

Social Media Marketing



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Agenda

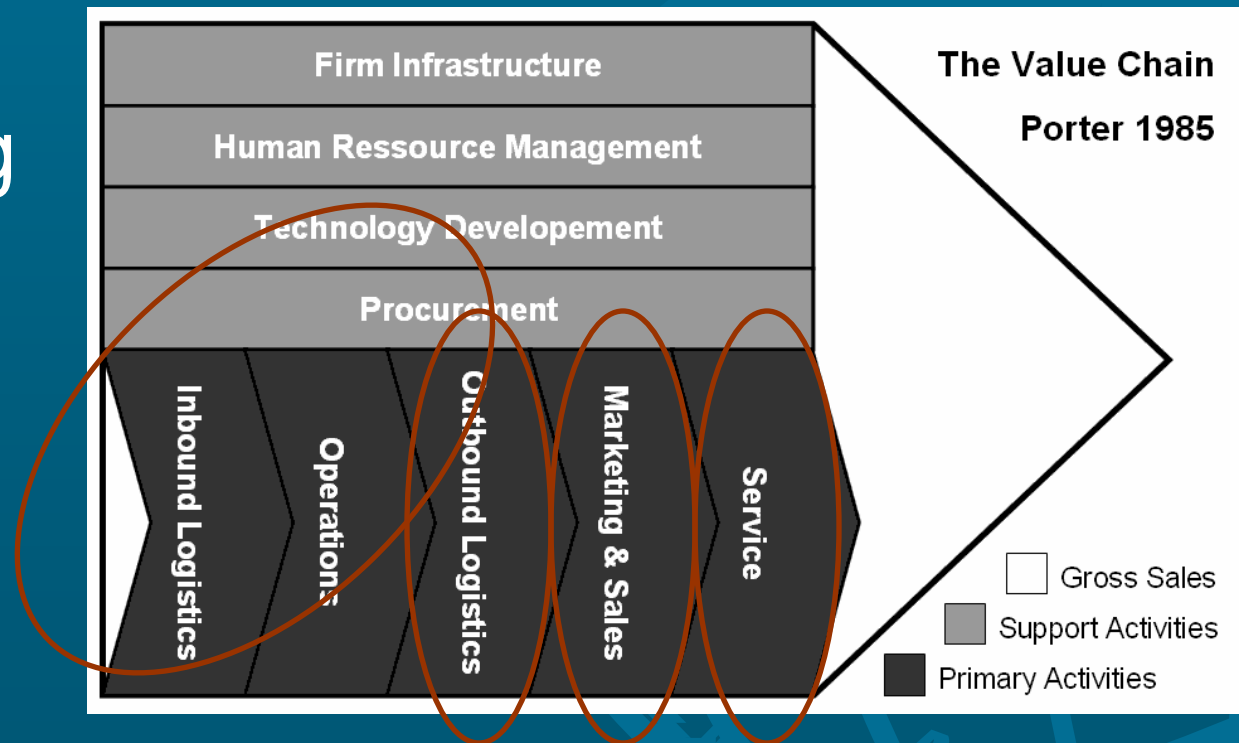
- What is marketing
- Marketing models
- Branding
- Marketing plans
- Social media marketing applications

Marketing

- Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large (*American Marketing Association, January 2008*)

Marketing

- Creating
- Communicating
- Delivering
- Exchanging




Marketing

- Customers (i.e., Stakeholders) include...
 - Customers
 - Clients
 - Partners
 - society at large

Marketing Processes

- The consumer purchasing process has been studied extensively. Issues examined include...
 - the consumer decision making process
 - how product features, packaging, symbolism, and other factors influence consumers
 - how personal factors such as personality style, age, gender, race, identity, and similar factors influence consumer decisions

Marketing Processes

- The consumer decision making process is a multi-stage process
 - problem recognition
 - information search
 - alternative evaluation
 - purchase decision
 - post-purchase behavior
- 

Marketing Processes

- Problem recognition: Perceiving a difference between one's desired and actual situation.
- To trigger a purchase decision the gap needs to reach a certain threshold that varies for each product and across time and context

Marketing Processes


- Information Search: When the consumer looks for information to clarify his or her product options



