

# MART330: Strategic Issues in Digital Marketing

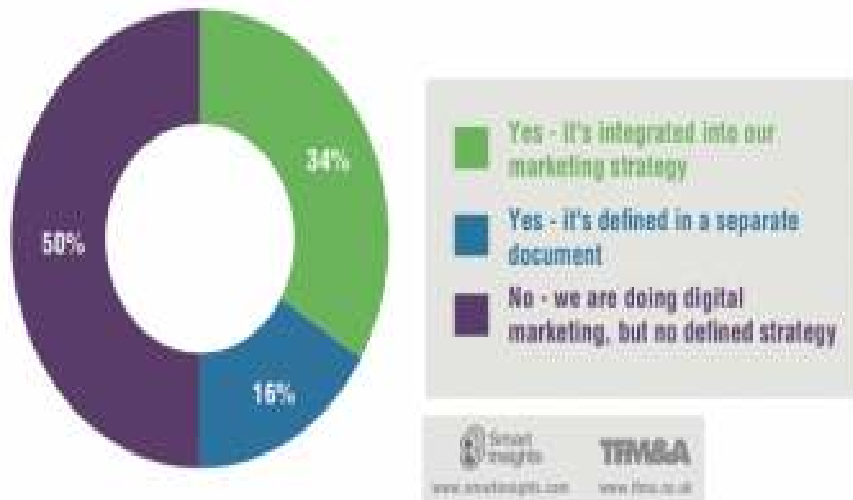
**Tony Garry**

22<sup>nd</sup> August



# Agenda

Does your organisation have a clearly defined digital marketing strategy?

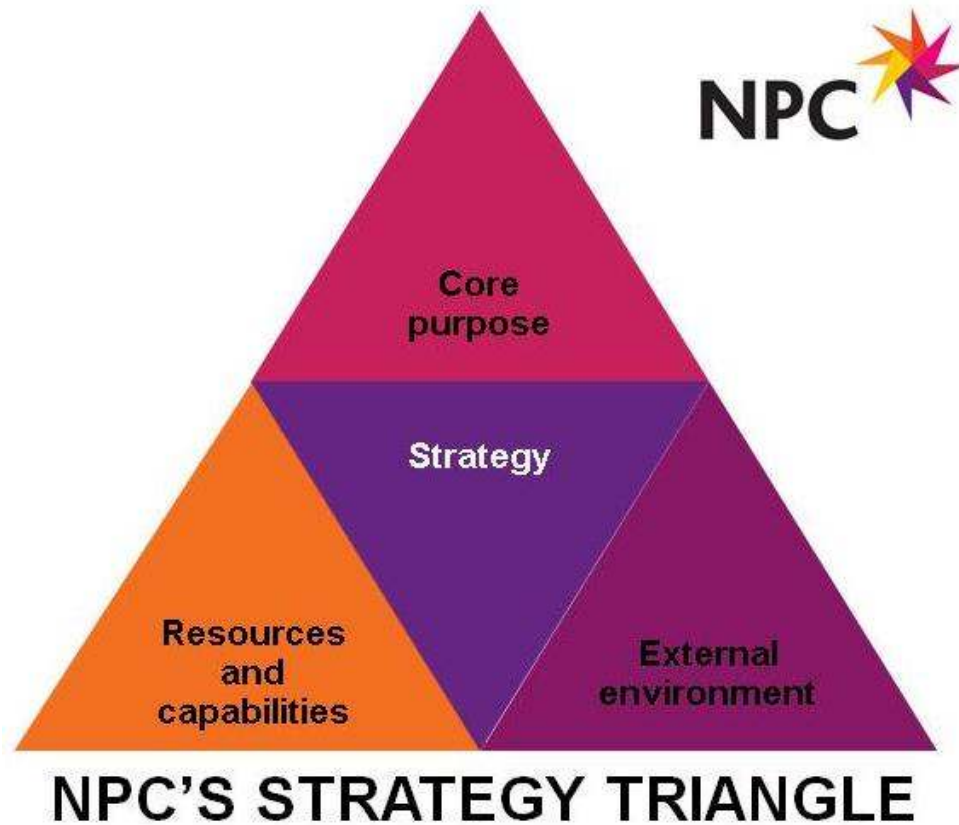


- Marketing and Digital strategy Overview
- Core Purposes
- The External Environment
- Understanding Customers
- Resources and Competencies
- The Marketing and Digital Strategy
- Levels of Customer Engagement

# Strategic Issues in Digital Marketing- How it fits together



# The Strategy Triangle- Core Purpose



# Core Purpose

Our ultimate purpose is to inspire and develop children to think creatively, reason systematically and release their potential to shape their own future - experiencing the endless human possibility

# Core Purpose

Our mission: to inspire and nurture the human spirit – one person, one cup and one neighborhood at a time

