

The Future of Digital Marketing in Fortune 500 companies

Framework Document

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Definition

Digital marketing among Fortune 500 companies have been around since the start of the World Wide Web, but has not been effective until recently. These companies have used email marketing, blogs and banner ads to reach consumers and create trends, but with new technologies such as social media platforms, it has changed the way Fortune 500 companies interact with consumers. Digital marketing is a growing industry and the future of how Fortune 500 companies will utilize this technology looks to be an interesting one.

This framework document concentrates on the future of digital marketing in Fortune 500 companies specially social media, search engines, web feed, and blogs aspects in the U.S. Digital marketing is changing the way businesses and companies are reaching out to consumers and should be carefully considered when looking into the future.

Information Sources

Experts

Jonathan Mildenhall

Vice President at Coke-cola. As the leader of Coca-Cola's global advertising, Jonathan works closely with advertising agencies all over the world and is considered one of the top ranked global players in the world of advertising.

Julia Fitzgerald

Chief Digital Officer at Sears Holdings As a leader of Sears, Julia help created FitStudio, a content portal and community designed to help customers meet their fitness goals by offering workouts, nutritional information, and other resources. Users are emailed daily workouts, can chat with other community members, and browse fitness-related articles.

Jim Farley

Farley joined Ford in November 2007. Since joining the company, he has led Ford's drive to connect even more closely with customers through integrated global marketing, advertising, digital communications, brand development and research.

Katrina Craigwell

Digital Marketing Manager at GE. Craigwell leads content for the Digital Marketing team at General Electric (GE). She is responsible for driving original content across GE.com, and Ecomagination.com, as well as GE's social media presences.

Source:

<http://digitalsherpa.com/insights-business-leaders-discuss-social-media-metrics/>

Texts

Chris Horton, 2013: *The Year of Integrated Digital Marketing, Social Media Today*, 2012.

Source:

<http://socialmediatoday.com/chris-horton/1060126/2013-year-integrated-digital-marketing>

Jack Trout, *Probing Big Brands, Big Trouble: How Fortune 500 Companies Succeed Or Fail With Marketing*, Book Probe, 2001.

Jack Trout brings a wealth of experience to the reader in this book. Clients of his marketing firm include IBM, Southwest Airlines, and other Fortune 500 companies. Trout brings his experience to bear on the fall from dominance of major brands. This book offers candid analysis of events leading up to their fall from grace, outlines the common pitfalls, and succinctly summarizes how to learn from their mistakes.

Source:

http://www.amazon.com/Probing-Brands-Trouble-Jack-Trout/dp/B00005U7YW/ref=sr_1_1?s=books&ie=UTF8&qid=1365456788&sr=1-1&keywords=digital+marketing+for+fortune+500+companies

Philip Luca, *Social Media Dialogue: An Analysis of the Social Media Presence of Selected Fortune 500 Companies*, Pro Quest, 2012.

A wide range of dissertations, theses published from graduate schools and universities from around the world. This text covers a wide range of academic topics from social media within Fortune 500 companies to how to market to the consumer.

Source:

http://www.amazon.com/Social-Media-Dialogue-Analysis-Companies/dp/1249081866/ref=sr_1_2?s=books&ie=UTF8&qid=1365457114&sr=1-2&keywords=social+media+for+fortune+500+companies

Dion Hinchcliffe, *Social business by design: transformative social media strategies for the connected company*, Jossey-Bass, 2012.

How to rethink modern organizations from the social media era. Social Business by design begins by exploring how the social, cultural, and technological trends provoked by social media explosion are transforming the business environment.

Source:

<http://stolib.wisconsin.edu/vwebv/holdingsInfo?searchId=780&recCount=50&recPointer=6&bibId=212034176>

Paul Gillin, *Social marketing to the business customer: listen to your B2B market, generate major account leads, and build client relationships*, Wiley, 2011.

The social media craze has, ironically, given birth to one of the biggest booms in recent book publishing. The gaping hole in this market, however, is B2B. Nearly every social media book that's been published either targets the consumer market or treats B2B as an afterthought. Social marketing to the business customer cover B2B markets.

Source:

<http://stolib.wisconsin.edu/vwebv/holdingsInfo?searchId=780&recCount=50&recPointer=3&bibId=35474385>

Periodicals

Advertising Age

Global source of news, views and data for the ad, marketing and media industries.

Source: <http://adage.com/>

Adweek

Highlights the latest advertising trends, including those related to online and website advertising.

Source: <http://www.adweek.com/>

BtoB

Magazine for business-to-business marketing, featuring news, research and analysis, with an emphasis on Internet and direct marketing.

Source: <http://www.btobonline.com/>

DMNews

Provides comprehensive coverage of the convergence of direct, database and online marketing and advertising.

Source: <http://www.dmnews.com/>

Marketing Dive

Industry dashboard for digital marketing executives. Offers latest news in digital marketing with topics including search, mobile, social media, email, and B2B.

Source: <http://www.marketingdive.com/>

Electronic sites

Digital Buzz Blog

Digital blog featuring the latest digital ad campaigns, hot new websites, interactive marketing ideas, virals, industry news, social media, insights, and other great digital trends from all over the world.

Source: <http://www.digitalbuzzblog.com/>

Clickz

The largest resource of interactive marketing news, information, commentary, advice, opinion, research, and reference in the world, online or off. From search to social, technology to trends, our coverage is expert, exclusive, and in-depth.

Source: <http://www.clickz.com/>

Adobe

Adobe's digital marketing blog centers that follows the latest trends in advertising, analytics, social media, targeting, industries and other technologies that involve Adobe.

Source: <http://blogs.adobe.com/digitalmarketing/>

Organizations

Coca-Cola

Fortune 500 company that actively engages consumers through the use of social media. Coca-cola has one of the highest Facebook and Twitter followings. It has the power to influence digital marketing trends.

Source: <http://us.coca-cola.com/>

Wal-Mart

Fortune 500 company that actively engages consumers through the use of social media. Wal-Mart has one of the highest Facebook and Twitter followings. It has the power to influence digital marketing trends.

Source: <http://www.walmart.com/>

McDonalds

Fortune 500 company that actively engages consumers through the use of social media. McDonalds has one of the highest Facebook and Twitter followings. It has the power to influence digital marketing trends.

Source: <http://www.mcdonalds.com/us/en/home.html>

Facebook

One of the largest social media networking sites. It has over 1 billion users who can follow, like and add "friends" to follow their activities. It has the power to influence how businesses are utilizing social media to build digital marketing campaigns.

Source: <http://www.facebook.com/>

Twitter

One of the largest social media networking sites. It has over 600 million users who can "tweet", follow and add friends to follow their activities. It has the power to influence how businesses are utilizing social media to build digital marketing campaigns.

Source: <https://twitter.com/>

Current Conditions

According to a new study by the University Of Massachusetts At Dartmouth, the use of blogging, Facebook, and Twitter has surged in 2012 in Fortune 500 companies. As the study explains, “Due to the hugely influential role that these companies play in the business world, studying their adoption and use of social media tools offers important insights into the future of commerce. These corporations provide a look at emergent social media trends among America’s most successful companies.”