Marketing Processes

- Alternative Evaluation: When the consumer ...
 - identifies criteria for evaluating the purchase
 - applies the criteria to the decision
 - develops a value or utility for the product

Marketing Processes

- Purchase Decision: When the consumer decides to purchase the product or service
 - Decisions include
 - From whom to buy
 - Where to buy
 - When to buy
 - Choose not to buy
- 

Marketing Processes

- Post-purchase Behavior: When the consumer evaluates the purchase and determines whether the product or service meets expectations (i.e., is he or she satisfied?)
- Post-purchase evaluations influence...
 - Value perceptions
 - Communications to the firm, social relations, and others
 - Whether to come back for more

Marketing Processes

- The purchase process is similar to other decision making, development, and evaluation processes
- As with these processes, the purchase process will be modified or varied based on numerous factors
 - Consumer's level of involvement in the product (e.g., is it expensive, can it hurt me, does it make me look cool?)
 - The significance of the product to the consumer
 - Whether the product has been purchased before (e.g., is it a habitual purchase)
 - The decision making process (e.g., are you in a hurry, do I have enough money with me, does the sales person smile, etc.)

How is this done?

- Marketing Mix
 - Four Ps in the classical marketing mix
 - Product
 - Place
 - Price
 - Promotion

Marketing Mix (continued)

- Marketing mix from customer's viewpoint
 - Four Cs marketing mix model
 - Customer needs and wants
 - Convenience
 - Communication
 - Cost to customer

(Lauterborn, R (1990), 'New Marketing Litany: 4P's Passe; C-Words Take Over', Advertising Age, Oct 1, 1990:2)

Product Brands

- A brand includes images, concepts, and ideas that represent a business or organization.
 - Names
 - Slogan
 - Logos
 - Trademarks

Product Brands

- Why should I build a brand?
 - To differentiate my products
 - To build loyalty around the brand
 - To build satisfaction and pride for ownership of my product
 - To convey to the customer the fact that my product is worth what he/she paid for it

Building a Brand

- What makes a brand tick?
 - Know your product! What is it about your product that is important to consumers?
 - Differentiate the product from competitors' products. Take the important (and not so important) elements and show how your product is unique
 - Show me why I should buy it! Demonstrate what it is about the product that makes it useful to me. What need or want does the brand satisfy?

Building a Brand

- How do you build a brand?
 - Develop a name for the product that makes sense and can be remembered
 - Develop a slogan, catch phrase, or jingle that captures the product features, is easy to remember, and is positive
 - Develop imagery that fits with the name, slogan, or product features (e.g., logos and symbols)

Building a Brand

- Oh, don't forget the domain name (URL)

Building a Brand

- How to build your brand name?
 - Brainstorm
 - Conduct focus groups
 - Pay a consultant
 - Ask your friends
 - Look around

Building a Brand

- Brand names, domain names, trademarks are becoming more interchangeable
 - Make certain a URL does not infringe on the brand or trademark of an existing company

Social Media as Ecommerce

- E-What?
 - E-business: How an organization uses the Internet/Web to transform organizational performance
 - Intranets, self-paced e-learning programs for employees, online payroll services, and knowledge management systems
 - E-commerce: Focuses entirely on the use of the Internet/Web to facilitate and accelerate commercial transactions
 - business-to-business (e.g., marketplaces, e-procurement), business-to-consumer (e.g., online retailing), and consumer-to-consumer (e.g., consumer auctions)
 - E-marketing: The use of the Internet/Web and related information technologies to conduct marketing activities

What is E-Marketing About?

- Advertising and website positioning is not enough...
 - E-marketers need an integrated View encompassing...
 - Goals
 - Actors
 - Spaces
 - Actions
 - Outcomes

Question: Why are Internet advertising and building a website insufficient by themselves?

Actors

Table 2. Different types of marketing actors in E-MARKPLAN

	Primary (directly impact the company)	Secondary (indirectly impact the company)
Friendly	Satisfied consumer, brand community	Affiliate, distributor/broker/service, provider, partner
Agnostic	Media	Retailer, promotion intermediary
Hostile	Competitor, dissatisfied consumer	Competitor's Affiliates, competitor's partners, competitor's distributors

Why do we need to consider “types” of actors?

