Digital Marketing Demands
Convergence of Promotional Strategies, Media and Messages

Firms Mix Content Marketing, Native Advertising

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ABSTRACT

Even before the World Wide Web, Integrated Marketing Communications (IMC) was gaining acceptance across all fields of business and industry. However, the explosion of online and mobile marketing has caused a convergence of marketing strategies at the same time that all forms of media are converging onto digital platforms. This has become more than just a “Digital Age.” For marketers it is the age of multimedia, the age of coordinated omnichannel communications with an increasing emphasis on mobile, the age of personalization, and an age that blends free and friendly inbound marketing with paid advertising that looks more and more like the organic content that surrounds it. This chapter explores the ongoing impact of the convergence of media, strategies and technologies on the 4 P’s of the traditional marketing mix.

INTRODUCTION

Professionals understand that advertising is only one part of marketing. They understand the important role of public relations and branding. They understand that the marketing mix even includes important elements of the products, their pricing and the place where they are sold. Nonetheless, advertising seemed to be the driving force behind marketing as long as traditional media were the dominant channels for promotional messages. All that has changed in the Digital Age.
One of the biggest sources of sales leads now is so-called content marketing or inbound marketing (not exactly synonymous but largely overlapping). Because this marketing is free (not counting labor and other in-house expenses), this would have certainly been part of many PR Department’s responsibilities 10 years ago. But those working on content marketing must also be involved, almost by definition, with native advertising. Native advertising is created to look like organic content around it but requires payment to achieve greater reach. Indeed, on Facebook if you have a business site and begin making regular posts, you will be asked if you want to promote your free post. That means you will pay to have it placed on people’s timelines who are not among your organization’s friends and followers. That immediately makes it native advertising. A BI Intelligence report estimates that native ads will make up 74% of all U.S. digital display ad revenue by 2021 – bringing in, as illustrated in Figure 1, an estimated $36.3 billion, compared with $12.6 billion for non-native advertising (Boland, 2016), and the trend is growing almost as fast internationally. With these major opportunities taking place largely on social media, many organizations have a separate team to oversee theses promotional activities under the Integrated Marketing Communications (IMC) umbrella.

![Estimated U.S. Native Display Ad Revenue, 2016-2021 (in billions)](image)

*Figure 1. Native display advertising (advertising created to look like the organic content that surrounds it) is growing rapidly while non-native advertising has gone stagnant. Source: Boland, BI Intelligence (2016)*

The IMC concept of placing marketing, advertising, branding, public relations, direct sales, and other promotional messaging all under one marketing executive in order to coordinate these activities began before the World Wide Web. But even though digital marketing almost demands an integrated approach, adapting IMC to the digital world still requires some effort. The *Journal of Research in Interactive Marketing* asked Payne, Peltier, and Barger (2017) to provide some insights, suggestions and research topics required to help make this transition. They felt that digital communications enhance organizations’ ability to engage consumers with a unified message across channels. The intersection of IMC strategies and tactics with effective omnichannel marketing could allow for a more profitable relationship, they said. The authors noted that this is a new area of academic research and proposed an omnichannel version of the IMC framework to help guide academic inquiries. In reviewing academic literature linking personal and electronic communication in the current omnichannel environment, they recommended five major areas where research is needed:

- Research that better links omnichannel and IMC theory and practice.
- Conceptual and empirical research that helps operationalize the consumer-brand engagement construct, including its antecedents and consequences.
• Build understanding of off- and on-line consumer-brand touchpoints and how they may enhance engagement and profitability.
• How omnichannel IMC best monetizes buyer-seller relationships.
• Omnichannel IMC in other consumer decision contexts.

Melero, Sese and Verhoef (2016) expressed similar feelings that IMC integration into the digital world was in its infancy. While in theory omnichannel marketing coincides with IMC in creating “synergistic management of the available channels and customer touchpoints to enhance the customer experience and to improve performance,” accomplishing that in the real world is one of the biggest challenges facing executives. They noted several key issues, including “adopting a customer centric approach, unifying all touchpoints across all channels, delivering personalized customer experiences, integrating the available channels, delight customers across channels, redefining the role of the physical store and embracing mobile marketing.”

Batra and Keller (2016) also noted the difficulties encountered in this transition because “consumers, brands, and the media are fundamentally changing in profound ways. With the explosion of new media, consumers are dramatically shifting both their media usage patterns and how they utilize different media sources to get the information they seek, which thus influences when, where, and how they choose brands. Perhaps more than ever, their attention is divided, often due to multitasking, and they are seemingly in a perpetual state of partial attention.” Because of the nature of new media, there are “increased social influences on purchase.” The power of “word of mouth” communications and advocacy “have become especially important” and “brand messaging is even less under the marketer’s control” (p. 122). Batra and Keller offered their own illustrations of the new “dynamic, expanded consumer decision journey,” “factors that affect consumer communication processing,” and a new “IMC conceptual framework” as it now exists. They challenged readers to consider their proposed paradigm with which to envision the new ecosystem, along with their other illustrations as new ways to model the changing effects of marketing communication. They also recommended some research priorities, noting “a paucity of scholarly research on the changing nature of how consumers seek, acquire, and integrate brand-relevant information in today’s dramatically new media environment” (pp. 137-139). One of their specific research priorities was the “tremendous importance” of mobile marketing, noting that “there will undoubtedly be a number of uniquely original considerations that firms will have to factor in.”

Nonetheless, coordinating the efforts of separate teams has not always proven easy. Recent studies suggest that despite the wide acceptance of this IMC philosophy, many campaigns still happen in a fragmented, isolated manner.

“It’s surprising,” says Rebecca Honeyman, Hotwire VP and GM of the firm’s New York office. “After years and years of preaching about having one campaign and telling a coherent story, no one is practicing what they preach.” Part of the problem, according to Honeyman, is that marketers tend to have one team in charge of direct marketing, another in charge of brand marketing, another in charge of communication, etc., as well as working with a handful of different agencies, each with their own individual teams (Britt, 2015).

The rise of new communication technologies has led modern marketing departments now to include marketing technologists and data scientists responsible for handling new marketing communication tech and Big Data, respectively. A 2017 study by Chief Marketing Technologist found that 27% of marketing executives had restructured their departments to leverage the use of these technologies. The study also indicated that 53% of respondents were moving towards creating a new role to have someone specifically in charge of new marketing technology (Brinker, 2017). Those organizations not making these changes are probably continuing to experience the frustrations expressed in previous studies.

A global survey of B2B marketing executives in 2013 (Ramos, 2013, p. 2-4) found that 97% of the executives felt as if they were “navigating chaos,” with more than one-third feeling “overwhelmed” by the new marketing challenges, frequently related to technology. About 60% of the executives had looked
for more tech-savvy marketing professionals to help, but 47% had failed to fill the need. It appears that today’s marketing graduates do not possess the necessary technical skills, either, which led to the current trend to add technical specialists to the team and teach them what they need to know about marketing. Such technical skills are needed to gather consumer data and then apply it to achieve the growing demand for personalization. Personalization comes from the automated gathering and use of data and is now among the highest priorities for marketing executives (Researchs cape International, 2015; Neustar, 2015; Adobe, 2015).

