



The Death of Digital Marketing

And the Birth of Something New

3 conversations that I think mean the end of "digital" marketing and the birth of just "marketing in a digital age"

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Introductions

In the summer of 2006, scientists announced they had manipulated two different butterfly species and created a third, distinct species. This success was very different from hybrids, which evolution tends to dislike. An example of this is the mule - a sterile hybrid bred from a donkey and a horse. Now, the mule is a successful hybrid - useful for carrying equipment and kicking field goals in Disney Movies - but is itself a reproductive dead-end. No, this in fact was a new species that would evolve on its own.

So, conventional wisdom over the last year or two has pronounced "traditional" marketing dead, and "digital" marketing as the future. But lately, my thinking is that - really - both are dead and something new is replacing it. For those of us who advocate digital marketing, the last 10 years have been convenient. We compare "digital" to "traditional" methods - separating out radio, television and print, but conveniently combine search, display and e-mail. The growth (as we all know) of digital has been phenomenal. But, even today, if we're truly honest and compare "traditional" radio, television and print combined against all that is currently considered "online/digital" - the Internet still a very small part of the marketing budget.

In fact, the 2008 IAB Internet Advertising Revenue Report - an industry survey conducted by PricewaterhouseCoopers reported that the total Media Advertising Marketshare was approximately \$186 billion. Of that, \$163.5 billion was in "traditional" marketing vs. \$23.4 billion in "digital". That means that digital is still only 14% of the total spend.

3 Conversations

I started thinking more about this last week when three seemingly unrelated conversations suddenly converged into a series of questions.

In the first conversation, I had morning coffee with one of my dear friends from my cable television days, discussing her new projects. She's an extraordinarily bright researcher, currently working with a TV technology company optimizing content and advertising through digital set-top boxes. You've, no doubt, started to see advertising appearing between listings on your on-screen guide. If you "click" on one of those ads, you might be brought to a series of landing pages that contain video and other options. Maybe you'll buy a pay-per-view movie, or maybe you'll just check out the trailer for a new movie coming out in theaters. Or, maybe you'll see a special for 10% off a sandwich. Now, here's the question we had. Is this digital or just an evolved version of television advertising?

Or, how about the second conversation I had last week; it was with a company working with local newspapers. They are experimenting with new advertising packages that utilize large print ads and advertorial, that pay off with extended content and search functions on a micro-site co-branded on the newspaper's web site. As an advertiser, if I buy that new package from this company - where will the IAB put my dollars. Is that a traditional print buy? Or is that a digital buy? Or, do I (or they) split it out?

In other words, in both of these cases: can traditional media evolve - or have we already pre-determined it to be dead and digital is taking it's place?

And, finally here's the third conversation I had. Last week I Tweeted breathlessly about the news that online marketing spend in the UK has now surpassed television advertising as a percentage. Then, someone I admire - Gian Fulgoni, founder of comScore - replied to my tweet and correctly reminded me that we should take this statistic with a grain of salt because, of course, the BBC doesn't have advertising. This makes television advertising spend skew lower in the UK than it otherwise might. So it is, therefore, a lower bar.

This is absolutely correct of course. But, interestingly, the BBC Web Site does serve advertising for those outside the UK, and has also recently begun to generate a mobile advertising strategy, as well as a rumored Facebook strategy. And, BBC America has clips of all their shows, with cross-promoted banner ads for iTunes downloads of other shows. There's also been speculation that the BBC may ultimately make the iPlayer (the BBC's version of Hulu) available outside of the UK as an advertising driven portal. If they do, and I can watch that TV programming on my television, but streamed over the Internet, is that advertising digital marketing? Or, is it just simply television evolving from over air, to over coaxial wire, to over my twisted pair DSL connection.

Even the Digital Tactics are Confusing

Consider examples closer to the United States. Last night I just rewatched parts of last week's The Office on Hulu and there were 30 second spots for Sun Chips and a 15 second teaser for Iron Chef on The Food Network. I watched it on my TV in my living room through my Internet Connection, and the ad they showed was an ad I've seen on broadcast TV. Hmmmmm.....

Or, consider mobile - maybe the tactic that's most confusing. What is mobile digital marketing? If I access a Web site using my iPhone and see an ad - is that Mobile advertising? Yeah, it probably is, right? But now, what if I access that same web site with my netbook connected wirelessly at Starbucks, or my iPod Touch connected on my wireless connected broadband? Neither is a phone - but both are wireless handheld devices.