Spaces

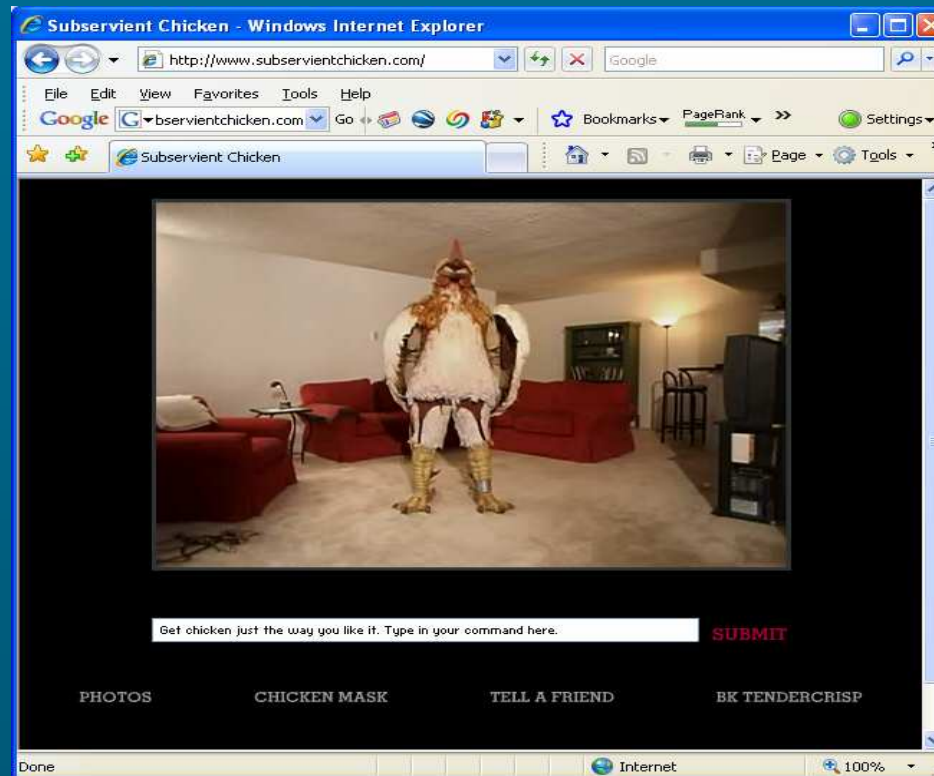
- Advertising
 - Brand websites, partner websites, affiliate websites, media websites, consumer websites, search engines/portals, blogs
- Content
 - e-marketer's own website, partner websites, media websites, blogs, consumer e-mail inboxes, search engines, portals/directories
- Community
 - Blogs, company-led brand communities, consumer-led brand communities, discussion forums, and hate websites
- Promotional
 - Communication sites, product comparison sites, incentive shopping sites

Is there a good example of a business that has used these four spaces well?

Actions

- **Communication actions**
 - Advertising, direct message dissemination, and content creation and management
- **Analytics**
 - tweaking the content on a website to increase the rank in search results on major search engines
- **Customer relationship management**
 - individual consumers
 - groups of customers

