



2010 Industry Roundtables
A D V E R T I S E R S
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M A R K E T E R S

The Asia Digital Marketing Association (ADMA) hosted digital marketing roundtable discussions in Singapore and Hong Kong in November 2010 with CMOs, and other senior in-house marketing and communications directors. The closed door sessions provided a forum for some of the region's most senior advertising and marketing executives to exchange perspectives on online trends and options, the role of agencies and publishers, ROI and measurement, as well a free and open sharing of successes, challenges, frustrations and common interests. Sectors represented included travel, finance, beauty, hospitality, telecoms, property, insurance, IT, utilities, leisure, and services.

The ADMA's intent was to help raise senior level understanding of the power of digital, mobile, and social media marketing in Asia Pacific, as well as uncovering opportunities and issues that will help deepen collaboration between publishers, advertisers, and agencies. The participants and specific comments are kept confidential to encourage debate and discussion at these and future events.

The lessons learned and perspectives shared through these round tables uncovered four key themes.

- Finding good **TALENT** is the most challenging part of the digital equation. There are lots of people in the market offering information about digital marketing but far, far fewer who can actually do it. Furthermore, the explosive rate of digital innovation has resulted in pockets of niche expertise but gaps in comprehensive expertise. Agencies are a good source of talent, particularly those that bring in overseas experts. Advertisers are struggling though to find any one agency with whom they can partner with for all things digital.
- The **RESULTS** marketers expect from digital marketing range widely from generating online sales to helping build and shape brands. There is no single model for digital marketing development that all brands are striving to achieve. In fact, depending on the sector, the use of digital ranges from building brand awareness, to engaging consumers and building relationships to direct sales via the internet. The growing use

of digital is not proceeding according to any one model or pattern. Not surprisingly, advertisers that generate significant online sales have shifted a larger percentage of their marketing mix to online, than have advertisers looking to build brand awareness alone through digital.

- Effective campaigns require **INTEGRATION** of all a company's digital assets and tools. Most companies have multiple disconnected elements of their online presence, which are not yet synthesised into a whole approach, and are managed by various functions. Facebook is dominant at the moment, but participants noted that platforms change all the time, and a digital strategy has to reach across a range of media, not be pegged to one platform.
- **MEASUREMENT** and tracking of real business impacts is key, a point not yet well understood by agencies. ROI is determined by such factors as shifts in consumer awareness and brand perceptions as determined research, database building, lead generation, and sales results, not clickthrough rates or number of "likes" which identify online behaviour but not outcomes.

In addition to the key themes, participants also shed light on other valuable perspectives on topics ranging from the rate of digital marketing adoption to the next big thing in digital marketing.

Roundtable participants indicated that consumers are a hindrance to digital marketing adoption in sectors like travel or luxury goods in Asia. They indicated that while many businesses were eager to adopt more digital marketing, consumer behaviours in some sectors are changing too slowly for digital activities to be worthwhile.

A company's industry sector could also limit its ability to adopt digital marketing strategies. For instance, industries which have complex products and that are subject to tight regulation like the insurance industry are less likely to adopt digital. In contrast, industries with high interest and involvement more readily use digital because it provides a clear path from online interest to e-commerce sales.

Despite the advances in the perception of digital marketing, many companies still have senior management who are either not "digital natives" or who haven't seen enough evidence of business ROI to approve spending. In situations such as this, digital marketing is often put aside while the company focuses on more traditional marketing through magazines and TV. A common misconception that exists about digital marketing is that it is cheaper than conventional marketing. While this can sometimes be true, a highly effective digital campaign can also be more expensive than a traditional one. This can cause problems when accessing budget for a digital campaign.

Another misconception is that digital can only be used for marketing. In fact, it can be used for a plethora of business functions, from research and development, to sales, to customer service, but these opportunities are difficult to realise when they are not considered a part of digital.

Participants agreed that the next big area of digital marketing is mobile. The availability of internet on-demand and on-the-go will give marketers new opportunities and new challenges and they will need to adapt to the new dynamic.