# Core Purpose

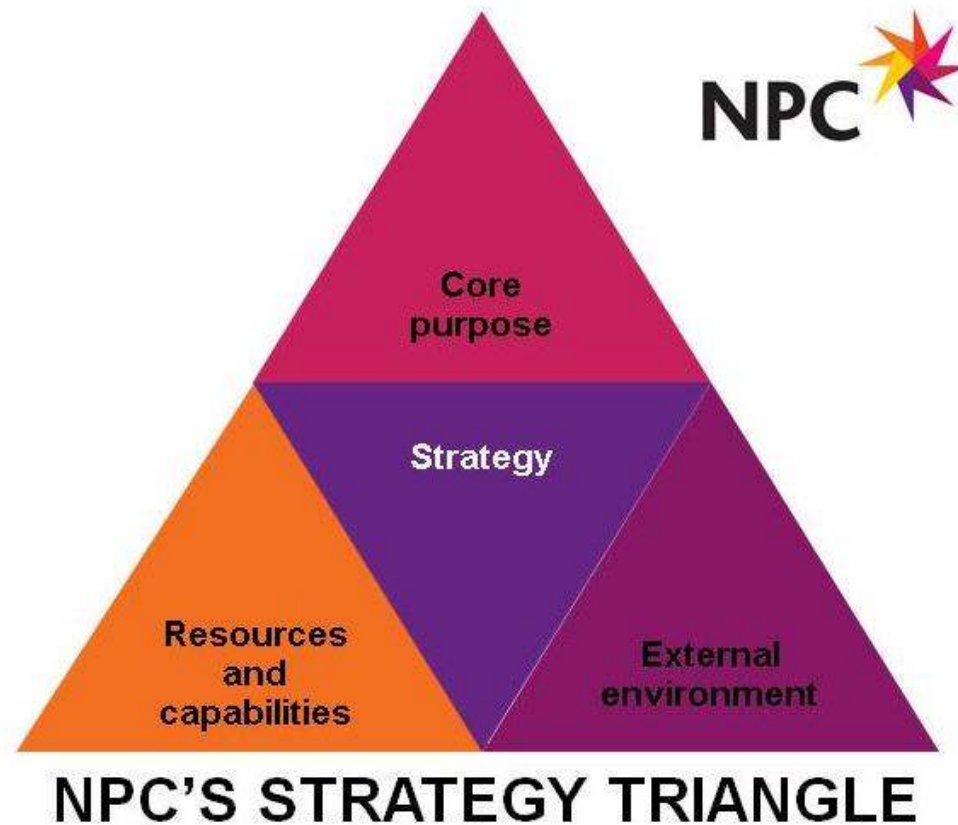
Inspire the World, Create the Future.

# Core Purpose

Our vision is to be earth's most customer-centric company; to build a place where people can come to find and discover anything they might want to buy online.



# The Strategy Triangle- The External Environment

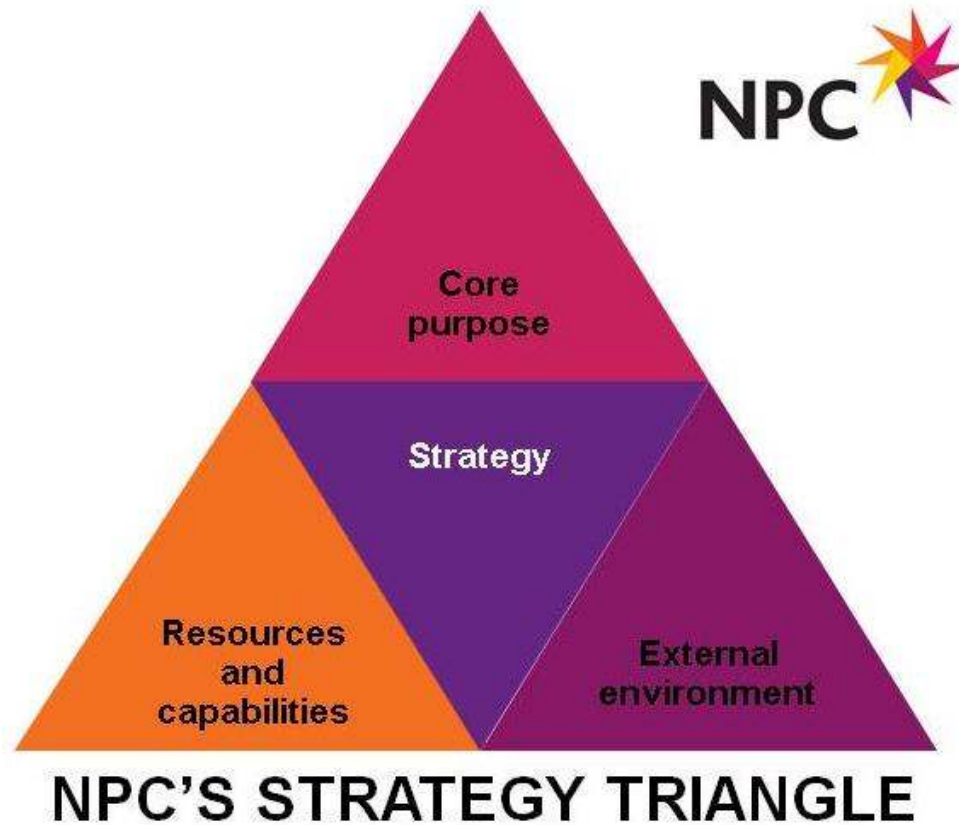


# The External Environment

- Fragmentation of media
- Emergence of virtual communities and networks
- Transparency of data and information
- Redress of power imbalance
- Ubiquitous technologies



# The Strategy Triangle- Understanding Customers



# The External Environment and Customer Behaviours

## Fragmentation of media



## Emergence of virtual communities and networks

50 years full of Stories  
**nutella**  
76,401

**NUTELLA NEWS**

TELL US YOUR NUTELLA TALE AND WIN!  
12/05/2014

Throughout our 50th birthday celebrations, we're offering you, our loyal fans, the chance to win thousands of exclusive Nutella merchandise, plus personalised Nutella jar labels for everyone who joins in!  
This month, all entries received between 5th May and 1st June.

