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Invited Paper

When nothing is what it seems: A digital marketing research agenda

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ABSTRACT

Digital breakthroughs continue to challenge prevailing understandings of markets and marketing practices, bringing exciting opportunities to reimagine our offerings. Looking through the lens of digital surrealism, we identify key trends emerging in the field: (1) Is AR (Augmented Reality) for real?; (2) There is no better PR than GDPR (General Data Protection Regulation); (3) A persona is not a persona; (4) Min(e)d your language, and; (4 ¾) Raise your voice. Maybe. Based on these trends we develop an agenda for future research that enables the realization of the opportunities that the digital space offers.

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Framing the picture

Rene Magritte, painter, philosopher and marketer *avant-la-lettre*, is perhaps most famous for his series of paintings called the Treachery of Images. The centerpiece of the series is a detailed picture of a pipe and has as its pay-off slogan, "*Ceci n'est pas une pipe*" (This is not a pipe). This masterpiece of Surrealism that challenges the convention that objects correspond to words and images invokes the tensions between life and art, truth and fiction, and reality and irreality. In today's digital marketing landscape, Magritte's insistence that nothing may be what it seems is perhaps more important than ever. The growing momentum of digitization and the scale of disruption associated with it have had a profound impact on current marketing practice. Both as a painter and advertising executive, Magritte would argue that Uber is not a taxi company, Airbnb is not a hotel, Bitcoin is not a bank, Cleo (.com) is not a person and that YouTube is not TV. These observations reflect that firms have embraced interactive technologies to engage with their customers and disintermediation has shortened the distance and time-to-market, while increasing the scope for one-to-one communication on a mass scale, deploying Big Data analytics. In turn, social media-empowered consumers are now connected to other consumers and co-create and distribute branded content which is increasingly visual and selfie-centered. The reality of customer experiences is augmented and most consumers are happy to suspend their disbelief when chatting with virtual employees powered by machine learning.

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This digital surrealism comes with its own tensions. Firms are still locked into annual planning cycles for strategy development with a habitual execution phase by the end of Q3. Consequently, only a small minority feels that their current business models meet the agility and flexibility needs of a marketplace that keeps digitizing at lightning speed. At the same time, advances in knowledge struggle to keep up with the accelerating complexity of marketing practice. There is a paucity of paradigms that can help guiding digital marketing strategies, to sketch where marketing is going and what firms and researchers should focus on as a result. In view of the changing strategic context, it is important that both practitioners and researchers learn to navigate the reality of a marketing landscape that is increasingly virtual. To see what lies ahead. To deal with issues that have already arrived on their doorstep. To survive.

Admittedly, there is no shortage of digital marketing trend reports, most of which are produced over the Christmas holidays. More often than not, however, these consist of hyperbolic, click-bait headlines that are heavy on speculation but thin on evidence. This treachery of trends, much like Magritte's pipe that cannot be stuffed, lacks actionable stuff on how marketing theory and practice can work together in the light of the accelerating complexity of digital marketing. Therefore, we set out to identify 4 ¾ trends (one theme is not quite ready for the full trend treatment) that are poised to widen the gap between digital marketing theory and practice. Partly this means revisiting trends again. But now with feeling. So that the digital marketing groove is not disturbed. Consequently, contribution of this paper lies in outlining how marketing practitioners and scholars can collaborate on closing this gap by identifying an agenda containing pertinent research opportu-

nities to co-create strategic capabilities for the digital marketing space.

Trend 1: Is AR for real?

Well, the answer is both a firm 'No' and 'Yes'. To start off, no, the projection of a holographic, 3D couch in a customer's living room with IKEA's Place app, *ça n'est pas un FÄRLÖV canapé!* But, yes, Augmented Reality (AR), is enhancing online and offline customer experiences (Hilken et al., 2017). It does so by overlaying virtual content (e.g., text, graphics, or audio visuals) into a person's perception of the physical world, e.g., (a picture of) one's living room. This real-time and interactive blend of virtual and physical information results in a compelling experience of spatial presence that momentarily suspends the disbelief that the virtual object is not for real. As customers now get a better feel for digital offerings, choice stress, as well as shopping cart abandonment and product returns are decreasing sharply, while online sales are up (Janakiraman et al., 2016). Alternatively, AR can empower consumers by filtering out distracting information and highlighting healthy food choices.

Across a variety of contexts, companies such as IKEA, L'Oreal, Zara, Allianz and PepsiCo have added AR applications to their frontline service delivery. Industry surveys forecast a formidable growth for AR-based retail solutions. Technology firms, such as Apple, Samsung, Microsoft and Google are aggressively acquiring AR start-ups, following Apple CEO Tim Cook's assertion that AR will allow their clients to have a "a more productive conversation" with their customers (CNBC, 2016). As a caveat, however, inflated functionality expectations, platform launch failures (e.g., Google Glass), and growing privacy concerns amongst consumers are potential barriers for this trend to survive the hype-cycle and there is a pertinent need to gain a more in-depth understanding how AR can result in real benefits for companies as well as customers and become a strategic differentiator.

