MarketingWeek

Marketing terms that will reach the boardroom in 2012

Published by Marketing Week – 28th March 2012

Marketing is full of buzzwords, and while we never encourage the use of jargonistic phrases, Marketing Week's experts set out four terms that you may need to explain to your chief executive this year.

'SoLoMo'

Definition: SoLoMo is the blend of social, local and mobile. It represents the growing marketing trend of targeting consumers based on their current location with content or promotions designed to be shared via social networks.

Lara O'Reilly's definition:
SoLoMo sounds like it could be the next jazz saxophone sensation ("Take it away, Solo Mo"), but it's actually a ratchet-job acronym that amalgamates social, local and mobile.

It is becoming a trend because half of the British population own a smartphone, according to the latest figures from Kantar Worldpanel, meaning the majority of brands' audiences are walking around all day with mini internet-connected, geo-locatable computers.

Mobile offers marketers the opportunity to target consumers not just by demographic, but by context - specifically location but also by spotting location patterns.

It levels out the playing field between big and small advertisers, so any brand, from an East End kebab house to a national pizza restaurant chain, can inform consumers where their nearest outlet is and what promotions are on offer.

Data on consumers' everyday activities can also be used to serve highly personalised ads. For example, a bored commuter waiting for a delayed train could be served an ad to download an Angry Birds game to help pass the time or a voucher for the station's café.
While SoLoMo's advantages are clear, there are limitations to consider to avoid irritating consumers: consent, invading their private space and sending so many offers that they become deal-fatigued.
Mobile is going to become an important consideration of marketers this year, but I doubt the term 'SoLoMo' will carry any weight in the boardroom when simply 'mobile' will do.

MarketingWeek

‘Plussification’

Definition: Plussification (also spelt ‘plusification’) describes how people signed into a Google account will get personalised search results featuring pages shared with them on Google+. It means higher search rankings for pages shared via the +1 button.

Michael Barnett’s definition:

Plussification may not be a word that will stick around - at least I hope not, because it sounds terrible - but that’s not to say it isn’t an important phenomenon. Sharing via Google+, Google’s social network, will have a significant impact on how people find web content. But there’s already a name for that: search engine optimisation (SEO).

Google+ has been widely derided because it does mostly the same things as Facebook and Twitter without any additional benefits. With one exception: content creators have no choice but to care about the social network, because Google has effectively raised the search rankings of content shared there.

Since Google is the only search engine that really matters, content creators will seek more plussification of their content. But it’s no different from maximising the links you get from other websites - and that was never known as ‘linkification’.

I might be persuaded that plussification has a bigger future if I saw a take off in clicks of the +1 button, which appears next to web content as a way of sharing it via Google+. But the public at large don’t need to do this while their friends and professional contacts mainly stick to other social networks. Google was too late to the social media party.

I suspect plussification will crop up in SEO meetings over the next few years, but it won’t contribute much to the long-term development - or, as I call it, the “neologification” - of marketers’ vocabulary.

MarketingWeek

‘Likeonomics’

Definition: The idea is that people want to buy and do business with brands that they ‘like’. The inventor of this idea, Rohit Bhargava, says that companies can measure the contribution of being ‘liked’ to the economics of a brand.

Lucy Handley’s definition:

Rohit Bhargava opens his forthcoming book on the subject of likeonomics with a quote from David Ogilvy: “The more people trust you, the more they buy from you.” This principle is causing marketers around the world to obsess over Facebook’s ‘like’ button, desperately asking consumers to ‘like’ them so that their preferences can be seen by their friends as a trusted brand. It’s a very simple idea - the more your brand is ‘liked’, the more profitable it becomes.

This is true for the financial services sector, according to research in Marketing Week last month, with the AA and Direct Line both seen as insurance brands people like and trust - and the ones they therefore seek out when looking for new policies.

John Lewis is also high on the trust scale with the way it does business and its Never Knowingly Undersold promise. Its full-year profits were down 20%, it announced earlier this month, partly because of having to fund the proposition.

But it also says it will stick with its promise and invest in more marketing to reinforce the fact that consumers will get paid the difference in price if they find one of its products cheaper elsewhere.
The retailer understands that in the long term, if shoppers like its principles, they will choose to shop at the department store over its rivals.

While it is a strategy that the likes of John Lewis live and succeed by, many marketers are so blinkered by Facebook’s ‘like’ button that they are forgetting to embed a likeonomics strategy throughout their business. Getting as many people as possible to add your brand to a Facebook page is not going to boost profits without applying Bhargava’s idea throughout the business.

While likeonomics might sound like jargon, it is an effective strategy when applied properly, so I’m pretty certain this is a word that will stick. Unfortunately.

MarketingWeek

'Tradigital'

Definition: Tradigital is the fusion of traditional and digital. When applied to marketing, it effectively means applying traditional principles of marketing and branding to the digital space in order to gain competitive advantage.

Jo Roberts' definition:

I admit, I'm a fan of made up words - I occasionally try and invent new ones myself - because if there isn't a term that exists to explain what I mean, why not make one up? But the fusion of traditional and digital in to one cringe-worthy term - tradigital - seems futile. Surely marketers should be applying traditional marketing and branding principles to their digital activity already?

There shouldn't be a need for this term because when the words 'digital' and 'marketing' are used together, that should be enough of an explanation. On the face of it, 'tradigital marketing' shouldn't catch on as a term that chief marketing officers (CMOs) happily drop into conversation.

But perhaps the reality is that traditional marketing principles haven't been applied to the digital space. For too long, digital has been an add-on, an afterthought even. Digital Life research, carried out by TNS, indicates that CMOs are now prioritising digital and applying the principles of brand building to this space.

Procter & Gamble is bullish about its focus on digital marketing. Bob McDonald, chief executive of the FMCG giant, considers himself to be a digital brand builder. In fact, he's so convinced that digital is where it's at when it comes to marketing, that the business aims to slash $1bn from its marketing budget over the next five years, believing that it can drive sales of its brands by focusing on the online space.

If the big guns are already applying traditional marketing principles to digital, then perhaps marketers won't need to present such a term in the boardroom. I suspect where the term will be used most is in agencies, desperate to convince CMOs that they take a tradigital approach to marketing.

Link:
www.marketingweek.co.uk/strategies-and-tactics/cmo-strategy/marketing-terms-that-will-reach-the-boardroom-in-2012/4000930.article