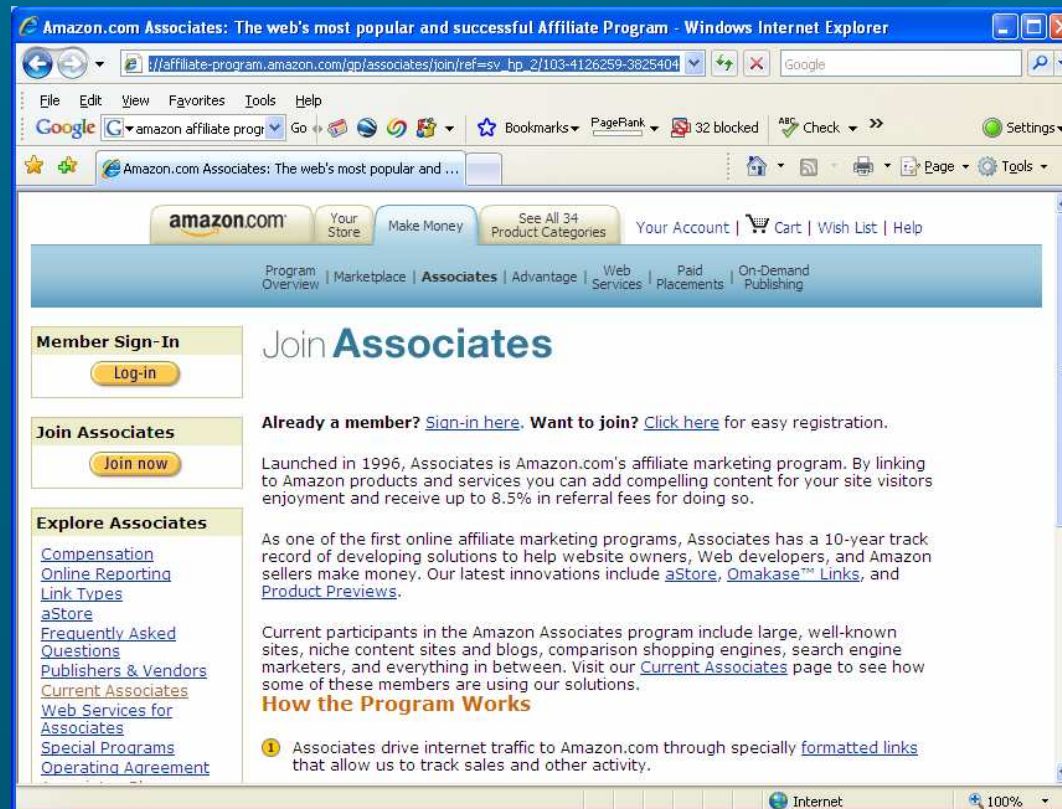
Case 1: Subservient Chicken



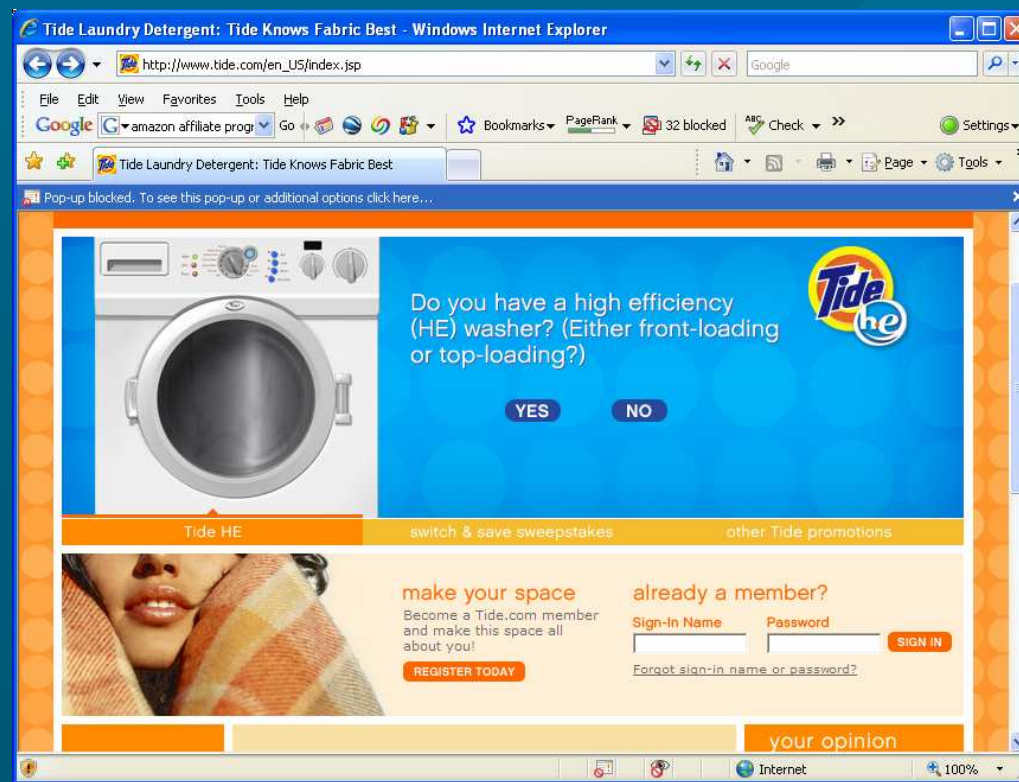
Case 2: Geico Blog



Case 3: Amazon affiliates



Case 4: Tide.com's Fabric Care Network



The 3R Framework

Table 1
E-business strategic dimensions

	Reach	Richness	Range
<i>Definition</i>	The degree to which a firm can manage its value chain activities to connect its customers to an accessible product/service offering	The degree to which a firm can facilitate the exchange of information to deliver products/services that match customers' exact wants and needs	The degree to which a firm can offer its customers a value proposition containing a breadth of products/services
<i>Low</i>	Offline physical products and services	Pre-built, standardized products and services	Narrow set of products and services
<i>High</i>	Online digital products and services	Segment-of-one, customized products and services	Broad set of products and services
<i>E-business opportunities</i>	Online digital products and services	Tailored customer-to-firm interaction	Strategic alliances

Reach

- Reach is the degree to which a firm can manage its value chain activities to connect its customers to an accessible product/service offering.

Richness

- Richness is the degree to which a firm can facilitate the exchange of information to deliver products/services that match customers' exact wants and needs.

Range

- Range is the degree to which a firm can offer its customers a value proposition containing a breadth of products/services.

