



## Marketing Messages

### MARY CHARLESON

#### *Marketing faces a year of major changes in 2010*

It's a New Year and time to break out the crystal ball for a look at what to expect from the world of marketing. I believe 2010 will be a year of tremendous change. A few predictions:

- Digital will continue grow.** It hardly seems to be going out on a limb to forecast that one; however, the degree to which it will take over our lives will be considerable. Marketing is a lagging indicator. Forrester Research estimates our TV viewing at 35% of entertainment time. Currently 31% of marketing budgets are spent on TV. While 34% of time is spent on the internet, only 12% of advertising is allocated there. Expect that gap to continue to close in 2010 as marketing dollars follow where consumers are increasingly spending their time. This is likely to manifest through increasing use of social networks and interactive web based content being included in marketing strategies. As consumers are more able to influence brands in the digital space, it will become even more important to focus on the basics of good marketing: appeal to a market segment, have a distinct advantage, innovate and stay ahead of competition and practice unbelievably good customer service.
- Mobile will explode.** Currently 80% of phones in North America are used for voice only. The phone is being used as a phone. It's a novel concept. Although it may seem everyone around you is a slave to their Blackberry, in reality, market penetration for smart phones and data plans has a way to go to reach full potential. However, Deloitte and Touche estimate that smart phones will out number computers in the US by the first half of 2010. As they become commonplace, we will see a shift of marketing strategy and budgets towards this medium. Count on Google to figure prominently. With their Android mobile operating system, a new phone being sold direct to consumers, and a near monopoly as content aggregator, and advertising server, Google will be a game changer.
- Print will evolve.** Print's fundamental challenges really don't revolved around print itself. Digital media has been changing the game from the outside. We can expect a few titans to become shadows of their former self as this medium responds to market pressures. Those who provide commodity content, such as breaking news and non-exclusive stories, will struggle. Those who have differentiating content, such as critical analysis, exclusive stories and a targeted product for a particular market niche will do just fine. 2010 may mark the year where print publishers will try to garner revenue from online ads plus paid content. In a world where a lot of good stuff is free, this will be a challenge. The Wall Street Journal has succeeded in getting readers to pay for content. So has the Harvard Business Review. Both dominate a niche market and provide exclusive stories. However, consumers have already demonstrated that they will pay for content and apps on cell phones. Electronic editions tailored for display on smart phones might be an intriguing avenue for publishers to consider.
- Advertising agencies will struggle to monetize the new digital media model.** Digital media has caused marketing to evolve from one-way communication to where consumers now take part in blogs and social networks and influence the brand on a consumer-to-consumer level. Advertisers no longer control the message to the extent that they once did. Add compensation to the mix. Existing pricing models, based on front end costs and paid media are still dominant, but with social media and other forms of earned media increasingly playing a pivotal role, ad agencies will need to reconsider how to price their services, and restructure exactly where they will fit in as clients demand social media solutions and digital strategies. Expect some major shifts in this business model.
- TV will increasingly become a precision niche-marketing tool rather than a blunt instrument of mass media.** Although TV has traditionally reached the masses, with the exception of major sporting event coverage, or a worldwide news event, it just doesn't garner the mass audience it used to. And in 2010 we'll accept that and begin to use it to our advantage. As smaller groups watch increasingly niche programming, advertisers will be able to take advantage of commercials designed for specific episodes or a distinct group of viewers. Increasingly advertisers will be shaping content to the audience and then driving viewers online.

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