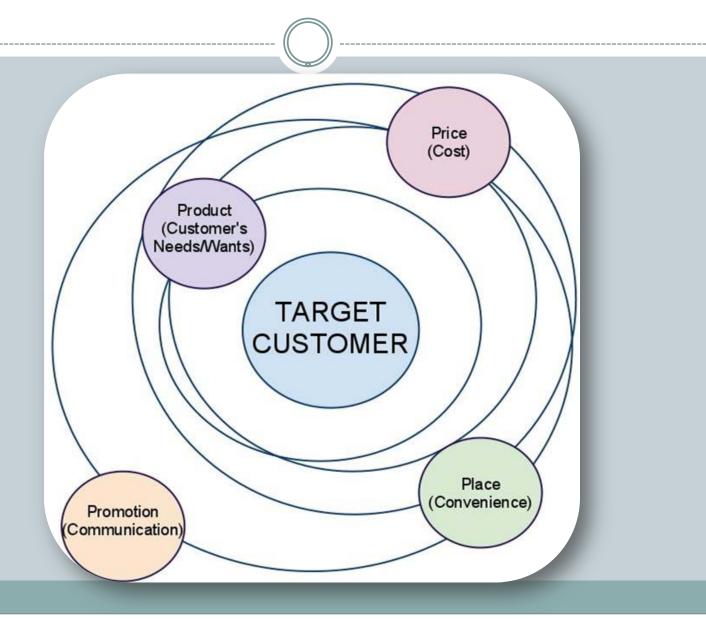
Importance of IMC

- Several shifts in the advertising and media industry have caused IMC to develop into a primary strategy for marketers:
  - From media advertising to multiple forms of communication.
  - From mass media to more specialized (niche) media, which are centered on specific target audiences?
  - From a manufacturer-dominated market to a retailer-dominated, consumer-controlled market.
  - From general-focus advertising and marketing to data-based marketing.

Importance of IMC

- Several shifts in the advertising and media industry have caused IMC to develop into a primary strategy for marketers:
  - From low agency accountability to greater agency accountability, particularly in advertising.
  - From traditional compensation to performance-based compensation (increased sales or benefits to the company).
  - From limited Internet access to 24/7 Internet availability and access to goods and services.

4 P's vs. 4 C's

4 P's vs. 4 C's

- ***Not PRODUCT, but CONSUMER***
  - You have to understand what the consumer's wants and needs are

- ***Not PRICE, but COST***
  - Understand the consumer's cost to satisfy the want or need

4 P's vs. 4 C's

- ***Not PLACE, but CONVENIENCE***
  - Think convenience of the buying experience and then relate that to a delivery mechanism. Consider all possible definitions of "convenience" as it relates to satisfying the consumer's wants and needs

- ***Not PROMOTION, but COMMUNICATION***
  - Communicate, many mediums working together to present a unified message with a feedback mechanism to make the communication two-way

Effective communications elements

- The goal of selecting the elements of proposed integrated marketing communications is to create a campaign that is effective and consistent across media platforms

- Others may only want ads with the greatest depth of appeal:
  - The ads with the greatest number of attention-getting, branded, and
  - Motivational points within each.

Effective communications elements

- Once the key marketing pieces have been tested, the researched elements can then be applied to other contact points:
  - letterhead,
  - packaging,
  - logistics,
  - customer service training, and more, to complete the IMC cycle.

Promotions Opportunity Analysis

- A major task that guides the way in creating an effective Integrated Marketing Communications plan is the promotions opportunity analysis

- A message sent by a marketer has a greater likelihood of achieving the intended results if the marketer has performed a good analysis and possesses accurate information pertaining to the target audience.