E-business strategic positioning along the *reach* dimension

- key question: Is the product/service produced and distributed online or offline?
 - Digital products or services can overcome these limitations and radically extend reach.
 - Digital products exist when...
 - It exists in digital format
 - it is directly accessible on an interconnected, digital network
- Why is the nature of the product, physical vs. digital, so important in impacting reach?

E-business strategic positioning along the *richness* dimension

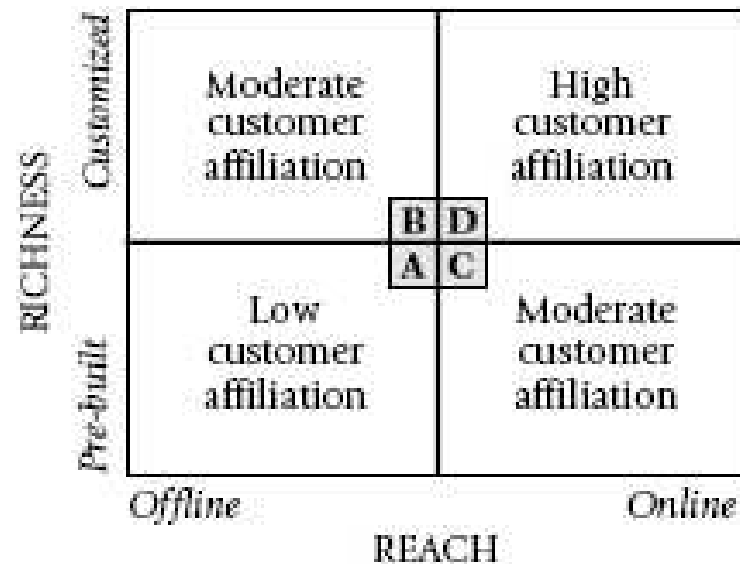
- key question: Is the product/service pre-built or customizable?
 - Pre-built (supply-driven)
 - Customizable (demand-driven)
 - For customizable products, customers not only interact with companies at a very personal level, they can also dictate their exact desires
- Why do you need to know your customers? Is customization dependent on consumer knowledge being held by the company?
- Why is pre-built classified as supply-driven and customizable as being demand-driven?

E-business strategic positioning along the *range* dimension

- key question: Is the product/service offering within the value proposition narrow or broad?
 - Broad offering typically consists of a heterogeneous set of standardized or generic products and services that cross industry segments
 - Narrow offering typically consists of a homogeneous set of specialized or customized products and services that are more tightly focused