**PARTICIPATE**

**#NUTELLASTORIES**

"To get through the stresses of university, my flatmates and I treat ourselves to 'chocolate lollipops' by eating a spoon full of Nutella!"  
14/05/2014

"I love Nutella", it is my favorite chocolate on earth is the best thing any one can ever eat for all the meals"  
14/05/2014

"Me and my family always cover our pancakes in Nutella and whatever we can get our hands on, then we microwave it all and wrap up the pancake..."  
14/05/2014

# The External Environment and Customer Behaviours

## Transparency of data and information

236 out of 1,084 hotels

Sort by Popularity

Share

**Waldorf Stadium Apartm...**  
★★★★★ Serviced Apartment  
Auckland, 1.0 km to Sky Tower (City centre)  
87 Excellent (1445 reviews)  
Free WiFi

Booking.com NZ\$234  
Wotif.com NZ\$199  
sembo NZ\$267  
More deals: 17

Expedia  
~~NZ\$267~~  
NZ\$199

View Deal

Photos Info Reviews Deals Similar

Interested in this hotel but the price is still not right for you? Create price alert

Expedia	Studio Apartment - No Balcony - B1 (Free WiFi) Breakfast not included	NZ\$199
wotif	Studio Apartment - No Balcony - B1 (Free WiFi) Breakfast not included	NZ\$199
ELVOLINE.com	(Non Refundable) Studio Apartment - No Balcony - B1 (Apartment) Breakfast not included	NZ\$201
AMOMA.com	Twin Room Studio Breakfast not included	NZ\$207
Wotif	Check booking site for details	NZ\$214

## Redress of power imbalance

Overview Rooms Reviews About Photos Nearby Q&A Room Tips

### Overview

4.0 (242 reviews)

Excellent: 41%  
Very good: 37%  
Average: 17%  
Poor: 4%  
Terrible: 1%

Free WiFi  
Room Service  
Breakfast Buffet  
Curtain  
Non-Smoking Hotel  
3.5 Star Hotel  
Restaurant  
All hotel details

Special Offer: Free parking

TRAVELLERS TALK ABOUT

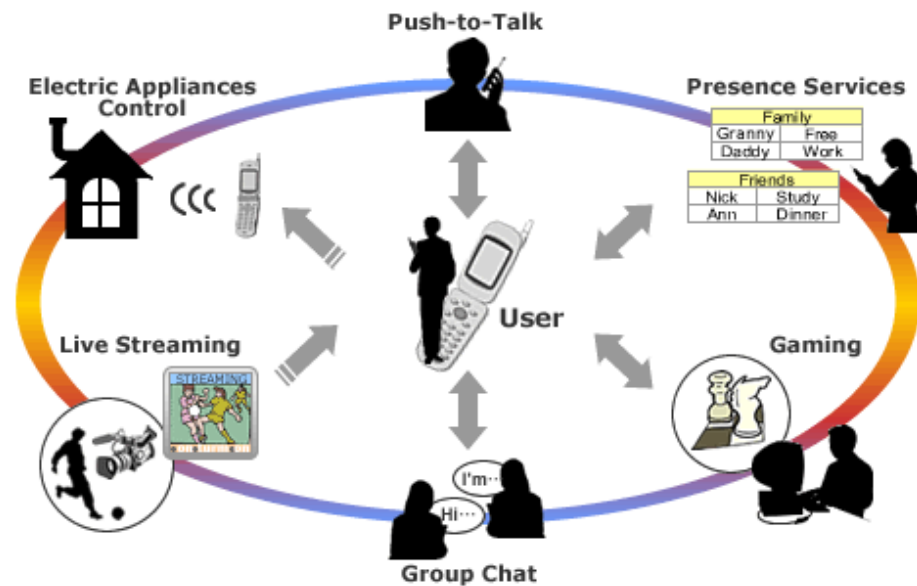
- 'redbury factory' (19 reviews)
- 'the penthouse' (6 reviews)
- 'trando's restaurant' (4 reviews)

Offers include the Victoria Hotel, Duned...

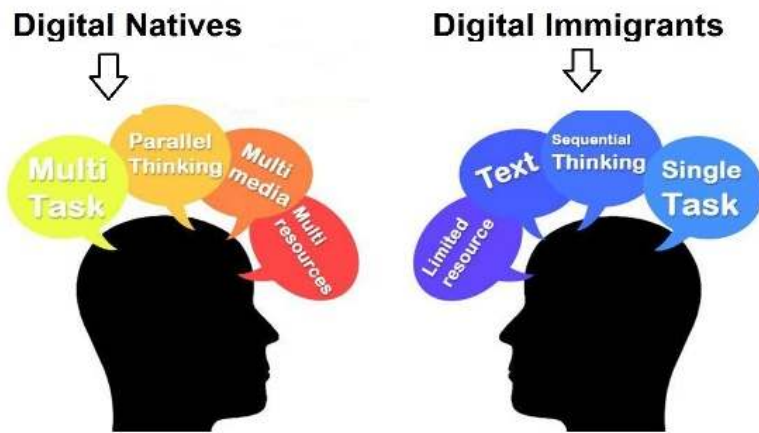
Map showing location near the Victoria Hotel, Duned...