Still in 2017 marketing executives are expressing frustration that their team is unable to perform their most technical advertising efforts. Programmatic advertising, for example, uses computer programming to find, negotiate, contract and sometimes fulfill the advertising with as little human involvement as possible. It is expected to facilitate 84% of all U.S. digital display ad spending in 2019 (eMarketer, 2017a) in spite of the fact that most marketing executives are unhappy about having to use specialists from outside agencies to do so. Some 87% of marketing executives say they want to bring at least part of the programmatic advertising function in-house. But after several years of failure in this effort, 96% admit that the outside agencies will still have to play a major role going forward (Johnson, 2017). With technologists on the marketing team, however, the executives will undoubtedly continue their efforts to take over more programmatic functions.

Thus, we see that the need for an integrated marketing department is much greater now than when the concept first became popular before the creation of the Web. For savvy marketers, being able to speak with a single voice across communication platforms remains the ideal standard.

**A NEW LOOK AT OLD CONCEPTS**

This chapter focuses on how modern marketing is integrating new tools and tactics with old concepts. Advertising is still a very important part of marketing, of course, and we cover additional revolutionary changes in advertising in a separate chapter. In this chapter we review how Web and mobile technologies have revolutionized all 4 P’s of marketing:

1. **The Products** -- the goods and services to be offered.
2. **The Promotions** – the marketing communication to attract prospective customers.
3. **The Place** where the product is made available for purchase.
4. **The Price** at which the products are offered within the competitive marketplace.

**Products**

Product strategies remain as varied as there are industries. One strategy that continues to stand out is the “long tail” product strategy (Anderson, 2006). Digital products can be “inventoried” now profitably even with relatively few sales per item. A traditional music store might carry 1,000 of the most popular recordings, but an online music store can carry more than 100,000 digital music products and make much greater profit even if the extra 90,000 products only sell a few copies per year. Online digital product sales on a chart begin with a few hundred items with a lot of sales, followed by a long, long tail of items with only a few sales.

Of course “products” in the 4 P’s also include services, and the mega-success of Uber (Suslo, 2016; Tobias, 2016) in pairing consumers wanting to save money on taxi services with Uber drivers trying to make some extra money in their free time, is such an example. Launched in 2009, Uber is valued at $63 billion – more than such traditional businesses as Ford and General Motors. A similar example is AirBnB, which after just 10 years of offering international “couch surfing” has far more capacity than the Marriott Hotel chain, with 3 million listings, and is valued at $30 billion. In the process, it raised $3 billion from investors, of which it has only spent $300 million. Company officials believe they will be earning $3.5
billion a year by 2020 before taxes, making it among the top 15% of the Fortune 500 companies (Murray, 2017; Roberts, 2017).

Promotion
Most companies have now integrated digital marketing tools into their overall marketing strategies, and expectations are that mobile will eventually dominate the digital world – with paid online advertising surpassing all other forms of advertising in expenditures by 2021 (eMarketer, 2017b). But some of the most effective marketing available is free.

Inbound/Content Marketing
“Inbound marketing” and “content marketing” are free marketing strategies that have become some of the most important of the Digital Age, and, as suggested earlier, they don’t fall exactly into any of the other promotional categories. Lieb (2011) asserted that content marketing is a “pull strategy” rather than an instrument for “push marketing” like traditional advertising. It emphasizes information and dialogic communication rather than selling. When consumers want it, they are provided “with relevant, educational, helpful, compelling, engaging, and sometime entertaining information” (p. 1). Holliman and Rowley (2014) said digital content marketing relates to “creating, communicating, distributing, and exchanging digital content that has value for customers, clients, partners, and the firm and its brands” (p. 287). Feng and Ots (2015) noted that “Instead of advertising, the shift is towards publishing. Companies of all types and sizes flood the market with articles, white papers, videos, podcasts, Facebook posts, and tweets. Reshaped to look like digital newsrooms, corporate communications teams begin to prioritize and produce high-quality brand content.” They also concluded that “as a rising phenomenon, content marketing is a relatively unexplored area of academic research” (p. 1).

“Inbound marketing” was a related term coined by one of the top online marketing consulting agencies, HubSpot, in 2006 (Chernov, 2014, p. 12). Most professional marketers are familiar with both terms, but there is disagreement on whether they are the same or how they are related. HubSpot surveyed over 6,000 marketing professionals in June 2014 to see how they considered the terms to relate. The majority (59%) considered “content marketing” to be a subset of “inbound marketing.” Of the remaining respondents, 33% were divided fairly equally between the other three options, that they were synonymous terms, that they were totally distinct concepts, or that inbound marketing was a subset of content marketing (Chernov, p. 13). So, for our purposes we will proceed as the majority of marketers believe the terms do relate and suggest that they are correct in that “content marketing” suggests strategies that provide content (usually free educational content) that attracts people toward the company and its paid products and services. “Inbound marketing,” as the superset of content marketing, would include additional strategies that provide the same effect. For example, “fremiums” (free trial offers) could be considered part of inbound marketing but not content marketing. In reality the vast majority of inbound marketing efforts also fall into the subset category of content marketing.

The most popular forms of inbound marketing, according to the HubSpot survey, are, in order (Chernov, p. 11):

1. Blogging.
2. Organically growing SEO (influenced strongly by all inbound marketing techniques).
3. Content distribution, in general.
4. Webinars.
5. Visual content.
6. Interactive content (games, etc.).
Other key takeaways from HubSpot’s survey include (Chernov, p. 6-10):

- Inbound marketers who routinely track ROI in their inbound marketing efforts are 1,200% more likely to report a year-to-year increase in ROI. Chernov says a major reason for this is that tracking ROI results in an organization increasing inbound budget and utilization since, if done well, is much more cost-effective than outbound marketing (traditional advertising, phone solicitations, trade shows, etc.).

- Inbound marketing helps a company to be found on the Internet. Marketers who blog are 1,300% more likely to drive positive ROI than those who don’t.

- Organization leaders and communication practitioners prioritized the purposes of inbound marketing exactly the same and with almost identical scores. These are, in ranked order:
  1. Increasing the number of contacts/leads.
  2. Converting contacts/leads to customers.
  3. Reaching the relevant audience.
  4. Increasing revenue derived from existing customers.
  5. Proving the ROI of our marketing activities.
  6. Reducing the cost of contacts/leads/customer acquisition.

- Inbound marketing is becoming more important to vendors and marketing agencies. “More companies are running inbound than ever before,” writes Chernov (p. 9), but marketing agencies are more committed to inbound than vendors. About 47% of the agency respondents reported that inbound marketing was their primary lead generator, as opposed to about 27% of the vendors. In both cases, about 40% of their leads were attributed to neither inbound nor outbound marketing and probably included such sources as referrals.