The study found that 66% of Fortune 500 companies have a corporate Facebook page up 13.8% from last year and 73% of these companies use Twitter, up 17.7% from 2011. More information from The Social Media Surge by the 2012 Fortune 500 below:

Blogs

In 2012, 139 companies had corporate blogs, or 28% – proving to be the largest increase in the use of this tool since 2008. Of these 139 corporations, 54 out of 71 industries are represented from the F500. Partial findings are shown in the chart below, but companies in the Telecommunications industry have 40% of their companies’ blogging while Commercial Banks, Special Retail and Utilities have 25%-30% of their companies with corporate blogs. 90% of the blogs take comments, have RSS feeds and take subscriptions.

Corporate Blogs by Industry	Number of Companies w/blogs	%
Aerospace and Defense	1/14	7%
Chemicals	3/17	18%
Commercial Banks	6/20	30%
Food Consumer Products	3/14	21%
Insurance: Property and Casualty (Stock)	3/16	19%
Motor Vehicles and Parts	3/16	19%
Specialty Retailers	7/28	25%
Telecommunications	6/15	40%
Utilities: Gas and Electric	6/22	27%

It will be interesting to see which of the 17 industries that do not currently have any of their companies' blogging will incorporate the social tool into their strategy and what effects it will have on their business. Judging by the success of blogging as an inbound marketing tool in other industries, one can assume it will bring positive results, but time will tell.

Twitter

Of the F500 companies, 365 or 73% have a corporate Twitter account with a tweet in the past thirty days, representing an 11% increase since last year. All of the top 10 companies in the F500 consistently post on their corporate Twitter accounts. In 2011 six of the F500 companies had Twitter accounts with no activity; however, in 2012 all companies are posting to accounts somewhat regularly.

All of the industries in the F500 are represented with corporate Twitter accounts (again, a partial list shown below). The Food Consumer Products industry has 13 out of 14 companies with Twitter accounts or 93% whereas the Motor Vehicles and Parts industry has 44% of their companies on twitter.

Corporate Twitter Accounts by Industry	Number of Companies w/Twitter Accounts	%
Aerospace and Defense	12/14	86%
Chemicals	13/17	76%
Commercial Banks	15/20	75%
Food Consumer Products	13/14	93%
Insurance: Property and Casualty (Stock)	13/16	81%
Motor Vehicles and Parts	7/16	44%
Specialty Retailers	24/28	86%
Telecommunications	12/15	80%
Utilities: Gas and Electric	16/22	73%

Facebook

Three hundred thirty-two or 66% of the F500 are on Facebook as of 2012, which represents an 8% increase since last year. It is worth noting, however, that eight of the top 10 companies have Facebook pages, while two (Exxon and Berkshire Hathaway) do not. Based on the nature of these companies however, this may be a prudent move.

Two of the 71 industries represented in the F500 are not on Facebook – Tobacco and Diversified Outsourcing Services. A partial list of the industries represented in below.

Corporate Facebook Pages by Industry	Number of Companies w/Facebook Pages	%
Aerospace and Defense	10/14	71%
Chemicals	9/17	53%
Commercial Banks	14/20	70%
Food Consumer Products	12/14	86%
Insurance: Property and Casualty (Stock)	11/16	69%
Motor Vehicles and Parts	7/16	44%
Specialty Retailers	25/28	89%
Telecommunications	12/15	80%
Utilities: Gas and Electric	11/22	50%

The number of Fortune 500 companies that have taken interest in social media has increased across the board. No doubt, these companies are aware of the value social networks bring to inbound marketing efforts and have the means available to do so effectively. For some of the industries that are not yet involved, the nature of their business makes it understandable; nevertheless, it will be interesting to see who has joined in the next year and how their efforts are panning out.

Source: <http://www.umassd.edu/cmr/socialmedia/2012fortune500/>

Stakeholders

1. Fortune 500 companies
2. Consumers of Fortune 500 companies
3. Social networking sites

History

The history of Digital Marketing is to a large extent a product of the history of the Internet in general and Search Engines in particular, as marketers have adapted to keep abreast of changes and keep up with the way the major Search Engines rank web pages. Major changes include, in chronological order:

1991 - Introduction of a network protocol called "Gopher", one of the very first network query and search tools. Gopher was for a couple of years widely used, but usage has now fallen off, with barely 100 Gopher servers now indexed.

1994 - Launch of Yahoo, which was formerly known as "Jerry's Guide to the World Wide Web" after one of its founders, Jerry Yang. Within its first year, Yahoo received over 1 million hits. Lycos also launched in 1994. The same year saw the first meeting of the World Wide Web Consortium (W3C) which is now the main international standards body for the Internet, and which sets many of the architecture and coding standards that Search Engines use when assigning a quality score to a website. It was also about this time that companies first began optimizing their websites to attain higher Search Engine rankings.

1995 - Launch of Infoseek, a popular early Search Engine that has since closed down. Launch of Inktomi, which has since been acquired by Yahoo. AltaVista became the exclusive provider of search results to Yahoo in 1995; but this situation has now been reversed, with AltaVista currently using Yahoo technology. Also in 1995, Excite acquired two Search Engines (Magellan and WebCrawler) and went public.

1996 - More new Search Engines and search tools launched, including HotBot, LookSmart and Alexa.

1998 - The launch of even more Search Engines, with some big new names appearing for the first time. Google was incorporated as a private company in September 1996 by Larry Page and Sergey Brin; 8 years later when Google went public it was valued at US\$23 billion. Microsoft launched its MSN Search Engine in 1998, whilst Yahoo launched Yahoo Web Search.

2001 - The Internet bubble burst, wiping out a number of smaller Search Engines and leaving the field free for more successful organizations such as Google and Yahoo to consolidate their position.

2004 - The first Web 2.0 Conference was held, at which a new direction for the Internet was mapped out, with an emphasis on user-generated content and openness of information. An explosion in the number of websites meant that Google's index contained over 8 billion web pages by 2004.

