BY JOSH BERNOFF

WHY MARKETING WILL BE MORE DIGITAL, MORE INTERACTIVE AND MORE SOCIAL

THIS RECESSION IS going to change marketing. Right now, marketers are substituting new, more cost-effective methods for the old, traditional, costly ways they used to do marketing. They're going to learn which of those new methods work well. And later, when the purse strings loosen up a bit, they'll stick with the new ways of doing things. Traditional media buying may go back up, but it's not likely to end up where it used to be because the new default marketing mix will be different.

As we emerge from this recession, it's that customer connection that's likely to be the real legacy of the growth of digital.

As an analyst, I like to give our clients a peek into the future—an idea of where marketing is going. And I see a world where marketing is more digital, more interactive and more social. It's inevitable. Here are four reasons why.

First, there's the consumer argument. Marketing spending is a lagging indicator, but it almost always follows the places people spend their time—and they're spending their time with digital. According to Forrester's North American Technographics Benchmark survey for 2009, consumers spend 34% of their media time on the Internet (combining work and home use). However, Internet spending is only 12% of total marketing spending. By contrast, TV makes up 35% of media time and gets 31% of spending.

In this recession media budgets are getting cut, but traditional media is losing more than online because online is relatively cost-effective. In Forrester's March 2009 global survey of interactive marketers, the categories marketers told us were most likely to get an increase were social media projects, online video, search engine optimization and mobile marketing. Online display spending projections were typically flat. Traditional media like newspapers, radio and TV were more likely to be flat or down.

In the 2001 recession, online got hammered. But in this recession, its share is increasing. Forrester Research Analyst Shar van Boskirk predicts that total digital spending this year will be $25.6 billion, or 12% of marketing spending. By 2013, this will climb to $47.4 billion, or 19% of marketing spending.

A second reason for the digital shift is marketers who are taking prudent risks in this recession. What's a prudent risk? It's a marketing program that extends and enhances existing programs and invites customers to help. Take Best Buy, which opened up an API (application programming interface) to its Web site. As a result, innovators can now create a Web site that links up to Best Buy's own product descriptions, specs and pricing for thousands of products. A good example is Camelbuy, which tracks price changes on the Best Buy site and alerts customers to price drops and good deals. The result of this risk-taking is that there are now many other sites driving traffic to Best Buy's site.

A third reason that digital is rising is that it feeds the whole marketing funnel. Digital has always helped with branding and awareness efforts at the big end of the funnel, using techniques like banner ads, search ads and blogs. And digital also helps at the purchase end through opt-in e-mails, for example. But in the middle of the funnel—the consideration and preference stages—word of mouth is most important. This part of the funnel is crucial in a recession, since prospects with limited means and financial confidence need a lot more help to become buyers. But this is where not just digital, but social technology, is strongest.

The techniques for driving online word of mouth are many. They fall into the category I call "energizing" in the book *Groundswell.* For example, ratings and reviews are now a proven method to improve online sales, and they leverage the word of mouth of strangers. A company called House Party will help you recruit people to have parties about your product, driving all the traffic and invitations through a Web site where people share their experiences; Hershey's successfully used House Party to help launch its Hershey's Bliss product. And social network sites like Facebook are a great way to energize customers.

The fourth reason that marketing will be more digital, more interactive and more social is that the impact of digital marketing done today can turn into a long-term marketing asset. As I described in an earlier column, marketing assets like Web sites, online communities and Facebook pages grow over time. You can build them now and tap into them later. And that's a wiser way to spend money than just running campaigns with the hope of an immediate impact.

For all these reasons, interactive, digital and social marketing are about to be a bigger part of your mix. They may not be at the center—yet—but they're going to be more than just a sweetener. Digital marketing tends to make marketers connect more intimately with their customers because it invites participation. As we emerge from this recession, it's that customer connection that's likely to be the real legacy of the growth of digital. **m**

Josh Bernoff is a vice president at Forrester Research, a leading global technology and marketing firm based in Cambridge, Mass. His book, *Groundswell: Winning in a World Transformed by Social Technologies*, was published by Harvard Business Press. He can be contacted at joshbernoff@forrester.com or news@ama.org.

BERNOFF, Josh. Why marketing will be more digital, more interactive and more social. **Marketing News**, v. 43, n. 17, p.18, Oct. 30th 2009. Disponível em: http://web.ebscohost.com. Acesso em: 14 out. 2009.