- Inbound is becoming a vital part of sales. More than 25% of HubSpot’s respondents reported that their sales teams are themselves employing inbound tactics. But more important was the response by sales staff themselves in answering the question, “Which lead sources have become more important over the last 6 months?” The top four in order were email marketing, social media, SEO and blogs. Ranked last was traditional advertising, followed by direct mail, pay per click (PPC), trade shows and telemarketing.

- While organization staff members provide content for most inbound marketing worldwide, guests and freelancers show the greatest ROI.

- For North American B2B companies with 1-200 employees, the average cost per lead is about 66% less for inbound marketing than outbound marketing. For larger companies inbound marketing leads are about 40% less expensive.

- Respondents were from around the world, and the results showed that these are global trends, with little variance between locations.

In authoring an earlier 2014 survey study involving 1,099 e-commerce marketing and business professionals from 45 countries in six continents, Mallikarjunan (pp. 10-19) concluded that of those
organizations that reported a positive ROI from inbound marketing, 72% were blogging at least once a week. Those that blog were 155% more likely to report a positive ROI. Blogging also helps generate more indexable pages that lead to more and higher listings in organic searches. Of companies that reported that most of their customers come from organic or direct traffic, 69% blog at least weekly. Other findings from the study included:

- Once inbound marketing attracts a visitor to an organization’s website, 25% of the marketers follow up primarily with email and 24% primarily via social media (p. 29).
- Businesses that emphasize educational content in their inbound marketing are 527% more likely to report a positive ROI than those that emphasize coupons (p. 33).
- Organic searches are credited with driving the most traffic to a website (22%), although such inbound techniques as blogging, videos, podcasts, webinars and e-books all help achieve higher SEO. Social media, at 17.4%, are credited with providing the second-most impact on traffic, followed by PPC and email.

**Social Media**

Social media are a primary platform for free inbound or content marketing, as already discussed. But they are also a primary platform for paid native advertising – advertising prepared to blend in with the organic content around it. In social media, it would appear in users’ timeline or news feed as a “sponsored” post. And frequently native advertising is the very same content that an organization placed on its own social media site free, but which they then pay to “promote” on other people’s sites who are not among their own site’s friends, fans or followers. Just like social media organic postings, native advertising can take many forms: a video, a photograph, story text, a multimedia story, an infographic, etc. The main difference is that it’s paid. And native advertising does not solely appear in social media, although that is a favored venue. It could also be a paid story in a printed newspaper, for example. It’s simply ad content that mirrors its surrounding content. Native advertising has become so popular that it is expected to make up 74% of all U.S. digital display ad revenue by 2021 (Politt, 2017). This social media discussion relates to both free social media postings and to paid advertising, now typically of the native advertising type.

In the 2017 Social Media Marketing Industry Report, 92% of the 5,700 respondents said the social media are important to their business marketing efforts (Stelzner, 2017, p. 7,9), although only 38% said they could measure the ROI of their social media activities. While some of their promotional activities are free, the efforts still represent costs to the organization. Forty-one percent of respondents indicated that they spend more than 11 hours a week on social media, and 64% spend at least six hours (p. 12). While Facebook is the most-used social medium by marketers (commonly used by 94%, compared with second-place Twitter, by only 68%), 53% of the respondents said they had seen a decline in exposure of their free postings on Facebook, blaming it on the company’s new algorithm, and another 43% were not sure (p. 11, 19). Other social media commonly used by marketers are LinkedIn (56%), Instagram (54%), YouTube (45%), Pinterest (30%), and Snapchat (7%). Despite their doubts about Facebook, 39% said they posted more on the medium in the current year than previously, and only 15% posted less. More importantly, 68% said they planned to post more in the future, and only 3% said they would post less. Similarly positive plans were stated for the other social media, however (p. 27-32).

Few among social media researchers has gained more notoriety and acclaimnor addressed online PR and marketing from a more scientific perspective than Dan Zarrella. Widely recognized as a “social media scientist,” Zarrella began is research with the online marketing company HubSpot. The use of inbound strategies, especially free ebooks and webinars, helped HubSpot soar to the top of the online marketing consulting industry, and Zarrella became their superstar. He spoke at Harvard and has now published four books on the subject, including, *The Science of Marketing: When to Tweet, What to Post, How to Blog, and Other Proven Strategies*, *The Facebook Marketing Book*, *Zarrella’s Heirarchy of Contagiousness: The Science, Design and Engineering of Contagious Ideas*, and *The Social Media Marketing Book*. 
Zarrella calls much of the consulting conducted by other organizations “superstition based.” Even when it comes from surveys of executives, those reflect popular trends – not necessarily scientifically founded principles. Besides working with databases with thousands or even millions of files, he has analyzed content of successful inbound marketers and conducts experiments to test resulting hypotheses. Here are several of his findings among many that should be given more attention in future research (Zarrella, 2013).

- **“Conversation” does NOT build reach.** He could find no good examples of organizations that have built large followings with social media “conversation.” In analyzing millions of tweets, those with a higher number of followers are those NOT conversing but rather those that are essentially broadcasting interesting content.

- **Best message timing has many variables.** While there are clearly peaks of traffic for emailing, Tweeting or Facebooking, getting an organization’s own message out effectively may be by messaging during non-peak times to avoid the clutter. The timing of messages should be a matter of experimentation for individual marketing organizations, depending on purpose, content, etc.

- **Social calls to action work.** Social marketers have been hesitant to ask their audience to retweet or to “like” their messages, but social calls to action do work. To ask followers to “please retweet” leads to more than four times as many retweets than making no such request.

- **Social media should be part of an SEO strategy.** There is a strong correlation between the number of tweets, Facebook shares and LinkedIn shares with the number of inbound links an organization’s website has from other websites. In other words, the more exposure a site has on social media, the more frequently those who control other websites create links to the target site.

- **PPC and emailing programs also build SEO.** Analyzing organic search traffic to the HubSpot website, Zarrella found a positive correlation of higher organic search rates with paid search tactics, such as pay-per-click ads, and also with higher emailing rates, such as times when they are sending out information about new ebooks or webinars to people in their database.

- **Be interesting, not self-promoting.** In analyzing the content of tweets, Zarrella found that the more an organization refers to itself, the fewer followers it has. In other words, talk about interesting things, but don’t talk about yourself too much.

**Programmatic Advertising**

Programmatic advertising is not limited to any specific channel, Internet device, target audience or message content. Programmatic ads can be display, video or native ads. They can also be aimed at desktop computers, mobile devices or even include traditional, non-digital media. It is the method, not the substance that counts. The key to programmatic is to make as many of the decisions as possible by computer in order to deal with the fragmented online media market and massive consumer data. Much of the growth is being driven by mobile, where respondents saw the greatest opportunity for programmatic advertising in 2015 – 33%, compared to 20% for the next highest, video advertising. In 2014 mobile was the second most purchased type of programmatic advertising at 69%, only behind display (86%) and ahead of video (67%) (eMarketer, 2015a). The growth of programmatic quickly went global. Even in 2014 Asian advertisers increased programmatic by 329% -- significantly more than North American advertisers (PulsePoint, 2015).