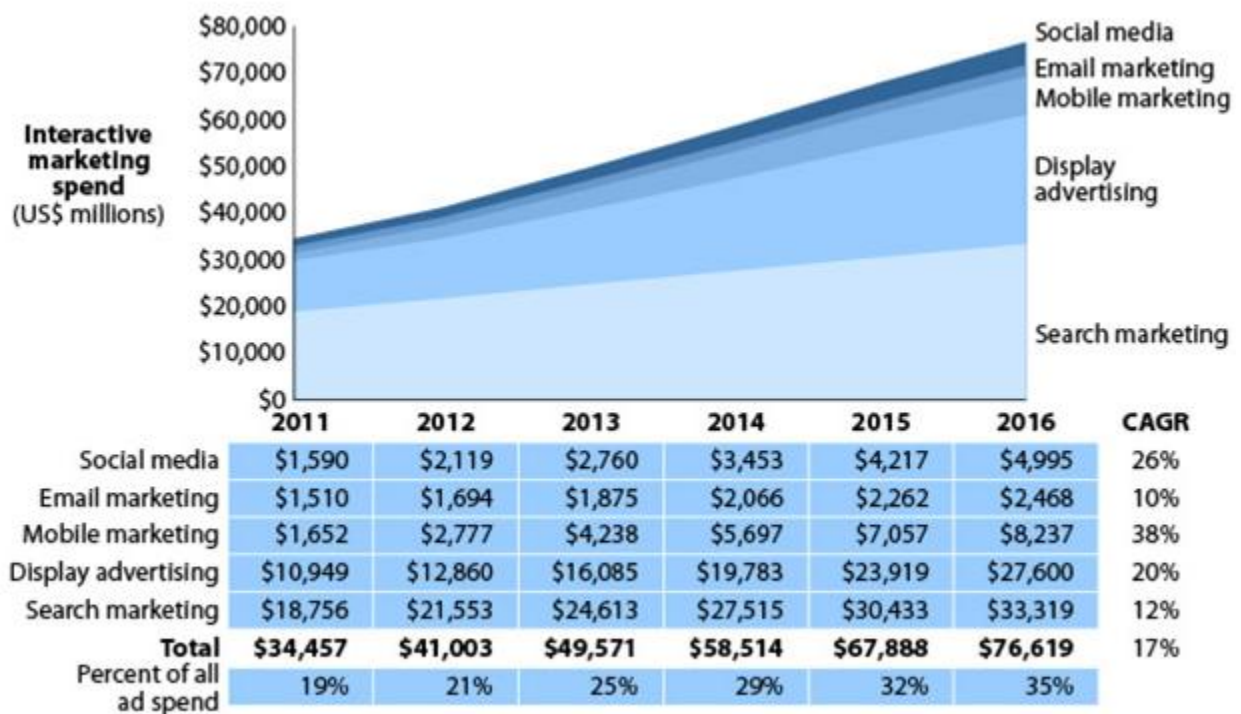
2006 - Search Engine traffic grew to an astonishing 6.4 billion searches in the month of March alone. Microsoft launched Live Search, to replace MSN Search and to compete with Google and Yahoo. New hybrid websites combining both directories and online articles first appeared, among them DexterB.com, a clear indication of the rising importance of syndicated content in

Digital Marketing. 2006 also saw one of the biggest upsets in SEO history, when Google banned BMW Germany and Ricoh.de for one week for using "black-hat" SEO techniques.

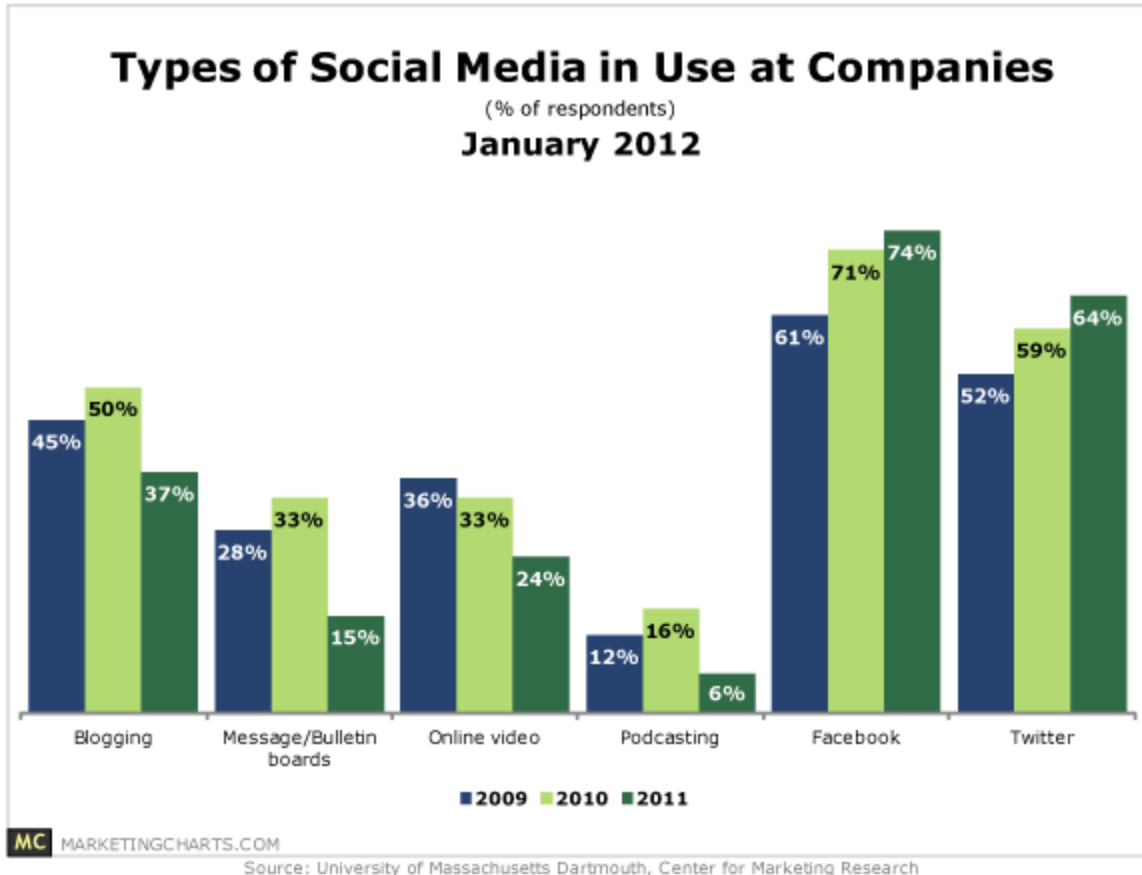
2007 - The rise of Social Media is currently changing the landscape of the Internet, with the predictions of the first Web 2.0 conference now becoming a reality as user-generated content becomes increasingly important, influencing both consumer opinion and Search Engine rankings. The way users access the Internet is also changing, with mobile devices becoming increasingly prevalent, allowing Internet usage on the move.

Source: <http://www.inetasia.com/NewsandEvents/history-digitalmarketing.html>

Figure 1 Forecast: US Interactive Marketing Spend, 2011 To 2016



Source: Forrester Research Interactive Marketing Forecasts, 2011 To 2016 (US)



Trends

- 23 percent of Fortune 500 companies have a corporate blog, a number that has remained fairly steady throughout the last 3 years. Even more telling, 37 percent of Inc.'s 500 Fastest Growing Companies have a corporate blog.
- 35 percent of the top 100 Fortune 500 companies have a corporate blog compared to 14 percent of those Fortune 500 companies in the bottom 300-500 of the category. Hmmm, top companies devoting more attention to their corporate blogs than those in the bottom of the pack—no surprise to us.
- 62 percent of Fortune 500 companies have an active corporate Twitter account and have tweeted in the last 30 days.
- The industry with the most Twitter accounts is specialty retail, the industry that also has the most number of blogs. For B2C enterprises, that just makes good sense. But across the board, it's interesting to note that just about every one of the Fortune 500 companies has a presence on Twitter. There's probably a reason for that.
- Fortune 500 companies with the highest number of Twitter followers include Google, Whole Foods, Starbucks, Southwest Airlines, *The Washington Post*, Verizon Wireless, Coca-Cola and McDonalds. Want to understand social media best practices? Take a look at some of the engagement that happens in these

companies' Twitter streams (and take a gander at their Facebook pages while you're at it).