# The External Environment and Customer Behaviours

## Ubiquitous technologies



# Understanding Customers



# A TYPOLOGY OF CONSUMERS IN ONLINE BRAND COMMUNITIES

There are different motivations for consumers to engage in online brand communities. However, research into consumer behaviour has identified six main motivations to engage in online brand communities. Based on these motivations we could classify consumers into six categories.

## THE SOCIAL

This type of consumers are keen to be perceived as associated with the brand or positive causes related to the brand. Therefore, they tend to share brand content on social media if they can perceive a positive social value on it.



## THE PRAGMATICS

These consumers are looking for the latest information about your brand and its products or services. These consumers search for practical benefits from the engagement in the community, and this can be in the form of promotions, discounts or unique information about the product.



## THE FEELING SEEKER

Consumers like to interact in communities because of how that makes them feel, both regarding interaction with the community and with the brand. When affective motivations are driving the interaction with the brand community, it means that consumers are looking for fun, thrill and entertainment.



## THE BRAND-LOVERS

Consumer driven by genuine love for the brand are usually hard-core followers. Just like in human love, this sometimes can be irrational and mainly driven by emotions. Brand-lovers like to interact and speak-up for the brand because they just can't stop thinking of it.



## THE SERIAL SHARES

This type of consumers become members of your community because they are interested in sharing, connecting and helping others. They love to share engaging content. Also, they are looking for like-minded discussions and seeking assistance from the brand.



## THE THINKERS

Some consumers spend more time thinking about the brand and their benefits. This type of consumers tends to be part of an online community to be sure they are getting the best by comparing all the available options.





# Understanding Customers

## Typologies of Users (e.g. SNS) (Brandtzaeg, 2011)

- Sporadics
- Lurkers
- Socialisers
- Debators
- Actives



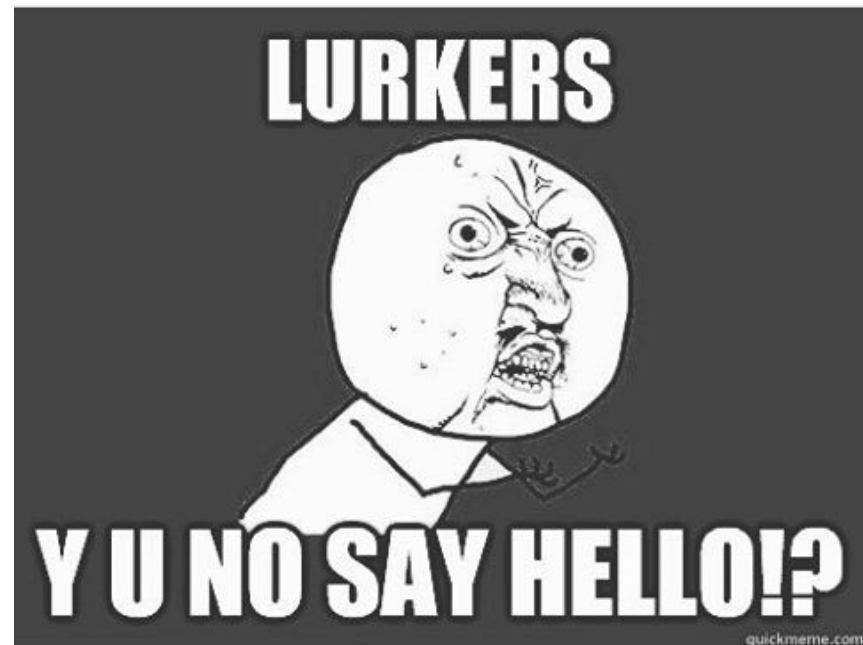
# Sporadics

- Visit the community only from time to time, but not on a frequent basis. These users have a low level of participation



# Lurkers

- Low in participation and participate in activities that are more related to recreation. Involved in several activities, but only passively or to a small degree.



# Socialisers

- Characterised by recreational in terms of 'small talk' with others, but the users' participation level is high. They score high on 'writing messages', 'posting photos' 'contacting others', and 'looking for a new friend'