The top advantages to programmatic, a WBR Digital survey found (2015, p. 9), were, (1) improved media buying efficiency and targeting, according to 91% of the respondents; (2) improved customer experience through relevant messaging, according to 90% of respondents; and (3) improved media ROI or conversions, according to 87% of the respondents.
Programmatic advertising is new enough that many advertising professionals still don’t know what it is, and if they know what it is, they don’t know if and how they can implement it. Indeed, hiring trained professionals to bring it in-house is almost impossible. In late 2012 it was estimated that 90% of all brand marketers had never even heard of programmatic advertising (Gutman, 2012), but by 2014 it became the fastest-growing trend, with mobile programmatic spending increasing 291% and desktop spending increasing 245% during the year (Pulsepoint, 2015). The growth rate slowed in 2015 to 51%, in 2016 to 46%, an estimated 28% in 2017, and an expected 20% in 2018 (eMarketer, 2017c). If those estimates are correct, programmatic advertising will be used in nearly 82% of all digital display ad spending in America in 2018 and 84% in 2019. That will approach $33 billion in U.S. digital ad spending in 2017, an estimated $39 billion in 2018, and $46 billion in 2019.

While programmatic tools made it cost-effective to locate, contract and interact with far more of the advertising sellers who were previously ignored by most advertisers, there was also the problem of individualizing advertising messages appropriate for the difference audiences. As an eMarketer report (2015b), “Creating ads on the fly: Fostering creativity in the programmatic era,” explained, to do this effectively requires a change in infrastructure and mindset. Companies active in social media may find this easier to respond to different situations and create new messages on the fly, but others still seeing this from the customer service or direct mail perspective have difficulty adapting. So, programmatic advertisers and agencies are trying to make this also part of the programmatic system. In 2015 63% of the programmatic marketers were already using data signals to help personalize messages. Matt Cohen, the founder and president of the agency OneSpot, explained their process to eMarketer:

For each piece of content we’ll create several different sizes of display ads, mobile ads, social ads and soon, native ads. We have a crawler that automatically looks at the client’s content, pulls out the headlines, the video, thumbnail, the full video, the photo. It also does an analysis of the content to figure out what it’s about, what are the keywords in it and so forth. Then it goes into an ad studio where the client can review it, and alternate variations can be created. … [T]he chance that you’re going to have something for anybody in your target audience is extremely high, and you’re likely to have something that’s actually really good for that specific person.

While these efforts sound exciting, what we have seen in reality is that not all of the corporate clients are satisfied with the agencies’ efforts. Developing and tracking programmatic advertising has been very challenging from the start. Because of the technical complexity of programmatic advertising, most advertisers had to contract outside agencies to do the work. In the WBR Digital study (2015), retailers reported good return on investment (ROI), but multichannel analytics were considered lacking. About 36% said analytics were spread across multiple platforms – inefficient but with solid visibility, but another 36% reported that analytics capabilities were still under development, and 20% said analytics provided only fractured visibility across several platforms. Respondents to the Advertiser Perceptions study (2015) indicated that they would spend more money on programmatic if such problems were fixed. Some 40% wanted clear evidence of ROI, and 30% wanted greater transparency in ad placement, including assurance that their ads were being placed in an environment compatible with the brand. Bringing programmatic functions in-house would give advertisers more control, which 59% of the advertisers said was their intention in 2015, but 61% of the agencies surveyed were skeptical that even large companies could accomplish that because of the lack of expertise available in the labor market.

That was in 2015, and a 2017 study by Adweek and Accenture Interactive found that the frustration had not diminished but rather increased (Johnson, 2017). Instead of 59% wanting to bring at least part of programmatic in-house, in 2017 that desire had spread to 87% of the advertisers for much the same reasons – lack of agency transparency, according to 74% of the respondents, lack of measurement tools according to 73%, lack of targeting control according to 66%, and loss of trust according to 53% of the advertisers. Of the largest advertisers, 71% believe they now have the in-house expertise to do some of their own programmatic work, but 96% admit that the agencies will still have to play a major role going forward because of the technical complexities.
Some ad publishers would also like to cut out the agencies in the middle, blaming them for buying cheap, low-quality ad inventory and selling it to advertisers for a higher profit (Chen, 2017). “There are brand safety issues. Even when brands think they know where they’re running ads, they don’t totally ever know,” Paul Josephsen, CMO of Adsolt, told eMarketer (2017d). “Transparency is another big issue. Publisher revenue from media has gone down, but technology providers are still taking a massive cut of what’s supposed to be working media dollars. And finally, there’s fraud. It’s not just fake news that brands have to fight against -- it’s clickbait as well.” In response to such problems, some advertisers are moving their ad purchases from open exchanges to private marketplaces (PMPs). More than 25% of North American programmatic advertisers planned to make this move “to ensure their ads appear across higher-quality publishers’ sites” (Guaglione, 2017). Others are participating in header bidding to ensure higher-quality publications. Header bidding is still done in automated fashion, but it allows advertisers to pay more in order to make specific advertising choices among the publisher’s inventory of sites. While a PubMatic analysis of header bidding in the third quarter of 2017 showed an increase of 220% from a year earlier, an eMarketer study revealed that it is so new that only 25% of programmatic advertisers had a good understanding of what it is, and relatively few have implemented the strategy (eMarketer, 2017e). Advertisers are particularly concerned with the lack of visibility and analytics for mobile, which makes up the bulk of programmatic advertising. Thus, the growth of mobile PMP channels was 153% in Q3 of 2017, year-over-year, and it was also the driver for header bidding (Guaglione, 2017). “Mobile, once regarded as the third screen, is quickly becoming the first screen for many consumers globally, which has accelerated header bidding on mobile,” said PubMatic CEO Rajeev Goel.

Some of the trust and satisfaction issues have arisen because of the rapid growth of new agencies to address the growing demand of advertisers. To help address these trust issues, organization have been developed to rank agencies and advise advertisers which are most likely to provide satisfactory service. Pixalate, one of the leading global intelligence platforms and real-time fraud protection services, provides three separate trust indexes to help advertisers. The Pixalate Seller Trust Indexes rank the relative quality of programmatic advertising sellers based on Pixalate’s proprietary technology that analyzes more than 100 billion monthly impressions. These ratings, revised monthly, can be downloaded at http://www.pixalate.com/sellertrustindex/global/?utm_campaign=Emarketer%20Ad%202011.16.17&utm_source=ppc#!global.