Promotions Opportunity Analysis

There are three steps in developing a promotions opportunity analysis:

Conduct a communication market analysis

Establish communication objectives

Create communications budget

Conduct a communication market analysis

- Competitors
- Opportunities
- Target markets
- Customers
- Product positioning

Establish communication objectives

Develop brand awareness	Increase category demand
Change customer belief or attitude	Enhance purchase actions
Encourage repeat purchases	Build customer traffic
Enhance firm image	Increase market share
Increase sales	Reinforce purchase decisions

Create communications budget

The goal of the promotion

Threshold effects

Carryover effects

Wear-out effects

Decay effects

Random events

Benefits of IMC

- IMC can create competitive advantage, boost sales and profits, while saving money, time and stress
- It wraps communications around customers and helps them move through the various stages of the buying process
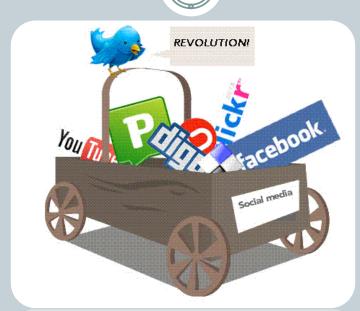
Benefits of IMC

- IMC also increases profits through increased effectiveness

- At another level, initial research suggests that images shared in advertising and direct mail boost both advertising awareness and mail shot responses

Benefits of IMC

- Carefully linked messages also help buyers by giving timely reminders, updated information & special offers which, when presented in a planned sequence, help them move comfortably through the stages of their buying process... and this reduces their 'misery of choice' in a complex and busy world.

Benefits of IMC

- IMC also makes messages more consistent and therefore more credible

- Un-integrated communications send disjointed messages which dilute the impact of the message

- Consistent images and relevant, useful, messages help nurture long term relationships with customers

Marketing Public relations

- Public relations consist of activities that influence public opinion and create goodwill for an organization

- Marketing public relations include brand related activities and non paid , third party media coverage to positively influence target market

Community building principles

- Building a successful online community is not as simple as putting a link on a website and hoping folks will drop by

- As with most e-business strategies, research and planning precede success.

Community building principles

- Larry Weber (2007) suggests a seven step program.
  - Observe
  - Recruit
  - Evaluate platforms
  - Engage
  - Measure
  - Promote
  - Improve

Community building principles

- Observe:
  - Visit local media hangouts for Web users on the topics interest in the industry of the company interested in starting a social media community

Community building principles

- Recruit:
  - Find internet users who want to talk about the industry and recruit them for joining the new social media properly.
- Evaluate platforms:
  - Decide whether the format should be a blog, vertical search site pure online community, or social network.

Community building principles

- Engage:
  - Plan ways to get the community members to talk and upload content
- Measure:
  - Identify metrics that will measure the success of the effort
  - For example no. of comments placed on the blog.

Community building principles

- Promote:
  - Plan ways to advertise and build a buzz in the social media with reputation aggregators so the new community attracts users.

- Improve:
  - Use the metrics to continuously improve the community

Blogs

- Blogs are online diaries, or journals, frequently updated and presented in chronological order on Web pages

- A blog is a type of website or part of a website

- Blog can also be used as a verb, meaning to maintain or add content to a blog.
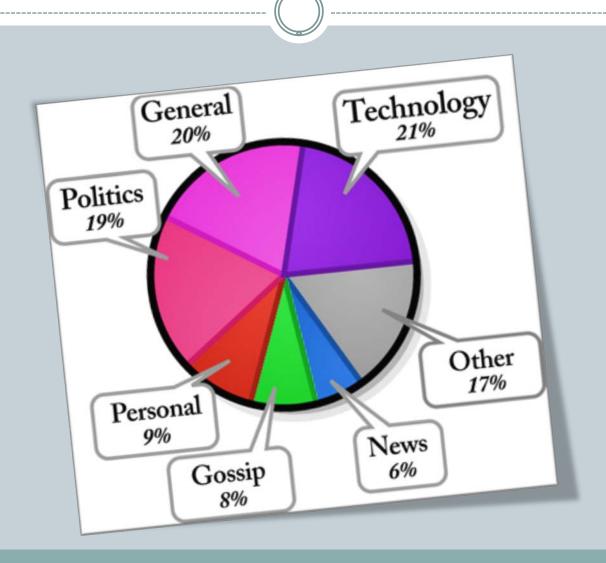
Blogs

- Most blogs are interactive, allowing visitors to leave comments and even message each other via widgets on the blogs and it is this interactivity that distinguishes them from other static websites

- Many blogs provide commentary or news on a particular subject

Blogs

- Blog usage spread during 1999 and the years following, being further popularized by the near-simultaneous arrival of the first hosted blog tools:
  - Bruce Ableson launched Open Diary in October 1998, which soon grew to thousands of online diaries

Blogs

- Brad Fitzpatrick started LiveJournal in March 1999.