# Debaters

- Highly involved in discussions, reading, and writing contributions in general





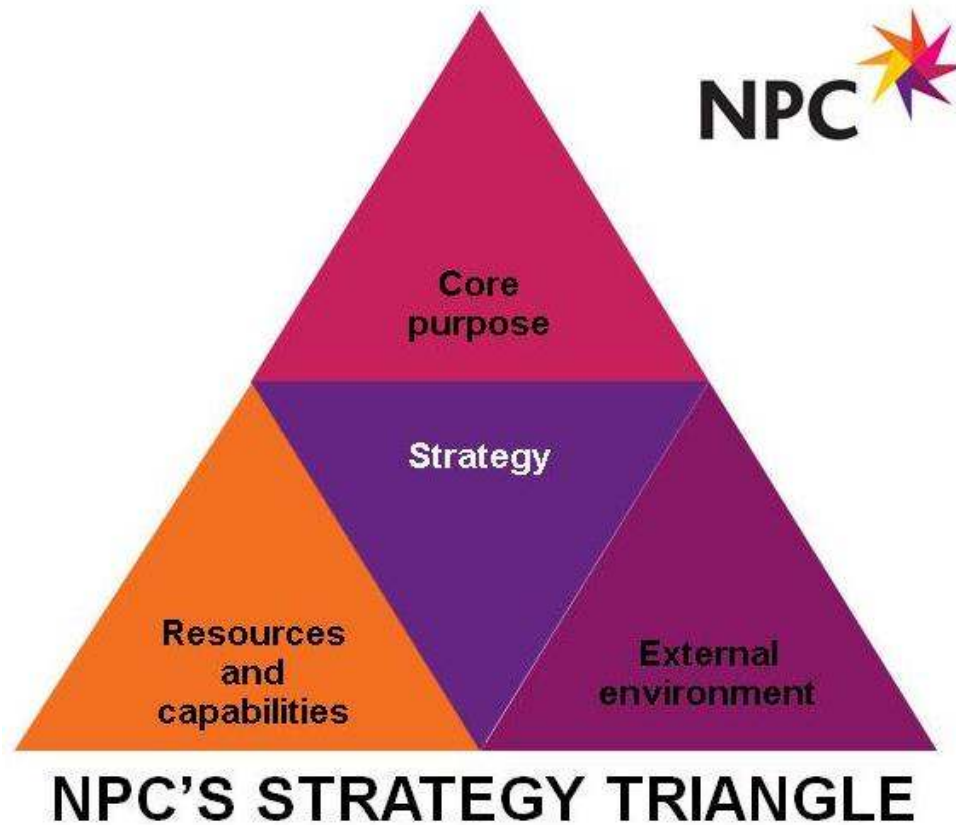
# MUT – a user typology approach

An initial unified Media-User Typology – MUT and the four criteria defining type by media behaviour

User type	Frequency of use	Variety of use	Content preferences (core activity)	Media Platform
(1) Non-users	No	No	No	All
(2) Sporadics	Low	Low	No particular activity, irregular	All
(3) Lurkers	Medium	Low	Passive consumption, lurking, time-killing	SNSs and new media in general
(4) Entertainment users	Medium	Medium	Gaming, watching videos	All
(5) Socializers	Medium	Medium	Socializing with friends, family and acquaintances	SNSs
(6) Instrumental users	Medium	Medium	Utility oriented, work related, egov services	All
(7) Debaters	Medium	Medium	Discussion and information exchange	Blogs and SNSs
(8) Advanced users	High	High	All (gaming, shopping, programming, socializing, egov services)	All

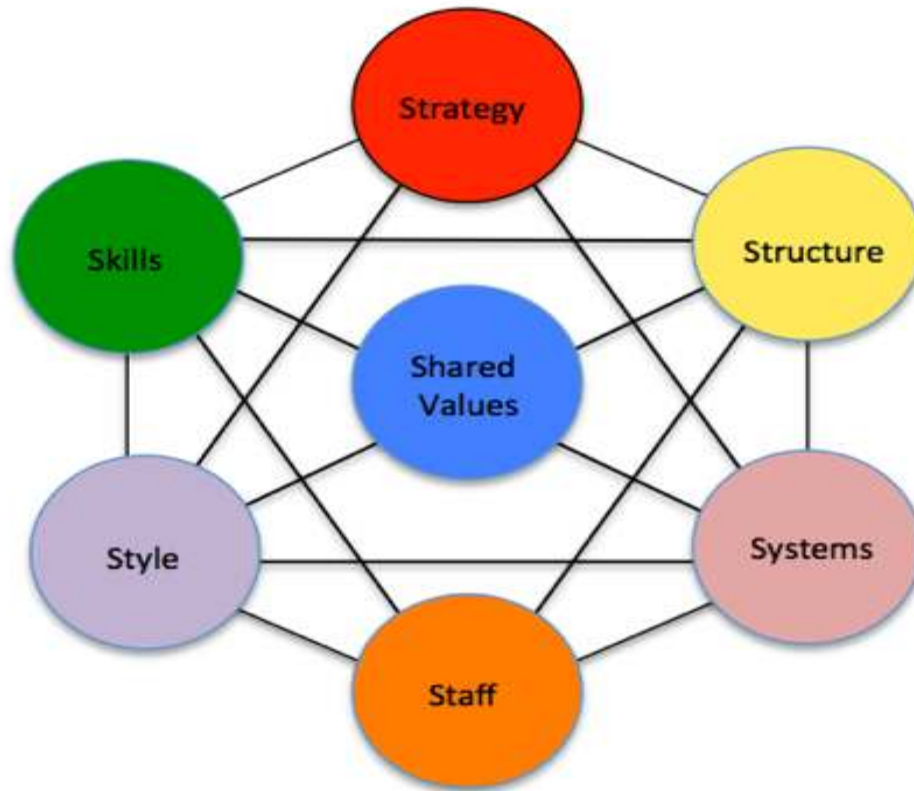
Source: Brandtzæg, P. B. (2010). Towards a unified Media-User Typology (MUT): A meta-analysis and review of the research literature on media-user typologies. *Computers in Human Behavior*, 26(5), 940–956.