Advertisers, agencies, buyers/sellers and publishers make for a sometimes complicated relationship, even when the buying and selling of programmatic advertising is automated. “What makes a good programmatic publisher for us is someone who is transparent, and is open to having conversations about their tech offerings and what’s on their road map in terms of products of data. That helps us think about synergies that they might not have thought of,” said Melissa Bonnick, VP of programmatic strategy at Havas’ trading desk, Affiperf, in an interview with AdExchanger (Sluis, Liyakasa and Weissbrot, 2017). Top programmatic advertising publishers make things simple and transparent to make it easy to buy with a single conversation. They don’t require direct negotiating or charge extra for programmatic advertising. They offer unique audience data of value to certain advertisers. And they keep buyers informed of any changes. According to AdExchanger, some of the most aggressive programmatic advertising publishers, not including Facebook and Google, include NBC Universal, The Weather Co. (subsidiary of IBM), The Washington Post, AOL (now Oath), Hulu and Turner/CNN. These large companies see programmatic as a way to become increasingly competitive with Google and Facebook.

**Place**

The place to explore products and to make purchases in the digital world is typically a company website. … but more and more is apps in your mobile phone. The website influences and is influenced by the other three P’s. Web pages to display and demonstrate products and services must be created, and because of the long-tail aspect, there may be many product pages. Then how do you get people to come to the virtual store? As noted previously, inbound marketing tools provide more searchable content for an
organization’s website. A HubSpot study of its own 7,000+ customers revealed that those with 51-100 web pages of content on their site achieve 48% more traffic than those with fewer than 50 pages of content. But those with over 1,000 pages of content average 3,500% more traffic. Inbound marketing techniques, such as blogging and free ebooks, provide those 1,000 pages of searchable content (HubSpot, 2014). Other inbound marketing requires customized landing pages to become part of the website. A business might place a video on YouTube promoting a new product or buy PPC advertising on Facebook to promote a free webinar, but the website landing page provides the details, requests the visitors’ contact information, etc.

The greater power of video also impacts the design and content of a website. Almost 95% of online marketers believe video is the most powerful tool for digital marketing, and website video can increase conversion rates by 60% (Aberdeen, 2014). The 2017 Video in Business Benchmark Report prepared by Vidyard (2016, p. 18) details how customers who use their video platform are enhancing visitors’ website experience with video. What are they creating?

- 59% “explainer videos”
- 51% product feature videos
- 45% how to or educational videos
- 44% customer testimonials
- 37% thought leader interviews
- 32% talking head style videos
- 29% live action videos
- 28% pre-recorded demos
- 23% live streaming
- 20% cultural content

Many organizations have failed to fully prepare their websites for easy mobile access. This is important since there are now 4.5 times as many mobile broadband subscriptions in the world than fixed-wire broadband subscriptions, according to the International Telecommunications Union (2017). In a live webcast eMarketer CEO Geoff Ramsey (2015) noted that 86% of so-called Millennials complain that most commercial websites are still not mobile-friendly, and 71% of them find that most online businesses fail to offer a mobile app as an alternative. Ramsey noted that of the billions of dollars in purchases made on mobile devices, 72% are via mobile apps and 28% on websites. Mobile customers who arrive to a website that does not accommodate mobile almost always go a competitor’s website thereafter. Mobile users don’t mind scrolling up and down on a web page, but they hate scrolling left and right.

According to Adobe, of 2,146 executives who responded to the question, “Over the next five years, what is the primary way your organization will seek to differentiate itself from competitors?” the No. 1 priority for 44% of the respondents was “Customer service/customer experience – making it easy, fun, valuable and/or pleasurable to shop from us” (Adobe, 2015, p. 15). The design and functionality of an online organization’s “place” has a powerful effect on prospective customers.
Figure 2. More than 2,000 marketing executives respond to this question: Where does your organization place the highest emphasis in terms of improving the customer experience on your organization’s website?

Source: Adobe (2015)

**Catering to the Omnichannel Customer**

The number of m-commerce buyers in the U.S. increased from 57 million to 136 million between 2012 and 2016 and is predicted to double again between 2017 and 2020 in the U.S. (eMarketer, 2017f, p. 2-8). Despite whatever inconveniences may still exist in making mobile purchases, 136 million Americans (64% of all U.S. adult Internet users) had purchased products via mobile devices by 2016. By 2017 mobile represented 35% of all e-commerce sales and is predicted to reach 54% by 2021. Thus, the stakes are high for businesses to adapt to the needs of the mobile consumers. In 2017 only 22% of retail executives reported having mobile websites implemented and working well, 38% had sites set up but needing improvements, and 22% were still making plans for the future. At the same time, only 14% had a mobile app established and working well, 39% had one that needed improvements, 31% were making plans for the future. Their adaption to mobile went down from there. About 9% were effectively making mobile offers within their store, 14% were trying, and 43% were making plans, and only 8% were effectively helping consumers locate products in-store with a mobile app or website, 14% were making an effort, and 44% were making plans. The top priority of North American retailers overall was to increase their digital business by adapting to the needs of mobile (54%), followed by enhancing their marketing (46%). The potential for rapid increase may be seen in two statistics, that while a quarter of all online revenue comes from mobile, more than half of the mobile shopping carts are abandoned before the sale takes place. While the order size of purchases made by desktop may be substantially larger, during the first three quarters of 2017 the number of mobile retail orders was nearly equal to desktop – 48% to 52% (eMarketer, 2017g, p. 1-3).

In part because of the rapid growth of mobile commerce and e-commerce overall, advertisers are putting more and more of their advertising dollars into digital advertising (eMarketer, 2017b). In 2016 digital advertising surpassed TV ad sales in America, and by 2021 it is expected to surpass all other advertising sales combined. As already discussed, that may be a low estimate since digital advertising was expected to approach 41% in 2017, and the dwindling TV audience could cause even more advertising to move from traditional to digital media. Mobile, meanwhile, is the medium of choice now for search advertising. Consumers are using their mobile search capabilities while they are on the go. So mobile search and
mobile display advertising, together accounted for 70% of all digital advertising in 2017, even though mobile still only accounted for 35% of all e-commerce in 2017 in the value of purchases.