- Andrew Smales created Pitas.com in July 1999 as an easier alternative to maintaining a "news page" on a Web site, followed by Diaryland in September 1999, focusing more on a personal diary community.

Blogs

- Evan Williams and Meg Hourihan (Pyra Labs) launched blogger.com in August 1999 (purchased by Google in February 2003)

- On 6 December 2002, Josh Marshall's talkingpointsmemo.com blog called attention to U.S. Senator Lott's comments regarding Senator Thurmond. Senator Lott was eventually to resign his Senate leadership position over the matter.

Types of Blogs

Personal blogs

- An ongoing diary or commentary by an individual, is the traditional, most common blog

- Usually take pride in their blog posts

- Few personal blogs rise to fame and the mainstream, but some personal blogs quickly garner an extensive following
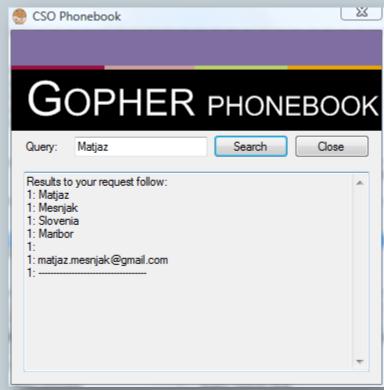
Corporate and organizational blogs

- A blog can be private, as in most cases, or it can be for business purposes
- Some blogs focus on a particular subject, such as
  - political blogs,
  - travel blogs
  - education blogs
- Two common types of genre blogs are art blogs and music blogs

By media type

- A blog comprising videos is called a vlog, one comprising links is called a linklog, a site containing a portfolio of sketches is called a sketchblog or one comprising photos is called a photoblog

Phlog

- A rare type of blog hosted on the Gopher Protocol is known as a Phlog

By device

- Blogs can also be defined by which type of device is used to compose it

- A blog written by a mobile device like a mobile phone or PDA could be called a mob log

Social Networks

- A social networking service is an online service, platform, or site that focuses on building and reflecting of social networks or social relations among people

Social Networks

- Most social network services are web based and provide means for users to interact over the internet

- Social networking sites allow users to share ideas, activities, events, and interests within their individual networks.

Social Networks

- For success online, businesses need to try and make use of all of the latest tools and tricks of the trade that are now associated with internet marketing

Social Networks

- The first step in utilizing internet marketing with the help of social networking sites is to investigate which sites are currently the most popular

- This can be achieved by analyzing the latest social trends, and then using this information to come up with the profiles that you think may be the most beneficial for your company's image

Social Networks

- Setting up a profile for your business is not difficult, because the way that social networking sites are set- up is meant to be all-inclusive

- It's such a simple way to advertise, that it almost seems remarkable that it doesn't cost any money in most cases

Social Networks

- The next step is to think about how to go about the process of finding friends or fans that will have access to your business's information

- Sending out newsletters or email blasts is also easy this way, which are two of the most effective forms of internet marketing in the past.

Social Networks

- In a rapidly changing world, it's vital to stay on top of the latest advertising and internet marketing trends, in order to make sure that potential customers are able to find you

- This process is made quite simple with the process of using social networking sites that have been put into place as a bit of a social experiment at first

Social Networks

- The main types of social networking services are those which contain

  - category places,

  - means to connect with friends and

  - a recommendation system linked to trust

Emerging trends in social networking

- As the increase in popularity of social networking is on a constant rise, new uses for the technology are constantly being observed

- Real time allows users to contribute content, which is then broadcasted as it is being uploaded - the concept is analogous to live radio and television broadcasts

Emerging trends in social networking

- While Twitter focuses on words, Clixtr, another real time service, focuses on group photo sharing where users can update their photo streams with photos while at an event

- One popular use for this new technology is social networking between businesses