# The Strategy Triangle- Resources and Capabilities





# McKinsy's Seven Ss



# Skills, Staff and Style

## **Brook Lowry**

- Influencing skills and stakeholder engagement
- Marketing strategy
- Project/product management
- Customer-centered design/UX design
- Digital marketing/knowledge of technologies
- You're always thinking about the future
- You're passionate about growth, innovation and development
- You think things can be done better
- You want to design better processes for people
- You like efficiency and productivity

# Resources and Capabilities



	<b>Basic</b> Utilising digital/social as an extension of existing activity	<b>Intermediate</b> Integrated campaigns & programmes	<b>Advanced</b> Digital/social beyond communications
Rationale	Organisations see the benefits of utilising digital/social to improve existing communications activities.	Appreciation that digital/social changes things (speed, number & type of stakeholders, more risk & scrutiny) & communications should adapt.	Communications is fully integrated. Digital/social dissected beyond communications: what are the risks & opportunities for the wider business?
Examples of activities	Basic usage like media relations or influencer marketing via Twitter, extending intelligence gathering to online channels, some online content marketing.	Integrated, proactive communications initiatives e.g. ambitious online/offline content programmes; integrated reactive issues/crisis management.	Digital/social to improve corporate culture, source of intelligence to drive strategy, means to improve operations, means to develop new business models.
Digital/social in strategy	Strategy is pre-defined and digital/social is utilised as an extension when quick and easy.	Strategy defined with dedicated digital/social expertise represented and fully integrated/interchangeable.	Fully ingrained in all aspects of business strategy; best digital/social communicators valued as wider business counsellors.

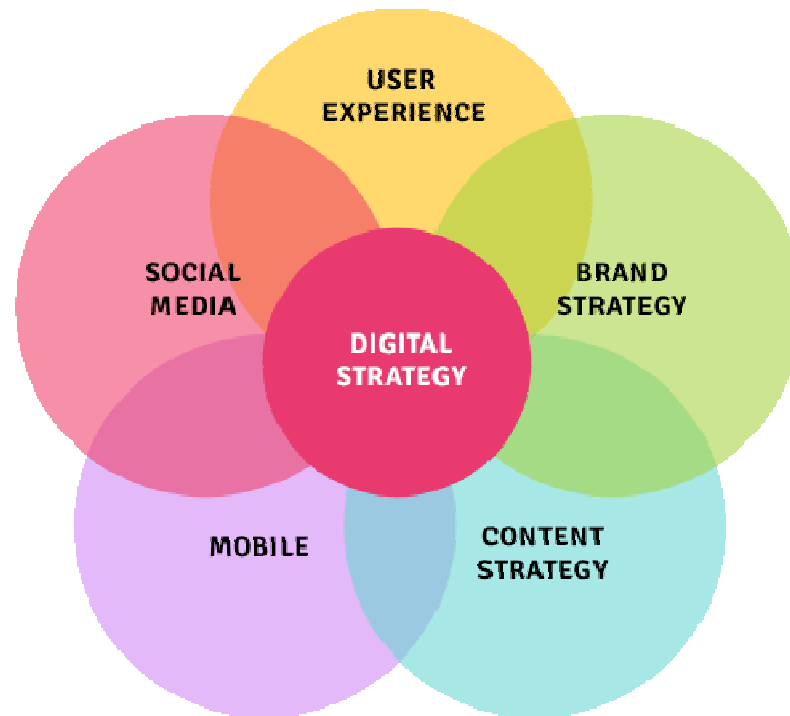
# The Marketing Strategy Process



# Digital Strategy and Organisational Strategy



# Digital Strategy



# Level of Digital Customer Engagement

## What do we mean by engagement?

- Learning
- Sharing
- Advocating
- Socialising
- Co-Producing





# Learning

Home > Skincare > Shop By Skin Concern >

## SHOP BY SKINCARE CONCERN

Your skin may be decided by nature, but it's defined by how you nurture it. Whether you are after skincare for blemish prone skin, mature skin or want something to soothe and care, you're in the right place. Simply identify your skins needs to discover your perfect skincare range.

### HYDRATE & PROTECT



DISCOVER ▶

### CONTROL OIL & SHINE



DISCOVER ▶

### SOOTHE & CARE



DISCOVER ▶

### PLUMP & FIRM

### FIRST SIGNS OF AGEING

### BOOST RADIANCE

Home > Shop By Range > Vitamin E >

## VITAMIN E

Loved since 1977, our Vitamin E range is enriched with wheatgerm oil, one of nature's richest sources of Vitamin E. It hydrates and protects all skin types plus it can help to protect against pollution and UVA/UVB rays.



## DRY SKIN?

Because hydrated skin is always in, our iconic vitamin E range helps to improve natural moisture levels.

LEARN MORE ▶

SORT BY NAME PRICE

1 | 2 | Next Items | - 12 of 23 displayed

# Sharing

## Tips & Tricks Videos

FILTER BY Tutorials ▾ Looks ▾ Face Hair ▾ Eyes ▾ Lips ▾ Nails SORT BY



QUICK EYEBROW TIP - THIS CAN CHANGE YOUR ENTIRE FACE!

Wayne G.

♥ 1669 🗨 31



NEVER SHAVE AGAIN!!! Easy, all natural DIY hair remover!!!! PhillyGirl1124 on YouTube!!

Melissa G.

♥ 2804 🗨 79



6 Worst Makeup Mistakes!

Jordan L.

♥ 1467 🗨 26



How To Get Flawless FULL Coverage Foundation

Kandee Johnson T.

♥ 301



HOW TO: MAKE EYE BAGS VANISH IN SECONDS! FULL DEMO!

Wayne G.

♥ 751 🗨 10



Pink Rose Gold Bridal Makeup Tutorial (No Foundation)

J D.

Advocating



# Socialising

## SAMSUNG NATION



Welcome to the exciting new community where you are rewarded by simply exploring Samsung.com and discovering everything it has to offer. You're now free to earn points, unlock and collect badges, boost your ranking, see who's leading, and watch Samsung Nation evolve over time.

Look to the right to check out real-time activity, then dive into the site to see what you can uncover.