It has taken several years for advertisers to recognize the value of mobile advertising beyond actual sales. Search advertising, of course, is major part of that, but there is much more. The sales funnel, especially in retail sales, is becoming increasingly omnichannel in nature (eMarketer, 2017h). Omnichannel retailing is defined by eMarketer as “the practice of using all available shopping channels to buy or sell goods and services,” including “in-store, internet, mobile and catalog sales” (p. 3). Many of the omnichannel strategies revolve around mobile. Digital overall is considered to influence 56% of all in-store sales, as of 2016 (p. 4). Conducting digital research before purchasing is one way that consumers are influenced pre-purchase, but they also spend 13% more in-store than do other consumers, and 59% of retailers felt omnichannel customers were more profitable than others (p. 7, 9). The two top omnichannel strategies implemented by retailers include buying online but picking up in-store, which more than doubled from 21% to 44% of retailers in 2016, and in-store return or exchange of online purchases, which soared from 18% to 61% of retailers during that time (p. 13). Other digital influences on shoppers include visiting a retailer’s website or app (58%), using a search engine (54%), visiting other sites or apps (37%), using a digital map (31%), looking at digital images/photos (24%), and calling or emailing the retailer prior to shopping in-store (p. 19). Other options supported by consumers include being able to instantly order out-of-stock items by phone for home delivery (23%), to select items digitally and then be directed to them in-store (22%), and being informed by smartphone about special offers linked to the store (13%). Consumer who engage with a retailer with more channels (including ads, social media and email newsletters) are more likely to purchase from that retailer on a weekly basis. Those who engage in 10 or more channels are about 50% more likely to purchase in-store and 100% more likely to purchase digitally on a weekly basis than those who engage less (p. 21). In the U.S. 67% of smartphone users do mobile research along with in-store visits. That is a growing trend globally, as well, including 59% in China, 52% in Germany, 47% in the UK, and 45% in Japan (p. 22). In-store, the most common mobile activities include comparing prices (77%), checking email for offers and coupons (58%), checking a retail app for special deals (50%), looking for product information and reviews (47%), using a mobile wallet (33%), and ordering items from a different retailer (17%) (p. 23). Young adults 18-26 especially use omnichanneling opportunities, such as shopping digitally and purchasing in-store (46%) or shopping in-store and purchasing digitally (32%) (p. 24).

Allowing customers to buy online and then pick up in-store is by far the most-used strategy by retailers, now being offered by 53% of respondents and planned for implementation within one year by 42% more (p. 31). A poll by the e-tailing group found that 64% of consumers picked up mobile purchases in-store at least monthly (p. 33). A different survey by RIS News seemed to suggest fewer per month, but questions were not exactly the same. It concluded that 19% of U.S. internet users buy online and pick up in-store at least twice a month and 60% a few times a year. The survey did not offer an option of once a month (p. 34). Again younger internet users are more likely to use this service – 87% of millennials and 79% of Gen X consumers (p. 37), but those Boomers who do this are more likely to make other purchases when they go to pick up their digital purchase, compared with 75% of millennials and 63% of Gen X buyers (p.38).

**PRICE**

Pricing is certainly affected by online promotional efforts, virtual storefronts and the digitization of products. Generally, the digital economy is pushing prices lower. Technology is providing opportunities to use innovative strategies that can disrupt any industry still trying to do traditional business as usual, as the hospitality and transportation industries are experiencing because of AirBnB and Uber. But even the pricing of products that are essentially free to produce is a science. The lowest price does not always achieve the most unit sales, much less the greatest profits. A friend laughs about how she tried futilely to give away a litter of new puppies on Craig’s List until she decided instead to charge $50 apiece. Apparently a free puppy is not perceived to be a quality puppy. The same has been found to be true for
A $1 book does not necessarily sell more copies than the same book priced at $3 or $5 or $10. Pricing research must frequently be done on specific product lines to be most effective, but other pricing research can give organizations some idea of the most likely considerations. However, according to executives who responded to Adobe’s question about their organization’s “primary way …to differentiate itself from competitors” over the next five years, only 5% made price the top priority. (Adobe, 2015, p. 15)

**RESEARCH DIRECTIONS & CHALLENGES**

Let’s review some of the mind-bending changes in marketing over the past few years and consider academia’s role in related research. In 2012 when mobile advertising represented only 2.6% of all ad spending, Shintaro Okazaki foresaw that mobile marketing was about to erupt, but noted that already there was a lack of academic research to parallel industry practice (Okazaki, 2012). Lamberton and Stephens (2016) looked at marketing research from 2000 to 2015 related to digital, social media, and mobile channels and found that researchers from academia and industry have frequently not been aligned, presenting many opportunities for collaboration, growth, and knowledge. In their report they called for academic and industry researchers to work together to address the critical issues in the rapidly evolving marketing ecosystem.

We are at a point in practice where digital marketing is just marketing, simply because almost all marketing activities a firm might consider now can have some kind of digital aspect. It is crucial that digital/social media/mobile marketing researchers work to close the academic-practitioner gap. (Lamberton & Stephens, 2016, p. 168)

By 2017, Americans spent almost as much of their media time each day on digital media as traditional media (5 hours, 53 minutes for digital to 6 hours, 8 minutes for traditional), and people spent most of that digital time on mobile – 3 hours, 17 minutes on average (eMarketer, 2017c). Digital media time will soon exceed traditional, and advertising follows the audience. By 2021, eMarketer projects that digital advertising will surpass all traditional advertising combined and collect over 51% of advertising revenues in America (eMarketer, 2017b). While mobile display advertising is growing rapidly, mobile search dominates. Together mobile search and mobile display accounted for 70% of all digital advertising in 2017, and such trends are now global in nature.

The frenzied pace at which digital marketing is growing and transforming has top marketing executives frustrated and grasping for any research, training and assistance they can get (Ramos, 2013). The growing intertwining of marketing and technology has caused a large proportion of corporate marketing teams to begin hiring IT and database graduates instead of market graduates to provide the breadth of skills they require (Brinker, 2017). One of the most challenging of technologies for marketers is programmatic advertising, which is projected to be used in locating, contracting and fulfilling 84% of all digital display advertising by 2019 (eMarketer, 2017a). And not even the in-house technology experts that the corporations are hiring can figure out this technology. In 2017 85% of the marketing executives wanted to take programmatic responsibilities away from outside consultants and bring it in-house (Johnson, 2017), but 96% admitted that their teams were not yet capable of taking over more than a small part of those functions. These challenging issues in the marketing industry raise questions about university marketing programs being able to keep pace with common industry practices, let alone scholars’ ability to achieve industry-relevant research that full-time industry researchers are not already producing.

While conducting research for this chapter, a key-word search for articles about IMC, content marketing, omnichannel, conversation marketing, experience marketing, digital marketing, mobile marketing, social media marketing, messaging marketing, and programmatic advertising in the websites of the Journal of Marketing Research, Journal of Marketing Science, Journal of Consumer Research, The Journal of the Academy of Marketing Science and others for the years 2016 and 2017 yielded marginal results, suggesting many possible areas of collaboration between industry and academia.
Almost by definition industry-relevant research will be out of date before it is published.
Access to ‘Big Data’

At the same time it seems clear that without access to Big Data, academics and small industry researchers will simply not have the tools to compete with researchers at the major corporations who have access to both massive amounts of historic data and real-time data. Ethical questions and issues of access to data are already being raised. Knowledge is power, and data is knowledge. It should be evident why Facebook paid $19 billion dollars to buy Whatsapp, even though the messaging application generates no revenue through advertising or through any other means. Why was it so valuable? The answer, at least in part, is data. Without access to such data, academic researchers can become second-class, at best, or not even in the competition. To access such data, researchers may have to pursue partnering opportunities with industry research teams. What do academic researchers offer industry? Research expertise. A large portion of industry research is based on surveys, and as one of the top industry researchers, Dan Zarrella (2013), has noted, is frequently “superstition based” and reflects popular trends rather than reality. The surveys show correlations that do not reveal causation. Industry researchers do some content analysis but seldom venture into any kind of experimentation in their research.