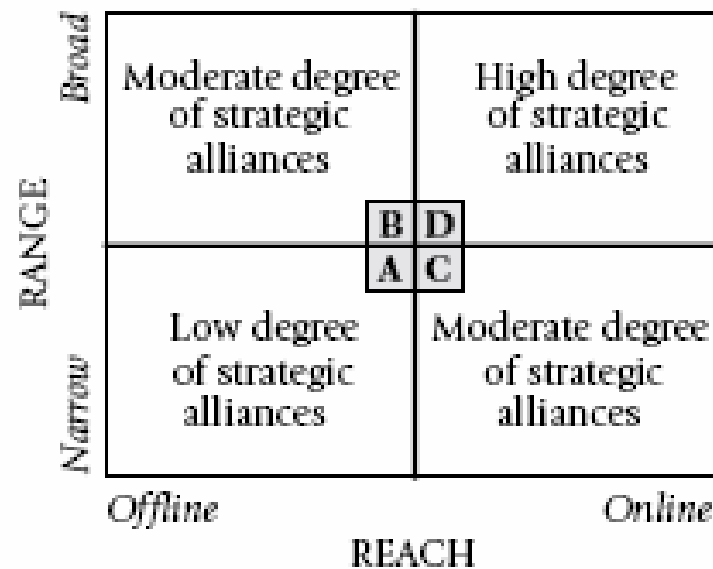
Strengthening an e-strategy through the interaction of *reach* and *richness*

Figure 3
The effect of reach/richness on customer affiliation



Strengthening an e-strategy through the interaction of *reach* and *range*

Figure 4
The effect of reach/range
on strategic alliances



RANGE	Broad	Moderate degree of strategic alliances	High degree of strategic alliances
	Narrow	Low degree of strategic alliances	Moderate degree of strategic alliances
		Offline	Online
		REACH	

Strategic Guidelines

- Extend reach digitally
- Enhance richness digitally
- Expand range digitally

Strategic Guidelines

- In other words, max each of the R dimensions.
- Is this really what every firm should do?

Strategic Guidelines

- Consider Woot



The screenshot shows the Woot! website interface. At the top, there is a navigation bar with the Woot! logo and links for 'today's woot', 'the blog', 'the community', 'write us', 'your account', and 'what is woot?'. A 'side deal' banner at the top right offers 'Free items, 70% off & more specials. While supplies last at the [Myrock Clean Up Sale](#)'. Below the navigation, there is a login section with the text 'Hi. Are you new? [Start here.](#)' and input fields for 'username' and 'password (I forgot!)', with a 'GO!' button. The main product listing is for 'Random Crap', priced at '\$1,000,001.00 + \$5 shipping'. The product details include 'CONDITION: Crappy, Random', 'PRODUCT(S): 3 Random Crap', and '1 Bag'. A 'DISCUSS THIS PRODUCT (2182 COMMENTS)' link is also present. A large 'sold out!' message is displayed in orange. Below the product listing, there are tabs for 'PRODUCT INFO' and 'PRODUCT STATS'. The 'PRODUCT INFO' tab is active, showing the title 'Bag O' Crap XVIII: Crapster's Millions' and a description: 'Whatever happened to common courtesy? Used to be people understood the value of politeness, the power of a simple gesture'. To the right, there is a section titled 'THIS WEEK ON [winewoot!](#)' with a date 'MAR. 26' and a wine recommendation: 'Hall Wines 2004 Napa Valley Cabernet Sauvignon Duo'. At the bottom right, there is a link for 'Gulf Hurricane Relief'.

The 5 Pillars of Social Media Marketing

- Social Media Marketing tactics engage in one or more of the following
 - Declaration of Identity
 - Identity through Association
 - User-initiated Conversation
 - Provider-initiated Conversation
 - In-Person Interaction

The 5 Pillars of Social Media Marketing

- Declaration of Identity: focus on identity-based interaction that shapes and defines the firm's identity
 - [LinkedIn](#)
 - [Ziki](#)
 - [ClaimID](#)
 - [SuperGlu](#)

The 5 Pillars of Social Media Marketing

- Identity through Association: Allowing customers to associate themselves with a firm using social media associations

- [Del.icio.us](http://del.icio.us)

- [Furl](http://furl.com)

- [Blummy](http://blummy.com)

- [Ma.gnolia](http://magnolia.com)

- [StumbleUpon](http://stumbleupon.com)

- [BlinkList](http://blinklist.com)