### Samsung Nation

SETTINGS

Leaderboard **My Rewards**

Daily

1		<b>james hufford</b> 325 pts
2		<b>james duvendack</b> 325 pts
3		<b>jennifer lohmann</b> 325 pts
4		<b>jim marable</b> 325 pts
5		<b>regina callender</b> 325 pts
6		<b>michael santabarbara</b> 325 pts
7		<b>monique vieira</b> 325 pts

How do I earn points?

### Activities

	<b>nisey s</b> unlocked the <b>Player</b> badge. 2 seconds ago	
	<b>nisey s</b> leveled up to <b>Novice</b> . 2 seconds ago	
	<b>janardhan reddy</b> leveled up to <b>Novice</b> . 12 seconds ago	
	<b>janardhan reddy</b> unlocked the <b>Player</b> badge. 5 seconds ago	
	<b>janardhan reddy</b> unlocked the <b>Night Owl</b> badge. 12 seconds ago	
	<b>james lyons</b> unlocked the <b>Player</b> badge. 11 seconds ago	
	<b>yanet garcia</b> unlocked the <b>Merit</b> badge. 49 seconds ago	
	<b>margaret monk</b> unlocked the <b>Cruise</b> badge. 1 minute ago	
	<b>deb white</b> unlocked the <b>Merit</b> badge.	

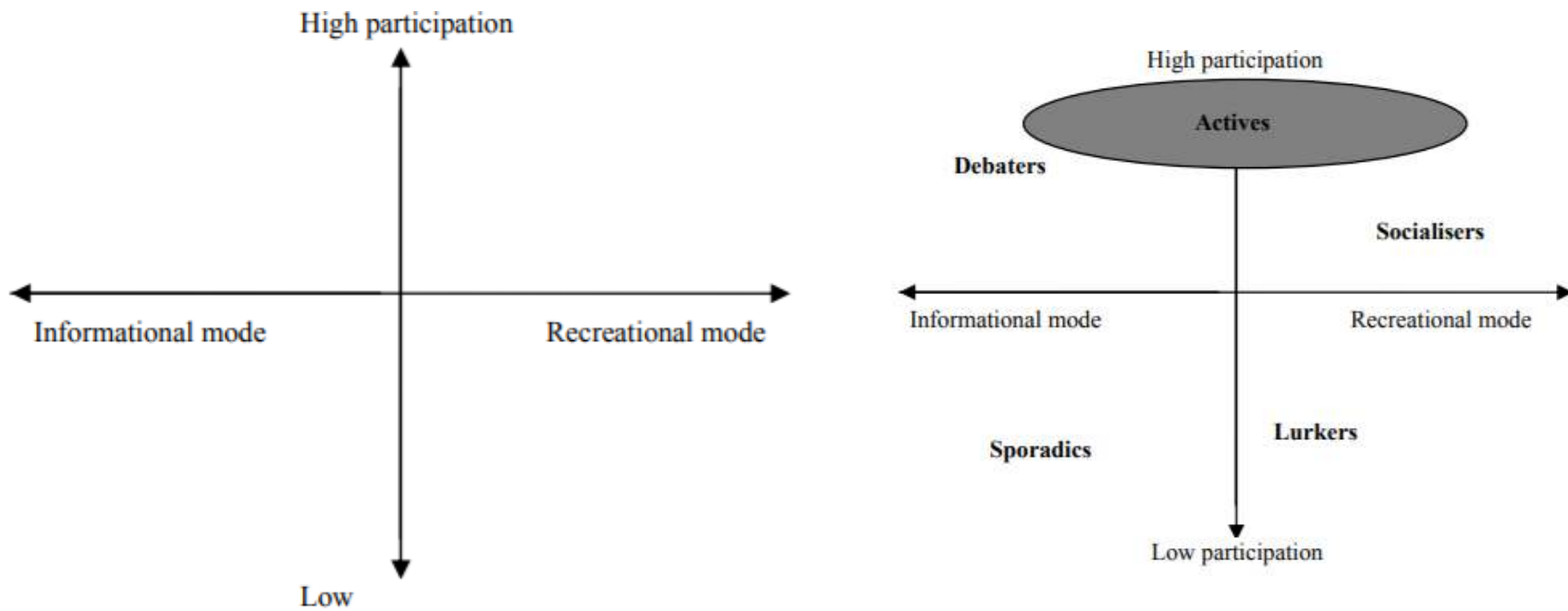
Pause

How do I earn points?

# Co-producing



# Bringing it Together (Brandtzaeg, 2011)



# Digital Considerations

## Objectives


### Communal and social engagement

versus

### Instrumental (information sharing)

The screenshot shows a digital interface for 'BLOKE', a brand with the tagline 'WHERE MEN COME FIRST'. The main content area features a story titled 'ABOVE AND BEYOND' with a photo of a man and a text block. To the right, there is a 'BROWSE THE STORIES' section with three smaller story thumbnails. At the bottom, a navigation menu includes icons for 'CUT', 'CLIPPER', 'HOT OILS', 'HEAD OILS', 'BEARD OIL', and 'GIFT VOUCHERS AVAILABLE'. The footer contains contact information and social media links.

**ABOVE AND BEYOND**



As Gary Wetzol sits in his modest South Milwaukee home watching a TV special about Vietnam War veterans from Wisconsin, a small wooden box rests inconspicuously on a table nearby, next to a picture of his granddaughter. The contents of the box gives Wetzol reason to pay extra attention. Inside is Wetzol's Congressional Medal of Honor, awarded for valor, the highest honor a soldier can receive.