Industry Frustrations as Academic Opportunities

In a half-full perspective, the frustrations of marketing executives do not only indicate big challenges to academic researchers but also big opportunities. If the executives admit the challenges are essentially too big for them to handle, then at least for some academic researchers that is an opportunity to shine. But it means they have to be or become the smartest person in the room, so to speak. While the marketing executive is frustrated by too many changes occurring in too many fronts, an academic researcher might focus on a single issue to achieve expertise recognized not only by his peers but by industry. That, again, suggests some partnering and consulting opportunities that could separate them even further from other researchers. Perhaps a tech-savvy marketing academic could partner with a cutting-edge technology guru to achieve the cross-disciplinary expertise required to master programmatic advertising and begin addressing the many issues for which executives want answers. With the right credentials and commitment, the executives would invite such a research team into their facilities to help them figure out how to bring programmatic advertising in-house, as the vast majority of executives say they want to do but cannot.

While not as big a technical challenge as programmatic, executives are also frustrated that they cannot keep up with all the changes in social media and the potential impact on marketing. Despite most modern executives already using social media marketing tactics, about 90% of them have serious questions about how to use it most effectively, and 80% say they need more expert training (Stelzner, 2017). This is another area were academics should take notice. One study that may be indicative of potential academic contributions to the industry is the social media research by Ashley and Tuten (2015). Their study found that different levels of consumer engagement in social media channels and messages depend on consumer needs, motives, goals, and consumer interpersonal relationships with brands. Their study underlines the importance of frequent updates and incentives for participation. In their research several creative strategies were associated with customer engagement, specifically experiential, image, and exclusivity messages. They found that despite the value of these creative approaches, most branded social content can be categorized as functional. If nothing else, their study points to the many opportunities for future research inherent in the context of social media.

Ascarza, Ebbes, Netzer and Danielson (2017) were able to cooperate with a mobile telecommunication provider to conduct field experimentation involving about 6,000 customers. The study demonstrated how a social media campaign could be used to increase consumption and reduce churn among targeted customers, but it also found a spin-off benefit. Without any targeted communication nor offering any direct incentives, they achieved 28% of the same positive results with customers who had first-degree connections with the targeted customers.
While it may still be challenging for an academic to make himself into the solution to executives’ needs, it is easier than programmatic advertising and achievable by many academics willing to focus studies and research on social media. Running social media experiments with commissionable products available at Clickbank.com, one non-academic developed his own social media formula and made about $800,000 in three years while doing it (Penberthy, 2015). He has now become a much-sought-after trainer within the marketing industry. Penberthy used the omnichannel approach mentioned previously, but enhanced his success specifically by focusing on production of short, free marketing videos on YouTube linked to strong website landing pages. His videos were so focused that over 50% of his visitors provided their contact information for follow-up emailed information and, in many cases, sales conversion. Another narrow field within social media is the fastest-growing paid advertising tactic – native advertising, which also ties into viral marketing concepts. The “superstition research” suggests that the key is achieving the “wow” or shock factor, but little research has turned that artistic approach into any kind of science.

Another narrower and less-competitive area of expertise possible for a focused academic researcher could include how to use mobile as more than a “scaled-down version of the Web” (Ask, 2014). Suggested areas of research and application include how to:

- Drive spontaneous purchases with flash sales directed at people based on their location. Geo-targeted marketing is enabled by mobile and can be sent, for example, just to those within one mile of a store. There has been some experimentation with messaging just as a customer approaches the counter to buy. These marketing messages could help upsell or cross-sell a customer. There has been some research in this field, but many opportunities still abound.

- Offer new or greatly personalized services available for digital delivery or digital scheduling, such as monitoring, coaching, just-in-time training, Uber-like services, etc., or cheaper pay-as-you-go services. In Africa this can even include utilities like electricity. They can’t afford 24/7 service but can order it as needed. Perhaps trained on-demand child care or elderly care.

- Counter targeting offers. Amazon has experimented with counter-geo-targeting. When it could detect that a consumer was shopping in a store, it sent special offers to steal those purchases. And, in another of the few examples of academic-industry cooperative research studies, Andrews, Luo, Fang and Ghose (2016) took this idea a step further to compare the profitability of geo-targeted offers to retailers’ own customers versus making those offers to competitors’ customers through GPS-activated mobile messaging technology. They concluded that retailers making special offers to customers already in their own store actually lose profit they otherwise could have retained, while making those offers to competitors’ customers successfully allows retailers to profit from sales they would not have made otherwise and possibly retain the buyers as new long-term customers.

A large portion of websites are not yet “mobile-friendly.” As noted in this chapter, only 22% of retail executives report having mobile sites that are working well, and only 14% have a mobile app (eMarketer, 2017h). This can be devastating since not only are customers not able to make online purchases in reasonable fashion, but search engines such as Google have revamped their search algorithms to penalize non-mobile websites since most searches are now done with mobile devices. This represents another area in which an academic could achieve expertise and, at the same time, more opportunities to partner with companies in conducting research. The most common skills to build mobile-friendly websites is HTML5, the coding achieved with the newest versions of web-building software sold by Adobe and other vendors. Becoming expert at app development might start by working with a company like BuildFire, a no-coding-required app builder that is a leader in the SaaS (software as a service) industry. The company business model is based on the premise that they can help content marketers build apps from scratch to enable them to bring their stories right into the Web and mobile preferences of their target audiences. Ian Blair, the CEO and founder of BuildFire.com, swears by his company’s mission statement, “Build your app for free and pay only when you publish” (Growth Everywhere, 2017). In only four years BuildFire has become one of the most promising SaaS companies, developing along the way over 3,000 apps across
various industries. To be “expert enough” to partner with many companies might just require introducing them to this service and showing them how it works.

To be useful to industry, achieving expertise in one such area may be the key. And once the industry values an academic’s professional expertise, research opportunities could abound.

**Bigger Picture Research**

There are bigger-picture issues to be researched. Tipping point, multi-step (viralization), and push-pull theories can be illustrated and supported with numerous case studies, and in the process perhaps refined as Clayton Christensen (2014) has done with his disruptive innovation theories over the past two decades. Christensen points out that to be of real value, a theory should be predictive. With the rapid changes occurring in the marketing industry, there are more opportunities to test theories in a predictive manner than ever before.