The 5 Pillars of Social Media Marketing

- User-initiated Conversation: Allowing customers to respond, shout out, and talk back to a firm or to others about a firm
 - [Yahoo Groups](#)
 - [Google Groups](#)
 - [AOL Groups](#)
 - [MSN Groups](#)
 - [Topica EMail Lists](#)
 - [Kaboodle Groups](#)
 - [Eurekster](#)
 - [tribe.net](#)
 - [Ning](#)

The 5 Pillars of Social Media Marketing

- Provider-initiated Conversation: Allowing firms to seek out input from customers
 - User forums
 - Customer feedback forums
 - Social networks for focus groups

The 5 Pillars of Social Media Marketing

- In-Person Interaction: Get down to face-to-face, over the phone, or synchronous interaction via text or email
 - [Meetup](#)
 - [BarCamp](#)
 - [Evite](#)
 - [Upcoming](#)
 - [Eventful](#)

Social Media Marketing Examples

- FACEBOOK Applications
 - [aerie by American Eagle](#)
 - [BlueNile Wishlist](#)
 - [Steep and Cheap](#)
 - [Zappos](#)
 - [Threadless](#)
 - [Threadless Plus](#)

Social Media Marketing Examples

FACEBOOK Sponsored Groups

- [All Posters.com](#)
- [erie by American Eagle](#)
- [Apple Students](#)
- [Champion Fan Zone](#)
- [Chill with HP Canada](#)
- [Contiki](#)
- [Dell Spot](#)
- [Half.com by Ebay](#)
- [H&M](#)
- [JanSport](#)
- [Mark.Girl Cosmetics](#)
- [I Took the Nike Zoom Challenge](#)
- [PINK by Victoria's Secret](#)
- [Reebok](#)
- [SouthWest Airlines](#)
- [Target](#)
- [TicketMaster](#)
- [Virgin Mobile](#)
- [Walmart Roommate Style Match](#)

Social Media Marketing Examples

SECOND LIFE E-STORES

- I Want One of Those
- CKIN2U
- Secondlife
- Second Life Apple Store
- Reebok
- 1-800-Flowers
- IBM Repair Shop
- Xerox
- StyleHive (Social Shopping)
- Phillips
- Coca Cola Contest

Social Media Marketing Examples

YOUTUBE / VIDEO PODCASTS

- [1800Flowers](#)
- [2K Sports](#)
- [BlendTec](#)
- [Bowflex](#)
- [Buy.com](#)
- [Helio](#)
- [Home Shopping Network](#)
- [IWOOT](#)
- [MyTravel.com](#)
- [Overstock.com](#)
- [Quiksilver](#)
- [RadioShack](#)
- [Sam Ash Music](#)
- [Sephora](#)
- [ShopNBC](#)
- [ThinkGeek](#)
- [Tiger Direct](#)
- [Zappos](#)
- [Napster](#)

Social Media Marketing Examples

- **ONLINE COMMUNITIES**
 - Calvin Klein Meet friends and submit user generated videos (contest)
 - Weber Grills Audio & Video podcasts, interactive recipes
 - Threadless Rethreaded
 - Lucky Magazine
 - Yub.com (Buy.com's Social Community)
 - Kashi

Social Media Marketing Examples

- **FLICKR MARKETING**
 - [EBTM t-shirts](#)
 - [NineTails Store](#)
 - [OwlMovement](#)
- **FLICKR USER UPLOADED “FAN” PHOTOS**
 - [Chumby](#)
 - [Chumby Flickr Page](#)
 - [FullBleed](#)
 - [Tea and Crumpets](#)
 - [Threadless](#)

Social Media Marketing Examples

VIRAL MICROSITES

- [Office Max Elf Yourself](#)
- [Hanes Socks](#)
- [SumoGlue.com](#)
- [Career Builder](#)
- [Guinness](#)
- [Fruit of the Loom](#)
- [Dial Soap for Men](#)
- [I Can't Believe It's Not Butter](#) (Starring Fabio)
- [HBO](#)
- [HP ToyRama](#)
- [GEICO](#)
- [GLAD](#)
- [Jockey](#)
- [Pet Mustache](#) (Burger King)
- [Rice Krispies](#)
- [Dial Soap Manluge Game](#)
- [Dial for Wussies](#)
- [Wrigley's Gum](#)
- [UPS](#)
- [Taco Bell](#)