- 58 percent of Fortune 500 companies have a corporate Facebook page, with Insurance, Specialty Retail (apparel, home, appliances, furniture) and Food Production, Services and Drug Store categories leading the way. No surprises there.

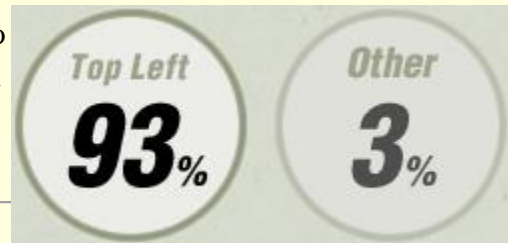
Source: <http://www.v3im.com/2012/05/how-fortune-500-companies-use-social-media/#axzz2PuLmqn18>

- 37% of INC 500 companies have blogs compared to 23% of Fortune 500
- @google has the most Twitter followers at 4.3M while @WholeFoods is second
- Coca-Cola has 40.1M on Facebook while Starbucks has 28.7M
- Special retailers have the most Twitter accounts while the Insurance industry maintains the most Facebook Pages

Source: <http://activ8social.com/2012/04/07/fortune-500-social-media-statistics-infographic/>

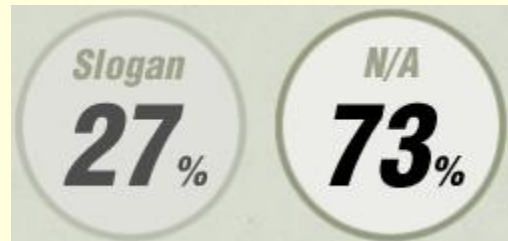
FUNCTIONAL WEBSITE DESIGN ELEMENTS

Placement of Logo is Top Left? The location of the logo within the design. Nearly every site we reviewed had it in the top left corner.

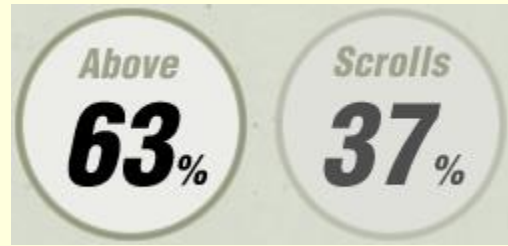


Logo Includes a Tagline or Slogan Does the logo feature a tagline next to it?

A majority of sites stuck with their logo only. One thing to keep in mind here is that these are the top 30 companies in the Fortune 500, so a majority of audiences can recognize the logo and know what the company does. If your logo or business is not as well known, you should consider including a tagline with your business purpose.



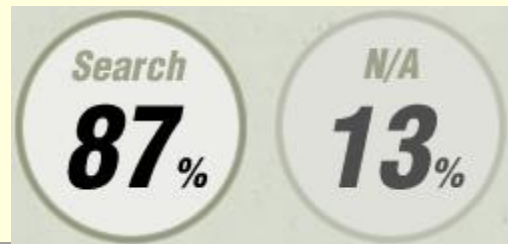
Main Site Content is Above the Fold Is the main content (not including the footer) above the fold on a 1280×800 browser window? Most corporate sites were above the fold, while most ecommerce sites went beyond that point. GE is a good example of a site that appears above the fold.



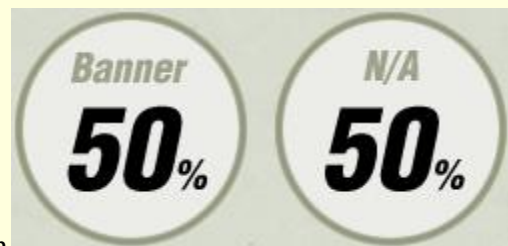
Recent user testing studies have shown that users don't mind scrolling below the page fold.

Note: Above the fold is defined as the area visible before having to scroll within the browser vertically.

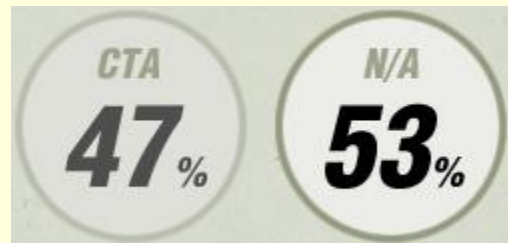
Site has a Search Field Almost all of the sites we reviewed had a search field, which was not surprising, since most of these sites have been around for along time and have a lot of content.



The Primary Banner Features Scrolling Content Scrolling primary banners is a web design trend that has been growing in popularity because of its effectiveness and ability to give the site some life. Half of the sites we reviewed featured a scrolling content window of some sort. Citigroup uses a slider to present different content on the homepage.

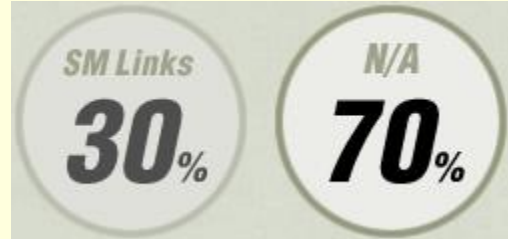


Strong Call to Action Button/Link If the site featured a primary button or link on the homepage that lead to a primary service or feature, it met this criteria. We were surprised how few sites featured a clear direction for the user to take. Every site should have a clear call to action visible on their homepage that should take users 3

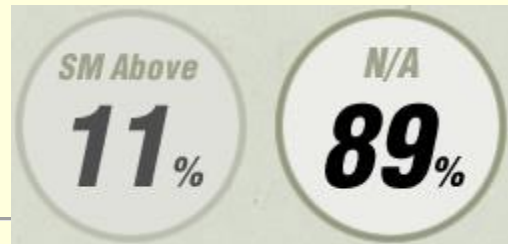


seconds or less to find.

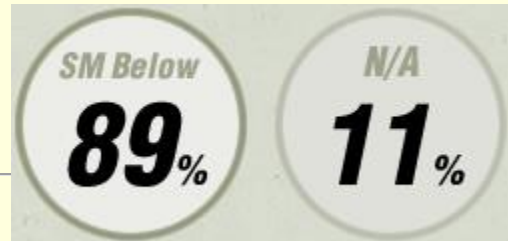
Social Media Links Available on the Homepage If the site features any links to Twitter, Facebook, etc. We were not surprised at the low number considering two things: 1) a lot of large companies have yet to embrace the social media space and 2) if they have, they neglect to cross-promote their social media channels on the homepage. Both of these are missed opportunities. But, were happy to see corporations like Boeing embracing social media.