Emerging trends in social networking

- According to Jody Nimetz, author of Marketing Jive, there are five major uses for businesses and social media:
  - to create brand awareness,
  - as an online reputation management tool,
  - for recruiting,
  - to learn about new technologies and competitors, and
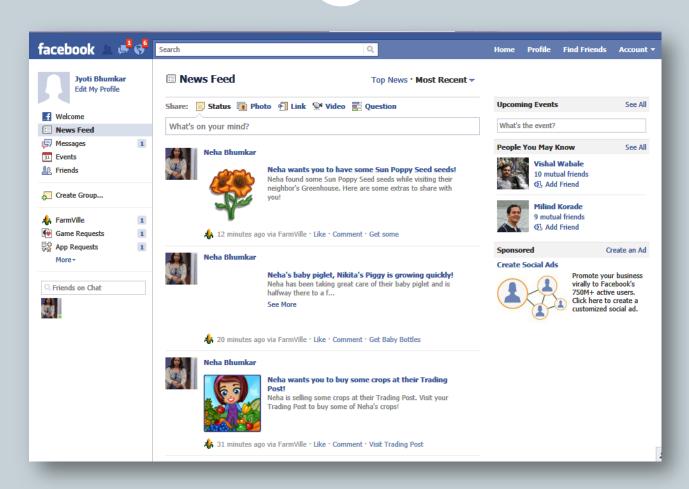 - as a lead gen tool to intercept potential prospects

Emerging trends in social networking

- One other use that is being discussed is the use of Social Networks in the Science communities

- Social networking is allowing scientific groups to expand their knowledge base and share ideas, and without these new means of communicating their theories might become "isolated and irrelevant".

Emerging trends in social networking

- Social networks are also being used by teachers and students as a communication tool

- Social networks are also being used to foster teacher-parent communication

Emerging trends in social networking

- Social networks are being used by activists as a means of low-cost grassroots organizing

- The use of online social networks by libraries is also an increasingly prevalent and growing tool that is being used to communicate with more potential library users, as well as extending the services provided by individual libraries.

Emerging trends in social networking

- A final rise in social network use is being driven by college students using the services to network with professionals for internship and job opportunities

- Many studies have been done on the effectiveness of networking online in a college setting, and one notable one is by Phipps Arabie and Yoram Wind published in *Advances in Social Network Analysis.*

Face book

- Face book has grown massively over the last few years, with a 143% growth in US accounts from $42m in 2009 to $103m in 2010

- Before 2006, users had to provide a college or university address in order to access the site. Since that restriction was lifted, the site's growth in popularity has been unstoppable.

Face book

Face book

- Face book was founded by Mark Zuckerberg with his college roommates and fellow computer science students Eduardo Saverin, Dustin Moskovitz and Chris Hughes

- It gradually added support for students at various other universities before opening to high school students, and, finally, to anyone aged 13 and over

Face book

- A January 2009 Compete.com study ranked Face book as the most used social networking service by worldwide monthly active users, followed by MySpace

- Quantcast estimates Face book has 135.1 million monthly unique U.S. visitors in October 2010

Face book

- Most of Facebook's revenue comes from advertising. Microsoft is Facebook's exclusive partner for serving banner advertising, and as such Face book only serves advertisements that exist in Microsoft's advertisement inventory

- On November 6, 2007, Face book launched Face book Beacon, which was an ultimately failed attempt to advertise to friends of users using the knowledge of what purchases friends made.

Face book

- Face book generally has a lower clickthrough rate (CTR) for advertisements than most major websites

- For banner advertisements, they have generally received one-fifth the number of clicks on Face book compared to the Web as a whole

Twitter

What is Twitter?

Twitter is a service for friends, family, and co-workers to communicate and stay connected through the exchange of quick, frequent answers to one simple question: **What are you doing?**

- Twitter is a micro-blogging service that has had an incredible growth since its launch in 2006

- Twitter is also well known for its high profile users- many celebrities and politicians use the site and attract many millions of followers

Twitter

- The food company will leverage interactive advertising to showcase recipe videos and run Twitter integrated contests on the DTH platform.

Screenshot of Ching's Secret skin on Airtel Digital TV home screen

- Ching's Secret, which spends more than 50 per cent of its marketing budget on online media

Twitter

- To begin with, the manufacturer of instant noodles, soups and sauces will place a full-page banner ad as branded skin in the background on the Electronic Programming Guide

- Later, the company will integrate Twitter and add interactive options to the branded skin, a spokesperson from Capital Foods, the owner of Ching's Secret brand, tells afaqs!