Okay, so then maybe Mobile Marketing is SMS or MMS messaging because that comes directly to my phone to my phone number. But at the end of the day, (other than the address) how is a message with links and images (or video) delivered to my smart phone any different than an email delivered to my smart phone if they both show up in my same "messages" box (as they do on my Blackberry). In fact, some studies have indicated that iPhones alone are now "ranked universally in the top 15 email clients".

Or, finally, how about Social Media. If I engage customers in the "marketing conversation" using DM's (Direct Messages) on Twitter or Facebook - I have to realize that many of these messages will read as SMS or through apps on mobile devices. Is this part of my Mobile strategy or is it my Social Media strategy? As a marketer, do I now have to develop a digital social media email mobile marketing strategy?

Confused yet?

Well, we haven't even gotten into the worst part - which is now let's try to assign budget, metrics and ROI to those tactics.

Okay, it won't be this year - we've got bigger fish to fry and we all need to wrap up our 4th quarter - but I just want to put this out there. Coming very soon we are going to have to redefine this thing we call online/digital/interactive marketing.

Marketing? Or A New Species?

Now, coincidentally, a leading thinker and someone whom I've read for some time and admire – Dr. Augustine Fou, the group chief digital officer of Omnicom's healthcare consultancy group - wrote piece calling for a re-definition of digital marketing. He took a bit of a different angle on it - focusing on his redefined "digital" marketing as "the collection of habits and expectations of modern users."

While Dr. Fou and I (I believe) come to similar conclusions, I really can't buy into this "re-definition". To me (as I pull out my dog-eared Kotler book) this "re-definition" smells just like one Professor Kotler is often quoted as using. Kotler's marketing is "the art and science of choosing target markets and getting, keeping and growing customers through creating, delivering, and communicating superior customer value."

Or, another, also similar, is Peter Drucker's definition where he says "...the aim of marketing is to make selling superfluous. The aim of marketing is to know and understand the customer so well that the product or service fits him and sells itself."

But this is definitely not our father's marketing. It *IS* different. I do really believe a new marketing is emerging from the two...

Both traditional and digital have evolved into something new and different that can end the pointless competition between the two. As marketers we don't benefit from trying to determine a rational split between these two - so let's just stop trying to segregate digital

marketing from traditional. Instead, we should focus on the more fundamental changes that are happening with our chosen profession. These fundamental changes include:

- **Our messaging/content - despite the device it is consumed on - is now conversational** and the act of listening as a marketer is a much more real-time function than ever before in our history. As has been stated so many times lately - we can be part of the conversation, but we no longer control it.
- **Our messaging/content is becoming so much more disaggregated than ever before.** I can remember attending "brand reviews" twenty years ago where every piece of marketing collateral was spread out on a conference room table. Can you even imagine doing that today? Our content is almost all digital, is in itself a conversation and lives and breathes well beyond our web site now. It's being consumed by innumerable devices.
- **Measurability is a double edged sword.** One of the points that Dr. Fou makes much more eloquently in his piece than I ever will is when discussing the change in models. He jokes that the paradigm has shifted from the classic joke of: "*I know I'm wasting half of my ad dollars, I just don't know which half.*" Now, it's more like, "*I know I'm wasting 99 percent of my ad dollars; I know which 99 percent it is and I have now cut it out entirely.*"

One of the conclusions the butterfly scientists came to was that the hybridization and growth of new species may be more important to the evolution of new animals than had ever previously been thought. And, sure enough, if you search the internet, you'll find new, passionate debates going on about this - from the Red Wolf of California to new species of tropical fish, flowers and even other insects.

Ultimately the success of our marketing is one simple thing - our ability to engage, and understand our customer so that (ideally) it is a process of self-discovery our customer has about the need for our product or service. The technology, and the means by which we conduct those relationships are just tools and platforms - and will forever be evolving.

Dr. Fou concludes his post with a piece of advice to say if you focus on the needs of customers "*you will gravitate toward techniques that cultivate genuine and open dialogue with customers, where brands humbly listen and learn, and then respond with new features and innovations continuously to better match the needs of the customer.*"

I think this is a wonderful way to start transforming ourselves into new metrics of measurement - and a new species of marketing.

Let the debate begin.....