

# Solter Consulting

Business Development Digital Marketing

## THE RISE OF DIGITAL MARKETING AND “VIRTUAL TOUCH” TECHNOLOGY

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A stylized, light green illustration of a plant with several large, pointed leaves and a cluster of small, round buds or flowers on a thin stem, positioned on the left side of the page.

# BACKGROUND

Thesis Statement and Problem

## Background

- With the birth of the Internet, digital usage skyrocketed across the globe, bringing people closer together and connecting us in ways never before possible. Given these new methods of interacting with customers, expectations of the buying experience have changed. The consumer now demands authentic engagement, creating transparency in the 21<sup>st</sup> century digital marketplace. Digital marketing is addressing this need with “virtual touch” using social media platforms, video marketing, and real-time chat solutions.

## Thesis

The reach and effectiveness of digital marketing caused a decline in the usage of traditional marketing channels, including face-to-face interaction, paving the way for “virtual touch,” social media platforms, video marketing, and real-time chat applications to address consumer demand for authenticity and engagement in today’s digital marketplace.

- Problem
- The various digital marketing channels are evolving to meet the needs of the population they serve. It is extremely important as a marketer to understand consumer behavior and, in particular, the niche market a business is trying to reach. Overall, the 21st century digital marketplace changed the way customers consume (Gilmore, and Pine II 2007). In turn, consumers altered their expectations of how business is done and its role in the process. Marketers must understand these shifts in behavior in order to be effective at reaching a defined customer segment, creating brand awareness, engagement, and customer loyalty.



# LITERATURE REVIEW

## Claims

- The Dominance of the Internet
- The Rise of Digital Marketing
- The Decline of Traditional Channels
- The Dawn of Social Media
- The Demand for Authenticity

- **The Dominance of the Internet-**
- *As of 2014, there are over 2.8 billion people with Internet access across the globe (Internet World Stats 2014). Facebook has 1.35 billion users, which is more than the population of some countries (Internet World Stats 2014).*
- **The Rise of Digital Marketing-**
- *This dependence on the Internet spawned many new marketing opportunities. Marketers must now refocus and adjust tactics and strategies to remain effective and relevant in the digital arena (Pearson 2011).*
- **The Decline of Traditional Channels-**
- *41 percent of surveyed businesses indicated saving money by replacing traditional tactics with digital practices, thus funding further online investments. Additionally, 28 percent of brands said traditional marketing spend decreased in order to free-up room for digital programs (Gartner 2013).*
- **The Dawn of Social Media-**
- *Over half of the Internet's population is participating on social networks. This leaves organizations desperate to find ways to grow follower bases, generate more activity and garner more positive comments than competitors, and gaining more 'likes' on Facebook, Pinterest, and Twitter pages, which leads to increasing sales, customer loyalty (Gartner 2014).*
- **The Demand for Authenticity-**
- *Brand authenticity can be seen as linked to the value a customer represents to the company. Brand authenticity carves a path to higher value customers; those are customers that spend more money on products and services (Chamorro 2012).*

## Counterclaims

- The Dominance of the Internet
- The Rise of Digital Marketing
- Marketing Integration
- Digital Marketing Flaws

- **The Dominance of the Internet-**

- *“The Internet has led to an increasingly connected communications environment, and the growth of Internet usage resulted in declining distribution of traditional media” (Stokes 2011,72).*

- **The Rise of Digital Marketing-**

- *Most experts such as: Miller, Safko, Wertime, and Fenwick agree there is an undeniable decline in traditional marketing methods. However, the likes of Pearson, Stokes, and Sweeney say traditional marketing channels will never completely disappear and in fact, take it a step further, believing it is a combination of traditional and digital channels and integrated marketing that is the most effective means of marketing to selected audience.*

- **Marketing Integration-**

- *“Digital marketing strategy builds on and adapts the principles of traditional marketing, using the opportunities, and challenges offered by technology and the digital medium” (Stokes 2011).*

- **Digital Marketing Flaws-**

- *While digital tactics can be extremely effective and cost efficient, if not handled with care, and authentic, genuine engagement, it can cause a downfall of negative comments and publicity. Social media can cause damaging effects if authenticity and transparency are not apparent to consumers.*



# SOLUTION

## “Virtual Touch” Digital Marketing’s Solution to customer engagement and demand for authenticity.

- In lieu of personal contact, digital marketing channels have found ways to answer this call for authentic, engaging contact. “The Virtual Touch” seems the perfect phrase to sum up the solutions digital media channels offer businesses for achieving objectives. Social media in its various forms brings businesses together with the consumer, providing opportunity for a two-way conversation through content posted on social media platforms. Video, images, articles, stories and information, webinars, podcasts are shared in real-time (Safko 2012). Recorded webinars, podcasts (audio), videos replace the need for events, tradeshow, and conferences. Visual says so much with fewer words and is more emotionally-based and/or entertainment-based, so it lends to a humanist quality to a business (Chatsworth 2014).



# RECOMMENDATIONS

# Recommendations

- In order for marketers to stay abreast the latest technological advances, remaining ahead of the curve and keeping their return on marketing investment fully optimized and working effectively, they will need to utilize digital marketing channels. Organizations must familiarize themselves with tactics and strategies to reach and engage their targeted customer segment.
- Create authentic, transparent content that paints an accurate picture of your company's mission, vision and culture. Do engage with customers on social networks. Give them "a look under the kimono," so to speak.
- Participating in social networking on many different social platforms is the way to achieve this transparency. Creating engaging and authentic content through various digital media is highly recommended to reach your customer, promote brand awareness and nurture customer loyalty.



# CONCLUSION

# Conclusion

- The importance of this topic is evident, as marketing strategy and tactics effect the bottom line for businesses' revenue and profits. Money makes the world go round, while new businesses, products, and services emerge every day. Marketers must adjust their methods in order to continually reach customers and increase the awareness of these products and services.
- Things will only become more advanced and we must be ready to rise to the occasion. Certainly, people are looking for authenticity, transparency and engagement, even if it is via the Internet and on social media sites (Lindholm, 2013). People want to know the story and human side of businesses before they choose to support them. The human race, along with the tools they use will continue to evolve and our analytical minds will always yearn for greater comprehension. It is an amazing world with many new technological advances on the horizon that will continue to change the way we do business and interact with each other and conduct our daily lives.



# NEXT STEPS

## Further Research

- There is still room for much more research to be conducted into the evolution of digital marketing, as current peer-reviewed sources are limited. Investigations into future trends, how social media platforms and newfound connectivity affects our lives. What are the implications of the way we interact with each other and conduct business over the Internet; including the sharing of information that is personal, informational or transactional?





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