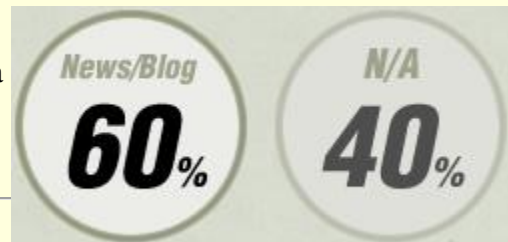
Social Media Links Above the Fold For sites that featured social media links, did they appear above the fold?



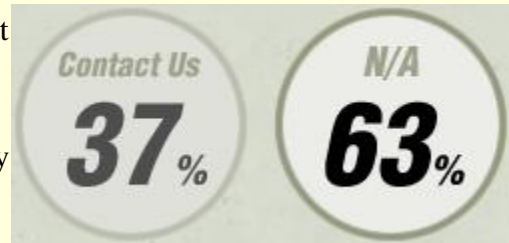
Social Media Links Below the Fold Or below the fold?



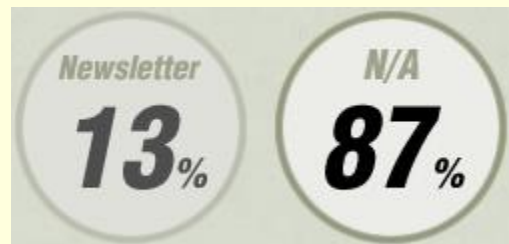
Company News/Blog Area Does the homepage feature a list of recent news or blog posts somewhere on the page?



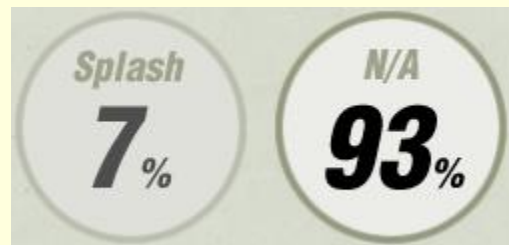
Contact Link Above the Fold You would think a contact page is an obvious area to link to – however for some of these larger corporations it appears that this was intentionally left off. Not finding a Contact Us page easily is a frustrating experience for a user trying to connect with a company.



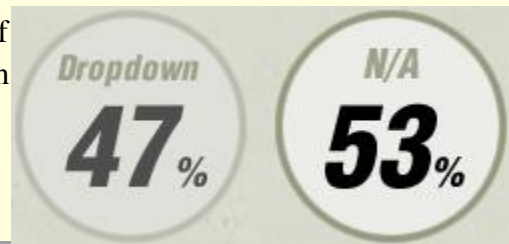
Newsletter Signup Field We feel like there is little excuse for any of these companies to lack a newsletter signup opportunity, since email would be an easy way to reach their target audience with company news and special offers -however a majority of them lack this feature.



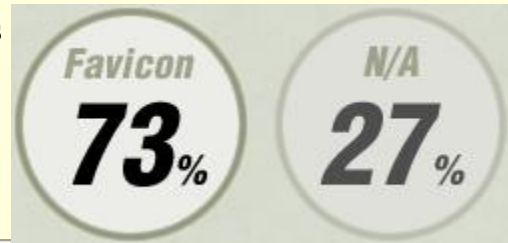
Uses a Splash/Intro Page We were happy to see that very few sites use an intro page that appears before reaching the main homepage. This common trend of the early 2000's is quickly fading away – much to users' delight.



Navigation Features Dropdown/Fly out Menus Most of the sites on our list could have benefited from a dropdown menu to help the user quickly access content, but surprisingly many are not using them.



Site Uses a Browser Favorites Icon The “favicon” helps users quickly identify a site when they are using browser tabs or bookmark a website and is a good branding opportunity – most sites on our list use them.



Source: <http://www.moosylvania.com/blog/web-design-by-the-numbers-homepages-of-the-fortune-500/>

Baseline Forecast

Constants

- Digital marketing among Fortune 500 companies is something that global executives take seriously. 69 percent of these executives claim measurable advantages from social media. They include
 - Lower cost of doing business
 - Increased marketing effectiveness
 - Powerful insights for developing more innovative products
 - Better access to knowledge
 - Higher revenues
 - In-store product price and rating information

Source: <http://www.otmmarketing.com/Portals/42226/docs/4AA2-6426ENW.pdf>

- As the internet continues to advance in information, speed and technology, digital marketing elements will continue to be present online. Popular social media elements that will continue to build, reach, and support online communities in the future include:
 - Blogging
 - RSS content feeds
 - Podcasting
 - External social networking sites (Facebook, MySpace, LinkedIn)
 - Micro blogging (Twitter)
 - Discussion boards and forums
 - Wiki sites

Source: <http://www.otmmarketing.com/Portals/42226/docs/4AA2-6426ENW.pdf>

- As with any new marketing prospect, early digital marketing attempts by companies have carved a guide that most Fortune 500 companies use. Through trial and error, these constants have become best practices among Fortune 500 companies. These goals and guidelines include:

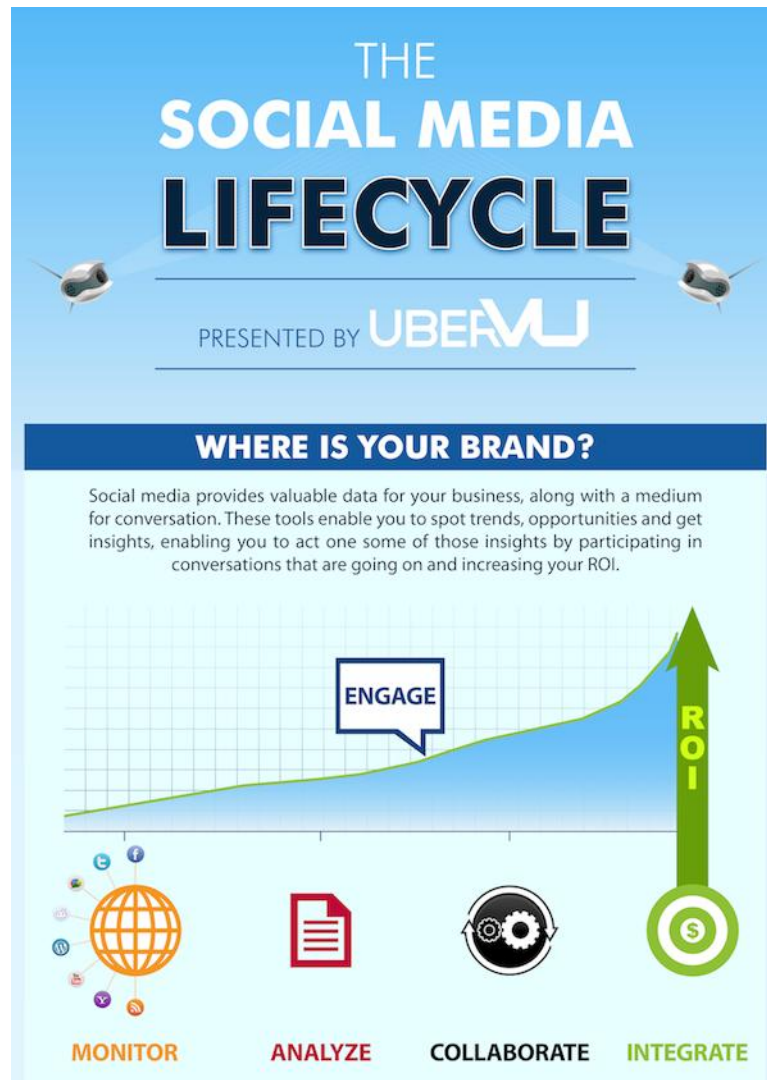
- Constantly track and manage your company’s online reputation, because consumers are talking about your brand (whether you’re in on the conversation or not)
- Become involved in the online communities that matter to you industry and company.
- Be prepared to act decisively should an issue gain traction online such as a product or customer service complaint.
- Break through the noise by creating pertinent and useful content for online communities.
- Take a broad view of media by sharing content not only from journalists but also from other companies (including competitors, partners, and affiliates) and customers.
- Cultivate relationships with your brand and product evangelists to improve your reputation via word of mouth.
- Equip and support individual influencers, both inside and outside your company, so they become advocates for your brand—including employees and customers



