

# Massive shifts in marketing landscape good for business



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There is absolutely no doubt that the era of the marketer has arrived in the corporate world. That is, for marketers who are prepared to shift massive paradigms.

Equally, media owners will prosper if they are prepared to get to grips with the demands of a radically changing consumer market.

There are a number of reasons why it's going to be good to be in the marketing or media businesses in the years ahead the most important of which is that consumers will increasingly dictate how and when they wish to be notified of new
products and services and where they want to buy them. Moreover, marketers will know precisely who those consumers
are, where they live and what they had for breakfast.

In essence, like a growing tsunami, the internet is changing the world of marketing and the media, as we know it.

While television, newspapers and radio continue to be relatively well supported by traditional above the line advertising here in South Africa, elsewhere in the world where bandwidth is cheaper and faster, there is already growing statistical evidence to show that while this manner of marketing will not fade away in a hurry and probably remain relevant in certain cases for years to come, online marketing is making serious inroads in traditional marketing space.

### **Powerful**

Social media has proved itself to be enormously powerful in the world of politics and business, as evidenced by the collapse of several governments in North Africa and by popular uprisings against entrenched despots made possible by modern communications, not the least of which is social media. It has also proved to be a massive thorn in the side of brands that have stupidly chosen to hope that shoddy service will just fade away and die.

The remarkable rise in the number of products and services now being searched for and purchased online is a portent for things to come. Sure, right now the percentage is still relatively small but the virulence of the growth will be staggering as it gains momentum.

Already in South Africa Google and DStv's Explora PVR have spearheaded a new trend in consumerism - information and entertainment on demand.

Once South Africa wakes from its broadband slumber and mobile internet connectivity becomes more affordable, consumers will have a lot more choice in terms of how they want to receive information about goods and services.

## Japan leads the way

It's already happening in countries such as Japan, which 12 years ago, already boasted downloads speeds of 100Mb/s. Consumers are keying in their demand for product and service information as well as news, sports results and the like and allowing technology to find what they are looking for and to present the best deals to them where and when they want to look at it. Japan is today offering 1gig download speeds and trials in the UK have shown that download speeds of 1,5tb are possible.

Now, the good news for marketers is that the more consumers turn to online the cheaper marketing will become.

But, while technology, social media and consumer mind-sets will allow marketers to target their audiences a lot more precisely and cheaply, there will be a sting in the tail and that is in the fickle business of customer service.

## **Empowered**

Consumers in South Africa are being empowered by technology and are already beginning to use their mobile phones to complain via social media such as Twitter about shoddy service and bad product quality.

Unlike years ago when unhappy consumers used to voice their displeasure at dinner parties, nowadays they don't have to wait but can react immediately. And consumers' reacting when they are still angry is something service providers should be worried about.



(Image extracted from the Harley Davidson website)

Already, major companies, such as Dell and Harley Davidson for example, have a few dozen staffers continually monitoring social media, chat rooms and relevant forums for any signs of customer displeasure, so that they can nip things in the baud before the brand-trashing conversation gets out of hand.

South African brand managers, retailers and service providers are still a lot luckier than most of their global counterparts because of the high cost of internet access here.

But, things are changing, consumers are changing and any marketer who is not working hard at understanding the pros and cons of the online environment is playing a very high-risk game.

In the past year, one upmarket retailer I know of in South Africa has seen online sales grow from 1% to 8% and is now looking seriously at not opening any more brick and mortar stores but simply keeping those they have to become convenient depots for online sales.

As for the mass media, the massive change they will have to make is to shift mind-sets from producing newspapers, television and radio programming to becoming repositories of quality information easily accessible to the consumer and with suitable mechanisms to allow marketers access to their regular visitors and subscribers.

In the future, the money in media will lie in providing marketers with reliable, well-segmented consumer databases.

#### ABOUT CHRIS MOERDYK

Apart from being a corporate marketing analyst, advisor and media commentator, Chris Moerdyk is a former chairman of Bizcommunity. He was head of strategic planning and public affairs for BMW South Africa and spent 16 years in the creative and client service departments of ad agencies, ending up as resident director of Lindsay Smithers-FCB in KwaZulu-Natal. Email Chris on moerdykc@gmail.com and follow him on Twitter at @chrismoerdyk.

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