Twitter

- To make the banner ad/branded skin clickable, a red dot/button will be displayed at a prominent position on the branded skin

- Ching's Secret also plans to promote all its sub-brands - instant noodles, and soups and sauces - through the interactive branded skin

Myspace

- 2 years ago, Myspace would've been top of this list
- Today, it still has a strong user-base of around 57 million, particularly among teenagers and musicians, but has lost out massively in terms of market share

Orkut

- The social network is owned and operated by Google and is named after its creator, Orkut Büyükkökten

- On August 25, 2007, Orkut announced a redesign

- The new UI contains round corners and soft colors including small logotype at upper left corner

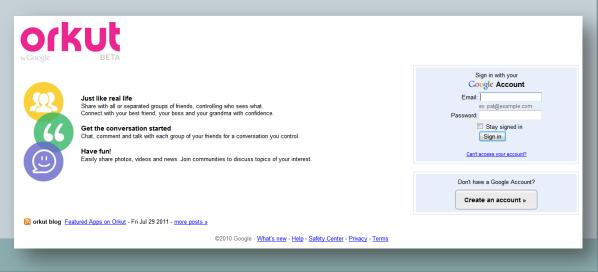- The redesign has been announced on the official Orkut Blog.

Orkut

Orkut

- On September 4, 2007, Orkut announced another new feature. The user would be able to see an "Updates from your friends" box on the homepage, where it's possible to get real-time updates when friends make changes to their profiles, photos and videos

Orkut

- On 27 October 2009, Orkut released their 2nd redesigned version
- These users were able to send invites to their Orkut friends to join this new version

Orkut

- Google stated the new Orkut is faster, simpler and more customizable
- The look is completely new, leaving all traces of past designs
- The Themes were removed and an Orkut badge is visible for those who haven't changed to the new Orkut

Orkut

- Orkut allows users to sign in with their Google Mail, or Gmail, credentials
- As described on
  - **http://orkutlogin.me**, to login to Orkut always type the URL **http://www.orkut.com/** instead of clicking any links to open it

Orkut

- As of March 2011, Alexa traffic ranked Orkut 102nd in the world; the website currently has more than 100 million active users worldwide

- There is an option to integrate GTalk with Orkut enabling chatting and file sharing

- Currently GTalk has been integrated in Orkut - users can directly chat from their Orkut page

Orkut: Themes

Orkut: Other miscellaneous features

- Members can make groups to join friends according to their wishes

- Unlike Face book, where a member can view profile details of people only on their network, Orkut allows anyone to visit anyone's profile, unless a potential visitor is on your "Ignore List"

Orkut: Other miscellaneous features

- When a user logs in, they see the people in their friends list in the order of their logging in to the site, the first person being the latest one to do so
- Ning is a more direct competitor, as they allow creation of social networks which are similar to Orkut's communities

Linkedin

- LinkedIn is a business-oriented social networking site

- LinkedIn filed for an initial public offering in January 2011

Linkedin: Features

- One purpose of the site is to allow registered users to maintain a list of contact details of people with whom they have some level of relationship, called Connections

- This list of connections can then be used in a number of ways

Linkedin: Features

- A contact network is built up consisting of their direct connections, the connections of each of their connections & also the connections of second-degree connections

- This can be used to gain an introduction to someone a person wishes to know through a mutual contact.

Linkedin: Features

- It can then be used to find jobs, people and business opportunities recommended by someone in one's contact network

- Employers can list jobs and search for potential candidates

- Job seekers can review the profile of hiring managers and discover which of their existing contacts can introduce them.

Linkedin: Features

- Users can post their own photos and view photos of others to aid in identification.

- Users can now follow different companies and can get notification about the new joining and offers available.

- Users can save (i.e. bookmark) jobs which they would like to apply for.

