

Saving the soul of digital marketing

 By [Alex Wright](#)

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Success in digital marketing varies based on industry and product, but the ultimate goal is to attract and retain customers in a high-touch, tech-empowered binary world.



Alex Wright, co-founder of Correlate Digital

With our vistas set on 2022, things are changing and whilst some of these changes are great for consumers, there are tough decisions that businesses and marketers will have to make to ensure the longevity and relevance of their brands for the future.

We've chosen two trends that we believe are very pertinent to the play of global marketing commerce and are key to ensuring the longevity of a business beyond the next 12 months.

Data privacy

For consumers, the implementation of global digital privacy regulations is a reason for celebration – but for marketers, it has somewhat sent the industry back to the 1990s. While these changes have helped people navigate the internet with more confidence, secure in the knowledge that their browsing data is now in their control they've hamstrung marketing technology providers like Facebook and Google in their ability to build out audiences and target their advertising, because of the same limitations imposed.

One of the unintended consequences is that it's created a David vs Goliath battle for businesses, where the bigger corporations with large amounts of marketing spend can once again easily drown out smaller competitors with their chequebooks. It's become a game of digital Risk, where land is forcefully taken by these Goliaths with fat wallets leaving the Davids on a battleground of smarts.

It must also be noted that celebrating the companies which purport to champion the ideals of privacy for consumers can potentially be misaligned as their altruism may turn out to be a smokescreen. Apple's advertising [revenue has skyrocketed since the privacy changes](#) have been implemented.

Consumers are also, in a way, the losers in this scenario. We were getting used to receiving targeted marketing for products and services from the smallest to the biggest companies that might actually interest us more times than not, but this landscape shift means we're back to ads from the highest bidder.

The opportunity for a niche business to target its audience is becoming more difficult by the day. The "enterprise" businesses already spending millions won't really see much of a negative impact in the short-term, it's the small guys that need to fight smart and tackle the wave of digital "billboardising" that is inevitably upon us.

We hope that this change spurs a mental shift towards marketing innovation and brings about a new age of savvy and intelligence from smaller players who are actually most interested in building relationships with their customers, not simply getting their ads – relevant or not – seen by as many people as possible.

The goal should be one that respects a customer's integrity but also their intelligence. We shouldn't go back to the Mad Men era and end up turning people off. We're already spammed out and skipping ads is more of a pleasure than a chore. It's time to ask yourself how you really want your brand to be perceived.

A return to Direct To Consumer (DTC) marketing

A business grows online by finding its audience, building trust with them, delivering on its promise and developing long-term relationships that ensure loyalty, word of mouth spread and sustained growth. It would be suicidal for any business to outsource the establishment of those relationships and the data that comes with it – but that's exactly what any business that joins a marketplace like Amazon, Takealot or Superbalist potentially does.

The rise of the digital marketplace has been a revelation to small businesses globally, giving them an opportunity to sell their products in these massive spaces. The opportunities afforded to get your product into new hands are enormous – and you'd hope that your brand would get more visibility – but there's a cost to be weighed up. Each year, these marketplaces grow hungrier and more powerful, as products and services are increasingly commoditised and simply become a means for the marketplace to advance its own growth.

As these marketplaces grow ever-larger, the smaller businesses on which they've built their growth have less and less say in how their products are marketed, priced or presented – or, indeed, how their brand lives on the marketplace. Crucially,

they also don't get any direct interface with their own customers, with the marketplaces taking all of the data gleaned from customer interactions and using them for their own purposes – which can develop into a race to the bottom amongst similar brands.

That may sound like it's only a problem for small businesses – but when giants like Nike and Adidas start taking their products off big marketplaces and go direct to their consumers, everyone should take notice. Adidas has pledged that 50% of their sales will come from DTC by 2025 and Nike and Lululemon have accelerated their DTC drive to the extent that Amazon is no longer their first prize.

With Amazon almost ready to establish a footprint in South Africa, Mr Price acquiring Yuppiechef and Takealot pretty much owning the online retail market, it would seem that South African retailers are about to capitulate to the giants. They'd do well to take warning from a parallel industrial shift in the hospitality space, where online travel agents such as Booking.com now own the keys to the ecosystem and make it nearly impossible to operate a hospitality property without working with them – or get off the platform once you've signed up. It's a type of digital Stockholm Syndrome that can only benefit one party in the long run.

Businesses need to extend their vistas and appreciate that these marketplaces have grown because of the awareness and customer base they've handed over. Strategically taking back control of your business or brand over time may result in short-term losses, but the long-term effects will be worth the effort. Using opportunities to build credibility and purchases with customers within these ecosystems is a good starting point, but it's essential that a business not lose sight of the prize: a customer who is yours, is a relationship you can only build upon.

ABOUT ALEX WRIGHT

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