Sociological and psychological issues are certainly not dead. As noted earlier, Americans are now spending more than 12 hours of every day tuned in to some kind of media, (eMarketer, 2017c), evenly split between digital traditional media (6:08 traditional vs. 5:53 digital), and digital is expected to surpass traditional media within the next two years. A Gallup poll found that Americans are becoming more and more dependent on their smartphones, to the degree of being addicts (eMarketer, 2015c). A growing portion of users feel compelled to check their mobile phone for messages every few minutes. More than half of all women under 49 said they would be very or somewhat anxious if they misplaced their smartphone for one day. For males of that same age group, the percentage of anxious respondents was about 40%. But this may be more than just a sign of addiction but rather fulfillment of predictions that humans and technology are evolving together. That is what Kevin Kelly (2007), the founding executive editor of Wired magazine, suggested in his famous talk 10 years ago. He said that, in essence, the internet was one giant machine with billions of parts, including all the computers, the servers, the mobile devices, the car sensors, etc., connected to it. Together they included 55 trillion links that function very similar to and in about the same number as the synapses in the human brain, along with 1 quintillion transistors that number and work about the same as neurons in a brain. Thus, the internet in 2007 was similar in size and function to one human brain … but doubling in its power and capacity every two years. With such exponential growth, he predicted that by 2040 it will have the power of 6 billion human brains and exceed the processing capacity of all humanity. With the internet of things, he said, we would see an “embodiment” of the internet – a blending of the atomic and digital realities. With XML and other programming changes, the internet would then go beyond its page-to-page connections to data-to-data or idea-to-idea connections. The page-to-page connections of the Web required humanity to give up some privacy, but idea-to-idea connections even more so. No more secrets. Nearly total transparency. But then he concluded: “We will become completely co-dependent on it. … It will lead to total personalization, which means total transparency. … Marshall McLuhan said that ‘Machines are the extension of the human senses.’ I am saying that humans will be the senses of the Machine. … We are the web. We are going to be the Machine. … We could call it ‘the One’ … and the ONE is us.” Ten years later, we are seeing much of what Kelly predicted now coming to pass, with even more of it clearly approaching on the horizon. Just a few years ago we expressed fear about the Big Data controlled by corporations, but today consumers expect the personalization that can only come from such data. Today we are spending most of our waking hours connected to media, and we feel compelled to carry with us everywhere our mobile portal into that great, all-knowing Machine. And now there is talk about putting chips into our bodies, first to keep us safe and then perhaps to enhance our mental capabilities – perhaps linking our brains directly to the “ONE.” Ideas that have scared us are gradually becoming part of our reality. That should provide some research topics for academia to consider.

**CONCLUSION**
The IMC philosophy of embracing an integrated approach to marketing communications continues to be at the forefront of marketing theory. In practice, however, there is evidence that not all marketers are implementing it effectively. The 4 P’s of the traditional marketing mix remain a necessary point of reference in today’s light-speed digital media environment. Innovative product strategies such as long-tailing are not only having a positive impact on ROI but are extending the availability of low-demand products, generating greater customer satisfaction. Promotion is progressively being dominated by mobile. Inbound or content marketing is now one of the most important marketing tools of the Digital Age, along with its paid counterpart, native advertising. Most marketing professionals are now aware of these powerful tools, and their growing implementation is transforming the world of marketing. The use of social media, content marketing and video all enhance search engine optimization (SEO). Web pages with video are 53 times more likely to get on the front page of a Google search. Video also greatly enhances conversion rates on website landing pages, has greater reach as social media content, and achieves greater click-through rates within marketing emails. Despite marketing executives expressing that video is the most powerful advertising content, and despite most of them saying they want to increase their video content, the percentage of marketers actually doing so has remained stagnant over recent years. It is another area in which about 75% of them say they need more training, and it may suggest that effective IMC teams also need to expand to include a video expert.

Websites and mobile devices are now the new place to shop and make purchases. If a company’s website is not mobile friendly it is sure to lose customers in as short as 7.6 seconds. Digital customers are increasingly less tolerant to navigational inconveniences and want to be able to shop and purchase at their own convenience using whatever platform they prefer. Virtual store fronts and the digitization of products is impacting pricing and promotions like never before. Lowest prices no longer guarantee higher sales. Personalization is an inbound marketing tactic that although more technically difficult to deploy is ranked as having progressively greater importance. However, personalization is still limited by access to real-time data and by the boundaries of contextual communication. Omnichannel marketing uses customer data to make personal connections and to achieve campaign integration. This means omnichannel marketing is about reaching consumers through all available traditional and digital channels in a personalized, just-in-time fashion.

Programmatic advertising is a form of intelligent automated media buying that is taking paid advertising into a new paradigm. Programmatic advertising expands the opportunities of billions of companies to find space, negotiate rates and place advertisements through a cost-saving automated system. However, marketing executives are frustrated with its lack of transparency, their lack of ability to control targeting, and the lack of measurement tools.

All of these changes in the marketing ecosystem present challenges to professional marketers and to academic researchers. An era of cooperative research might produce win-win results.

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**KEY TERMS & DEFINITIONS**

**Big Data**: Refers to increasingly large volumes of structured and unstructured data made available with the rise of the Internet and artificial intelligence to process these data volumes. Main characteristics of big data include: high volume, high velocity (growth rate), and high variety.

**Inbound Marketing**: Typically free marketing, overlapping with social media marketing and content marketing. Social media postings, blogs, white papers, ebooks, webinars, videos and freemiums all attract prospective customers to the brand willingly. In contrast, outbound marketing includes cold calling, trade shows, traditional advertising, and direct mail or email, which is often considered intrusive. Content marketing is sometimes seen as synonymous with inbound marketing, but by most marketers seen as a subset, excluding freemiums and other free offers not valued strictly for their content.

**Integrated Marketing Communications (IMC)**: An approach to achieve marketing campaign objectives through coordinated use of different promotional methods, including advertising, public relations, direct marketing, sales, point-of-purchase materials, and social media, that reinforce each other.
**Internet of Things:** When physical objects with unique identifiers are interconnected on a network and create wholly integrated self-functioning systems by seamlessly sharing data on the network without any human intervention.

**Native Advertising:** Any advertising – online or offline – designed to blend in with the non-advertising content around it. Online, it relates particularly to social media, but is paid advertising that mimics organic postings but are indicated as “sponsored.” As such, advertisers can have them placed in the news feed of potential customers meeting their criteria.

**Omnichannel or Cross-Channel Marketing:** Relates closely to personalized marketing because marketing messages are not fully personalized until they can follow the customer or prospective customer across different social, programming, advertising or technical channels. To do so, this also requires the use of a system to gather and organize data and provide real-time access.

**Personalization:** As related to marketing it is the increased use of Big Data to personalize marketing messages to prospective customers. It may be in the form of personalized email, videos, shopping basket recommendations, customer service, etc.

**SaaS:** Stands for software as a service. It is an emerging new industry lead by companies like BuildFire who offer affordable and easy to develop application platforms, sometimes on the basis of build first pay when you publish.