To deepen our knowledge base, a number of issues need to be addressed, presenting ample research opportunities. Firstly, AR is in fact a class of technologies that makes use of a variety of modalities. Research is needed to identify which AR configurations are optimal for what business or customer experience challenges. For instance, research needs to assess the diagnosticity of different types of information formats (such as star-ratings, verbal comments or numerical information).

Secondly, more information is needed on understanding the meaningful benefits of an AR-based customer experience and how to translate these into actionable value propositions. Research should explore the fit between a variety of offerings and functional, hedonic, social and/or epistemic value-creation. On the other hand, research should expand our knowledge by taking consumer decision-making styles (e.g., verbalizers vs. visualizers) to assess which type of customers benefits most from AR-based experiences.

Thirdly, companies need to experiment with different ways in which AR apps can be extended to enable the full conversion funnel. For instance, the Converse Sampler app allows customers to select footwear from a catalogue, point their phone towards their feet to see how the (virtual) shoes will look and then click to place an order. When exploring AR's sales conversion potential research should not only focus on technology features, but also by tracking and monitoring consumer decision-confidence and -comfort into account.

Fourthly, and given that consumer purchase decisions are increasingly based on social media interactions, research needs to explore shared decision capabilities and AR's suitability for co-creation. For instance, Akzo Nobel's 'Visualizer' app enables customers to jointly decide on what color to paint a living room by

changing and exchanging pictures and color choice recommendations.

Finally, extending AR's role as a shared decision support tool, research is needed to assess whether vertical channels can be integrated to become more customer-facing. For instance, Mosa, a Dutch manufacturer of kitchen and bathroom tiles offers an AR-based online design tool that brings together architects, designers, builders and end-customers to create mood boards or create technical drawings and specification lists for tilers.

Trend 2: There is no better PR than GDPR

With the emergence of new technology platforms, social channels, location and person-based metrics and games the scale of data keeps dramatically increasing. Healthcare data, for instance, is reaching incredulous sizes like 750 quadrillion bytes every day, as it includes 'lab tests, medical images, genetic profiles, liquid biopsies, electrocardiograms, medical claims, clinical trials, prescriptions and academic research' (Fortune, 2018). The scope for interpreting personal data and supporting decision-making is fuelled by AI-based analytics and machine learning. However, Big Data's scope is also increasingly determined by regulatory constraints and public outrage. Digital marketing has issues, and so has Facebook. In Magritte's terms, Facebook is not a friend and likes are turning into yikes. Nothing is what it seems in the music industry as trolls are used to write and share positive album reviews and stories about moving meet-and-greets. Insurance company BUPA recently lost 500,000 customer records, while Uber has been reported to lose even more. These companies did not get a mention in the Guinness Book of Records as theirs were easily overtaken by the volume of Big Data that is voluntary shared by Internet users so that they can be targeted by 'native' ads and 'location-based' content.

In Europe, the General Data Protection Regulation (GDPR) has been introduced and it marks a heightened privacy consciousness among businesses and their customers. Ultimately, it is expected that the principles of GDPR will go global, which means that firms around the world, big and small, need to reflect on what the new model of data protection will mean for their business. While the new privacy regulations will initially be the concern of legal teams, several opportunities for digital marketers are on the horizon.

One opportunity is around the newly coined buzzwords 're-engagement' and 're-permissioning'. There is a need for substantive research that widens the scope of the widely used engagement construct. As the conceptualization has branched out to behavioral engagement, disengagement and unengagement, development of measurement instruments for a reliable and valid capture of the essence of re-engagement and its unique predictor variables are warranted. Similarly, conceptual development of digital strategies for dealing with potential privacy backlash in combination with risk registers should be undertaken as well.

Secondly, as existing permission and opt-in processes are being reviewed, research that focuses on message framing to see how customers can be motivated to update or refresh their contact and communication preferences. Theoretically grounding framing designs in regulatory fit theory (Motyka et al., 2014) can assist in guiding research choices. Additionally, and as an integral part of exploring different framing strategies, issues of timing and channel or touchpoint choice should be taken into account.

Thirdly, research needs to re-evaluate the hard and soft benefits and their associated incentive structures as terms of engagement and endearment in terms of the valuable relationships in which roles are re-defined as data-exchange partners. Specifically, it should be acknowledged that a re-permission is freely given and that it is not conditional on a certain reward. Positioning incentives as tokens of appreciation about re-affirming the relationship

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