Source: http://www.cmo.com/content/cmo-com/home/articles/2013/2/12/25_of_fortune_500_b.frame.html

Cycles

The beauty of digital marketing and social media is that its lifecycles are never ending. The process can be repeated, but the notion of what is being talked about online is up to the consumers. Once consumers are interested in a topic, companies need to be able to recognize it and respond according.



Source: <http://socialmediatoday.com/pamdye/444409/social-media-lifecycle-infographic>

The content life cycle of most social media can be explained in 6 steps. The six steps are conceptualization, creation, access, selection, dispose and preservation.

Conceptualization- Fortune 500 companies that is successful with digital marketing and social media to not fill their websites and blogs with content just to fill in the space. The content must serve a purpose. Content put on display should have a meaning for those who will use it and those who will see it.

Creation-There are numerous options when it comes to creating content. They include content licensing, white label content, private label content and syndicated content. It is up to the organization to understand the pros and cons of each option. Different sized business entities have different content needs and opportunities.

Access- Having access to certain content is based on the organization. Sometimes content maybe displayed publically so everyone has access to it and other time it may be displayed so that only a few selective clients or business partners have access to it.

Selection- Not all content is created equally. This is evident through search engines as more relevant websites show up closer to the top than others and some websites don't even show up at all. Organizations need to know what content to put up and work with their search engine optimization team to establish a strong following.

Dispose-Knowing how to rotate content and getting rid of outdated content is key to keeping followers interested. Fortune 500 companies have digital marketing teams that are always following up on content, dead links and out of date information.

Preservation- Not all content dies or becomes outdated. Content that remains useful long after the original creation and tends to grow more valuable with time proves to be a valuable asset capable of being re-used, transformed, re-purposed, syndicated and shared.

Source: <http://maximizesocialmedia.com/social-media-consulting-the-social-media-content-life-cycle>

Trends

Transition of print marketing to digital marketing. Outdated methods like print ads and radio sports are slowly being used less as digital marketing continues to grow. More and more people are being connected to the internet to find news and interact with organization they are interested in.

Source: <http://www.techwyse.com/blog/internet-marketing/10-reasons-to-make-the-transition-from-traditional-to-digital-marketing/>

Changing business models. Business need to concentrate their resources on digital marketing tools that will draw traffic and increase revenue. They need to adapt and evolve with technology to engage consumers who are also adapting and evolving.

Source: <http://www.editorandpublisher.com/TopStories/Features/Trend-Watch--Digital-Marketing-Services>

Increase of mobile, tablet and social networking subscription. According to Facebook's statistic page, more than 600 million active users used mobile version of the social media network on a monthly basis. www.newsroom.fb.com That is a huge market that any organization would like to get a piece of. SMS or Short Message Service is another great mobile marketing element with more than 100 countries supporting some type of mobile service that allowed users to access Twitter.

Changing consumer demographics. By 2013, more than 675 million houses will have some kind of broadband connection that can access the internet. More and more people are spending time on the internet and less time on other traditional marketing tools such as tv, radio and newspaper. Consumers will become younger and younger as generations today are growing up with technology.

Source: <http://www.techwyse.com/blog/internet-marketing/10-reasons-to-make-the-transition-from-traditional-to-digital-marketing/>

Projections

“The digital marketing universe that we know of today is pretty well defined: search engine marketing, search engine optimization, to drive commerce-based outcome. I don't think brand building has really taken hold or I don't think digital that we know today—banner ads, display advertising—I don't think it's a very good channel for brand building, pre-purchase-intent brand building. What CMOs today should be looking at is exploring all the different ways that engagement can help build pre-purchase intent online. Social engagement is a different thing than reach-and-frequency, display-based advertising. And so CMOs have done a great job at driving commerce, but I think as far as brand building goes, digital has not been such a great place to build brands, but we think social is a great place to build brands.”

Source: <http://www.forbes.com/sites/jenniferrooney/2013/01/11/jeff-dachis-on-digital-marketing-realities-past-and-future/>

“Personalization was definitely a theme that struck a chord. In the recent past, many marketers have been struggling to join up data from multiple touch points and create a 'single customer view', but with the increased opportunities for personalization at the single customer level, there's a realization that this view may not actually exist. Customers behave in unique ways according to platform, and while it's a given that segmentation makes a real difference, the current challenge is to provide truly granular relevance. Many organizations are delving increasingly into marketing automation, and this seems like a natural extension of the kind of automated targeting we're seeing there. It also indicates a structural shift in companies, with different departments aligning more closely. We've already seen the move to align marketing and sales, but increasingly we're seeing tech departments getting more credit and influence, in my opinion this can only be a good thing.”

Source: <http://econsultancy.com/us/blog/10133-the-future-of-digital-marketing-infographic>

“Video marketing: watching digital media, particularly video, is one of the most common activities of smartphone users. Video marketing has traditionally been left out of the marketing strategy of many companies due to its high cost. Video sharing platforms has solved this problem for most of the businesses, since they don't need to spend large amounts of money in order to

give visibility to their corporate videos or commercials. Besides, given it's more interactive and visual nature, it has proven to be highly effective in driving conversions. This is due to the statistic that more than 90% of shoppers found video useful in making purchase decisions. Online video is accountable for almost 40% of the mobile data traffic in the region, and it is predicted to keep on growing over the next few years."