Linkedin: Features

- The "gated-access approach" (where contact with any professional requires either a preexisting relationship or the intervention of a contact of theirs) is intended to build trust among the service's users

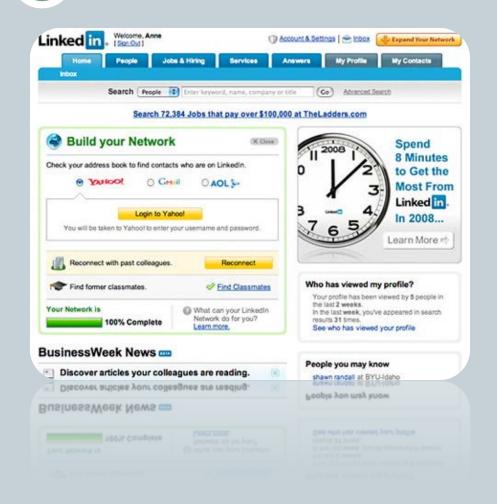- LinkedIn participates in EU's International Safe Harbor Privacy Principles.

Linkedin: Features

- LinkedIn also allows users to research companies with which they may be interested in working

- When typing the name of a given company in the search box, statistics about the company are provided

Linkedin: Features

- The feature LinkedIn Answers, similar to Yahoo! Answers, allows users to ask questions for the community to answer

- This feature is free and the main difference from the latter is that questions are potentially more business-oriented, and the identity of the people asking and answering questions is known.

Linkedin: Features

- Another LinkedIn feature is **LinkedIn Polls**

- A mobile version of the site was launched in February 2008 which gives access to a reduced feature set over a mobile phone

- The mobile service is available in six languages:
  - Chinese,
  - English,
  - French,
  - German,
  - Japanese and
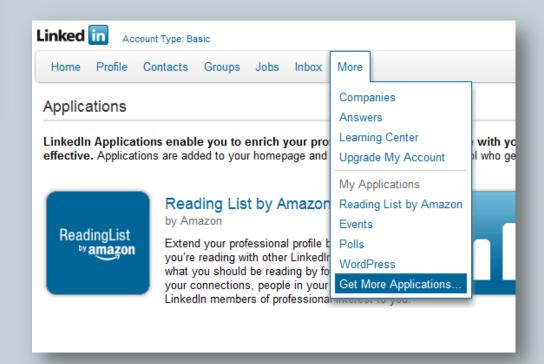 - Spanish.

Linkedin: Features

Linkedin: Features

- In October, 2008, LinkedIn enabled an "applications platform" that allows other online services to be embedded within a member's profile page
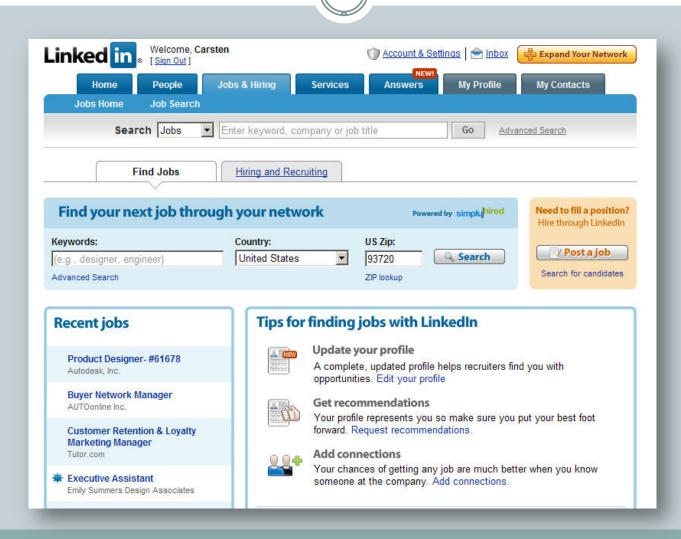
Linkedin: Features

- In November, 2010, LinkedIn allowed businesses to list products and services on company profile pages

- In January 2011, LinkedIn acquired CardMunch, a mobile app maker that scans business cards and converts into contacts

Linkedin: Navigation

Linkedin: Navigation

Linkedin: Widgets

- Having launched a developer platform in December, LInkedIn has now added more widgets to the site

- As well as the related news module on the homepage, a customizable widget on the right hand side displays LinkedIn Answers related to your industry

Linkedin: Groups

- LinkedIn supports the formation of interest groups, and as of 24 March 2011 there are 870,612 such groups whose membership varies from 1 to 377,000

- The majority of the largest groups are employment related

Linkedin: Groups

- Groups support a limited form of discussion area, moderated by the group owners and managers.
- Groups may be private, accessible to members only or may be open to Internet users in general to read

End of Chapter 12

Communication Tools & Social Marketing Impact