The words on the ribbon he received describe an act of extraordinary heroism. They make you think, "How in the world... could anybody do what he did?"

[Download Story](#)

**BROWSE THE STORIES**

**SCREW IT, LET'S FLY**  
The F12 rolls by high in the blue over Afghanistan.

**ONE WET RIDE**  
H.O.G. members go "dunk" into Harley military history in Guam.

**HONOR THE FATHER**  
A son retraces his father's epic ride - and finds some old friends.

**ABOVE AND BEYOND**  
Meet Gary Wetzol. Harley enthusiast and winner of the Congressional Medal of Honor.

**BLOKE**  
WHERE MEN COME FIRST

CUT CLIPPER HOT OILS HEAD OILS BEARD OIL GIFT VOUCHERS AVAILABLE

Men: 800-446-5339 | We: 800-446-5339 | 1st: 800-446-5339 | Second: 800-446-5339 | Shipping: 800-446-5339 | Telephone: 800-446-5339 | Email: [customerservice@bloke.com](mailto:customerservice@bloke.com)

# Digital Considerations

## The nature of the 'scapes'

Rich, vivid sensory platforms

versus

Text heavy information bases  
platforms



### WHY CHOOSE US ?

- We have over 30 years of aluminium products since 1981
- We are an ISO 9001 accredited business
- We invest heavily into R&D - Casting of ultra-thin wall temperature casting
- We offer up to 40 casting types - 10,000+ with each individual casting weighing up to 250kg.
- We call our Bronze Alloy your key lock - including Heat Treated Aluminium (H.T. ALLOY) AND (H.T. ALLOY)
- We export 70% of our production
- We carry a Certificate of Conformity including material code and can arrange full audits and on-site electronic testing
- We can get patented seals and like also produced from a drawing through a 3 machine finished product

#### GILTECH PRECISION CASTINGS (2004) LTD

Founded in 1981, Giltech is today one of the largest heat-treated casting businesses in the world, producing 2,000,000 units of our growing range of castings in 17 materials and through 12,000 tonnes of aluminium.

Our expertise in the range of castings at a competitive price and our reputation are the reasons why our customers are the primary of our business.

Our quality and technical customer focus is the core of our business and the primary drivers of our growth through continuing growth in our customer base and product support through a dedicated R&D.

#### BRONZE & ALUMINIUM CASTINGS

Castings produced from the finest heat-treated aluminium in Australia. Contact us for a free quote.

#### TAPPING BANDS

Special tapping bands for all types of pipe, from 1/2 inch to 12 inch, ranging from 100mm to 2000mm.

#### FITTINGS

Valve, flanges, cylinder connections, manifolds, 2000 PSI, 3000 PSI, 4000 PSI, 5000 PSI & higher - other types also available.



# Digital Considerations

## Extent of Overt Commerciality

Facebook

versus

Online brand communities

versus

e-commerce sites



# Digital Considerations

## Extent of C2C Engagement

Low C2C Engagement

Versus

High C2C Engagement



### DORITOS® Mix Cheese Explosion Flavored Tortilla Snacks





PINTEREST

SOCIAL SITE THAT IS ALL ABOUT **DISCOVERY**

LARGEST OPPORTUNITIES



USERS ARE:

♂ 32% MALE  
♀ 68% FEMALE

**70 MILLION** ACTIVE USERS



TWITTER

MICRO BLOGGING SOCIAL SITE THAT LIMITS EACH POST TO **140 CHARACTERS**

LARGEST PENETRATION



BUT SPREADING SLOWLY AND STEADILY

**5,700 TWEETS**

HAPPEN EVERY SECOND

**560 MILLION** ACTIVE USERS



FACEBOOK

SOCIAL SHARING SITE THAT HAS **1 BILLION** USERS WORLDWIDE

LARGEST OPPORTUNITIES



COMMUNICATING WITH **CONSUMERS** IN A NON-OBTRUSIVE WAY

USERS SHARE **2.5 BILLION** PIECES OF CONTENT EACH DAY

**1 BILLION** ACTIVE USERS



INSTAGRAM

SOCIAL SHARING SITE ALL AROUND **PICTURES** AND NOW **15 SECOND VIDEOS**

MANY BRANDS ARE PARTICIPATING THROUGH THE USE OF **# HASHTAGS**

AND POSTING

**PICTURES** CONSUMERS CAN RELATE TO

MOST FOLLOWED BRAND IS



**150 MILLION** ACTIVE USERS



GOOGLE+

SOCIAL NETWORK BUILT BY GOOGLE THAT ALLOWS FOR **BRANDS AND USERS** TO BUILD CIRCLES

NOT AS MANY BRANDS ACTIVE, BUT THE ONES THAT ARE TEND TO BE A **GOOD FIT** WITH A GREAT FOLLOWING

GROWING RAPIDLY WITH **925,000**

NEW USERS EVERY DAY

**400 MILLION** ACTIVE USERS



LINKEDIN

**BUSINESS ORIENTED** SOCIAL NETWORKING SITE

BRANDS THAT ARE PARTICIPATING ARE **CORPORATE BRANDS** GIVING POTENTIAL AND CURRENT ASSOCIATES A PLACE TO **NETWORK & CONNECT**



**79% OF USERS**

ARE **35** OR OLDER

**240 MILLION** ACTIVE USERS

And Finally.....

Any  
Questions?