Source: <http://interactiveme.com/index.php/2013/03/the-future-of-digital-marketing-in-the-mena-region/>

Goals and Plans

Coca Cola

Coca Cola company offers a variety of solutions that open the door to digital marketing success. As said by Micael La Keir, Group Director, Shopping Marketing Strategy & Capability, "Our company is developing leading emerging shopper technologies. Solutions are designed to drive value for customers, converts shoppers into buying and create emotional connections with consumers." Shoppers using emerging technologies are more valuable to retailers, spending up to twice as much compared to those who do not use these technologies. While 25% of consumer packaged goods purchase decisions are influenced by some online or mobile activity. La Kier also states that "During the past year, we executed more than 100 digital coupons and have used social media and mobile technologies to help our customers".

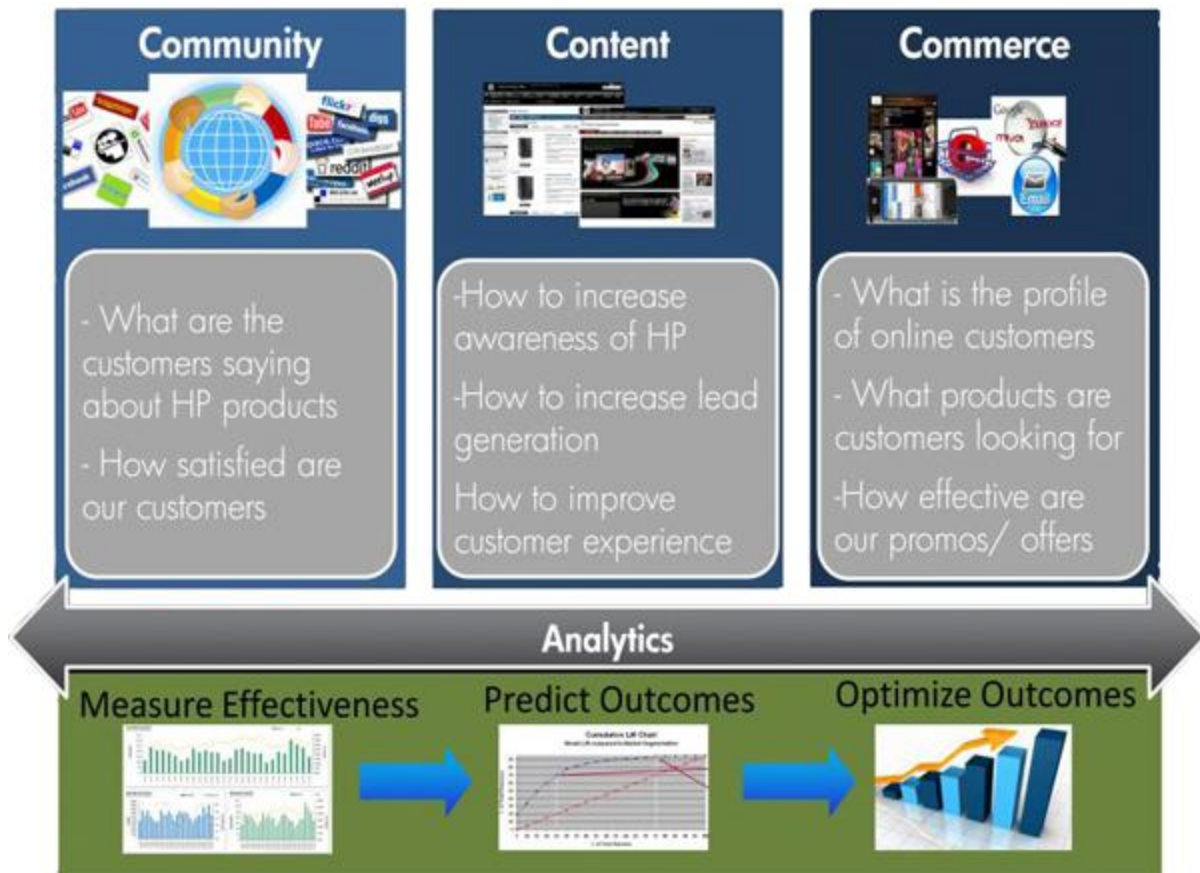
Source:

<http://www.cokesolutions.com/BusinessSolutions/Pages/Site%20Pages/DetailedPage.aspx?ArticleURL=/BusinessSolutions/Pages/Articles/Consumer%20Trends/Supermarket/DISCOVERCOCACOLASGAMECHANGINGDIGITALSOLUTIONS.ASPX&>

HP

Compelling benefits encourage organizations to move their marketing dollars from traditional to digital channels. For starters, digital channels assure better and cheaper access to a broader customer base. Additionally, these channels offer the ability to mass-customize marketing messages and speed up the capture and analysis of customer responses. HP is at the center stage of this digital revolution and has been making significant investments on digital channels to generate demand, engage customers and provide technical support. E-marketing at HP can be summarized into three broad themes – the three "Cs" of the e-marketing ecosystem:

- 1. Community** deals with the aspect of engaging customers and creating awareness about HP products and services, leading to effective lead generation.
- 2. Content** deals with the aspect of providing customized relevant content to customers and improving user experience.
- 3. Commerce** deals with aspects of generating revenue through online commerce.



Source: <http://analytics-magazine.org/january-february-2011/80-hps-world-class-e-marketing-business.html>

Wal-Mart

Wal-Mart Stores launched approximately 3,500 store-specific Facebook pages that enable consumers to receive offers and updates from local Wal-Mart retail locations. The “My Local Wal-Mart” Facebook application enables the Bentonville, Ark.-based merchant to send it’s roughly 9 million Facebook fans new product alerts, rollback alerts and invitations to in-store events, according to a company statement. “We feel local is the most important thing we can be building toward for social,” said Wanda Young, senior director of digital marketing at Wal-Mart.

Source: <http://www.dmnews.com/wal-mart-launches-3500-facebook-pages-to-distribute-local-offers/article/214119/#>.

Expected Future

The primary format of marketing efforts for Fortune 500 companies in the U.S. in 2020 will be digital marketing. Traditional marketing mediums such as print, TV, radio and newspaper are slowly dying. Consumers will want to interact with organizations that they are interested in and would want them to be honest with them. Consumers would continue to only be interested in

organizations that are transparent in their intentions and willing to listen to what consumers have to say.

In 2020, almost everyone in the world will be connected to the internet and or have a smart phone. They can access social media sites, blogs, news forum, discussion boards, and search engines at any time that is convenient for them. Generation Y consumers will be of an age where they live and breathe technology. They will be the first generation where they also need technology at the tip of their fingers. Generation X consumers will gradually get older and retire, therefore the traditional marketing mediums will become obsolete.

Many new digital marketing methods and social media sites will die and emerge by this time. As with all technology, digital marketing will continue to adapt and evolve and it is up to large corporations such as Fortune 500 companies to continue to learn and implement the changing trends and cycles. Competition to be the trailblazer of new digital marketing methods will continue to create new and innovated social media platforms.

