

How Social Media is Forcing Strategic Thinking to Evolve

In the Beginning...

When I started my commercial life, trade was nearly all Business-to-Business [B-to-B] and strategic marketing focused on just a few key components:

- **Attack** – invest heavily in corporate activity to woo potential customers with new products, flatter existing ones or enter new locations (still popular in some of the bigger organisations)
 - **Retreat** – go back into a shell to either seek an alternative market, or redesign the product or service
 - **Snipe** – ideal for the smaller business, to focus on a very narrow customer profile, become a ‘niche player’
- And, for some people this is still considered adequate to run their business

Early Enlightenment...

As time went by, Business-to-Consumer [B-to-C] marketing evolved from B-to-B and became the order of the day. Strategy expanded to include:

- **Bundle** – you could only buy a product if you bought something else with it, whether a tie with a shirt, nuts with washers or a software programme
- **Distribute** – become an agency for a cheaper manufacturer and gain market share on price or ‘exclusivity’ endorsed by some ‘celebrity’, whether designer clothes or badged washing machines; compared to the native product, an opportunity for enhanced margins
- **Capitulate** – as competitive pressure increased and prices fell and so did profitability which led to the strategy to dress up the organisation to get the best price possible in a sale or foreclosure

For many people this is their complete strategic armoury and is understood by those at the top as well as those tasked with selling the products in the marketplace, so when sales decline it is the fault of the sales team, not the stone age strategist!

For many people, modern marketing strategy is just this – what it has always been, but a bit faster because it’s now done over the internet

The Awakening...

In reality strategic options have increased as the use of social media has extended into Consumer-to-Community [C-to-C] marketing, where people join together through common interest and share experiences – anywhere in the world. This demands a whole new set of understandings and demographics:

- **Inform** – encourage users to let others know their views about a product or service, these will be uncensored comments, so a specific business strategy is required alongside the marketing strategy to build the brand and reduce corporate risk.
- **Persuade** – develop a proposition so compelling that customers want to engage others in a shared experience. And, in that product or service, give your customers the means to form their own society who want the experience, whether footwear, motor cars or iPhones
- **Lead** – encourage behaviour changes, from visiting the shop to shopping on line to shopping on the move. A change process that demand the marketing activity is bounded by integrity and innovation

The pace of new marketing is bewildering; we have seen how thousands of people can be assembled within a day and, to succeed, organisations need to understand the new strategic dynamics of a whole new world in addition to the established opportunities and approaches – if their business is to be sustainable, and thrive.

Given this additional insight into social media an organisation can grow and flourish to become a significant force faster than ever before.

For more information please contact Steve Mullins at steve.mullins@virgin.net 07974 918 229