Alternative Futures

Key Assumptions

There are 3 critical assumptions that are core to the Baseline Forecast. The occurrence of any one of these assumptions to be false would drastically alter or completely change this established baseline:

- Access to the internet around the world will continue to increase as technology advances
- Consumers will continually follow and interact with organizations and businesses they like and feel they have a connection with
- Organizations and businesses will continually listen and make changes according to what consumers are interested in

Key Uncertainties

Topic variables that is both important and uncertain:

The cost of internet connection around the world

- Important because having an internet connection is the way consumers are interacting with digital marketing online. This would not be successful if third world countries don't have access to internet.
- Uncertain because even though there are many government assistance program around the world to help close the digital divide, not all government authorities allow access to digital marketing tools. For example, in many countries, YouTube is banned from the internet.

Consumer's engagement and interaction to digital marketing

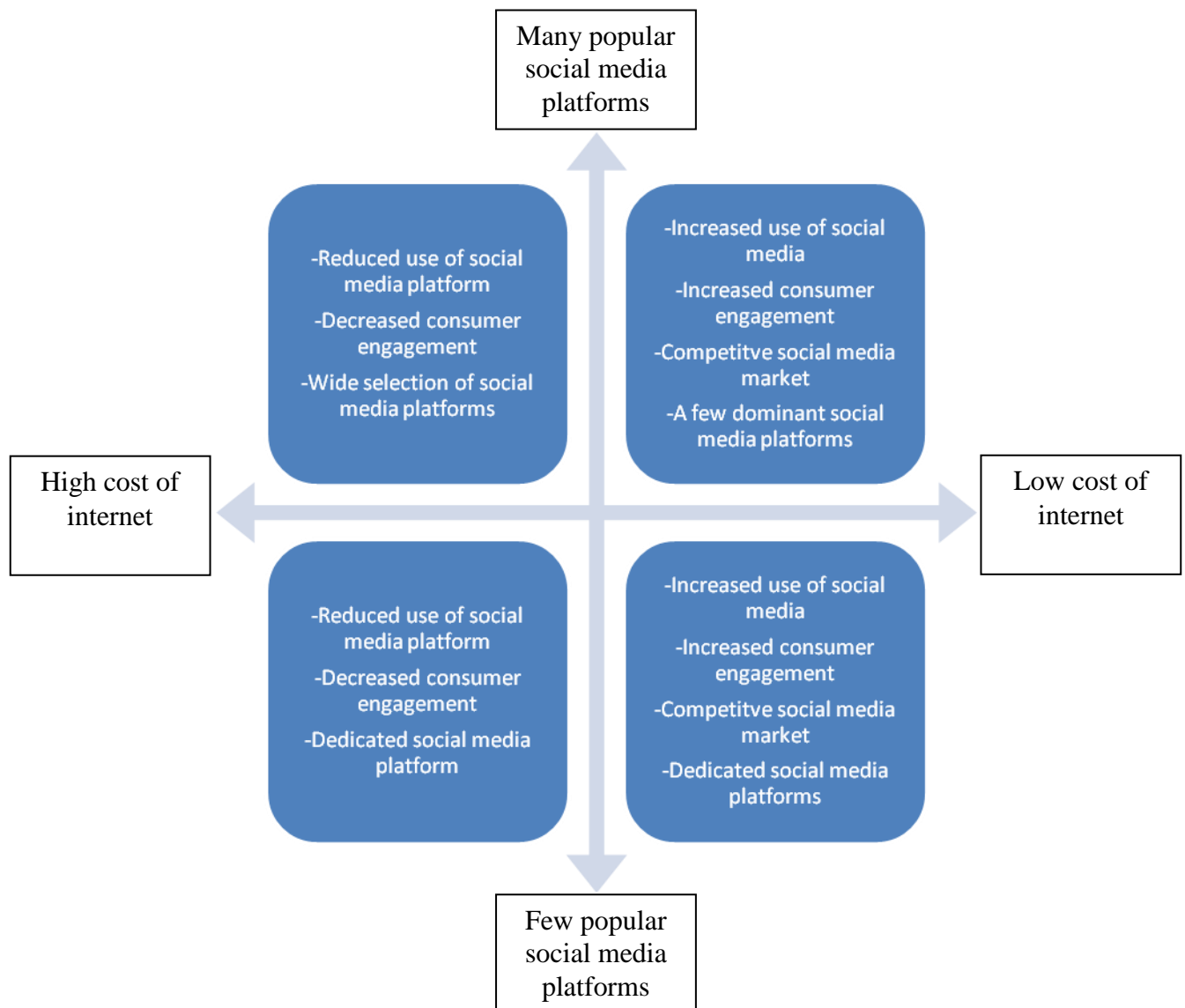
- Important because the way consumers interact and respond to digital marketing strategies determines the content that is being published and addressed.

- Uncertain because consumers can respond in whatever ways they wish to digital marketing strategies. It is up to Fortune 500 companies and organizations to respond in a positive way, even if the response from the consumer was of a negative response.

Popularity of Social Media platforms

- Important because a new social media platform can emerge overnight. This can be a huge game changer if Fortune 500 companies are concentrating all their energy and resources in to a particular social media platform.
- Uncertain because like all technology, it can become outdated or unpopular very fast. It is almost entirely up to consumers and users to deem which social media platforms become popular and which ones don't. It would not be wise to underestimate the power of numbers.

2 x 2 Scenario Planning Matrix



Alternative Futures

High cost of internet, many popular social media platforms

The high cost of internet around the world has led to many potential consumers not having access to social media sites and engaging in digital marketing efforts out by Fortune 500 companies and organizations. Even though the cost of internet around the world is expensive, social media platforms have been fortunate to have so many popular sites. This has led to an abundance of social media platforms in general, giving consumers the option of choosing which social media platforms they connect and interact best with.

Low cost of internet, many popular social media platforms

With the low cost of internet, the expansion of having everyone around the world being connected through the internet becomes possible. Many untapped markets in third world countries are now adding new social media subscriptions each day. Fortune 500 companies and organizations need to re-approach how they would interact and engage in consumers as potential first time internet users are just starting to get the hang of social media and digital marketing.

High cost of internet, few popular social media platforms

The high cost of the internet around the world has caused many social media platforms to suffer. There are a few popular social media platforms that dominate the digital marketing world. These few lucky social media sites almost have a monopoly over the digital marketing world. The untapped markets of third world countries never get to experience digital marketing first handed as only a few privileged households can afford internet.

Low cost of internet, few popular social media platforms

The low cost of internet has brought forth a new era of digital marketing. Households around the world on all continents are able to afford the internet. They now know what it feels like to be engaged and listened to. Knowing they have a say in what they would like to see in consumer products, Fortune 500 companies have changed their strategies to include the different lifestyles. The low cost of the internet has also brought forth the decline and death of social media platform and a forerunner in digital marketing. New and innovated digital marketing platforms are being created everyday that further engage in consumer participation.