



MARKETING WHITE PAPER

MAY 23, 2012



brainfood

Innovative convergence of business strategy,
creative thinking, and new technology

FABCOMLIVE.COM

HIGH-IMPACT DIALOGUE MARKETING



fabcom
integrated strategic marketing

THE OPPORTUNITY WITHIN THE CHAOS

The technology today and all the new media channels can make marketing extremely challenging for many businesses. But when you've got the right systems working for you, it's really an incredible opportunity for growing your business.

The key to success with the technology and methodology of **Neuromarketology™** is full implementation. It's possible to see efficient savings when simply deploying content aggregation initiatives with legacy technology. You may also achieve the benefits of content control. But the real exponential returns come when everything is linked to an end-to-end dynamic electronic publishing work-flow. The content aggregation initiatives implemented by in-house marketing departments years ago were just the tip of the iceberg. Something many times more powerful emerges when content aggregation is linked with the newest technologies in marketing.

Unless you've got deep pockets or a leading-edge marketing partner, the strain on budgets and resources to effectively implement a dynamic segmentation strategy under conventional thinking and circumstances will inevitably force you right back into the same old bad habits.

Conventional wisdom says you can't hit all the markets, so you've got to prioritize. Where do you get your best ROI? That's where you put your money. Whichever segment or segments you choose, inevitably you now know you will consciously disregard large numbers of people who map directly to some of your brand attributes. Conventional wisdom demands the proverbial sacrifice of the many for the one.

Bottom line: The idea of singularity in customer targeting and messaging has been good and has worked for decades. But now that our markets are migrating away from mass media, clearly, we must readjust as marketers. One to many marketing or mass messaging was designed to work in the mass market channels.

If your customers are no longer all huddled around The Cosby Show with the unified voice of Mom and Dad and grandparents dictating opinions, then you might want to rethink your approach, your partners and your baseline of beliefs. If Neuromarketology™ and one-to-one messaging is implemented from the existing legacy technology platforms, costs and timelines to develop new divisions, the hiring of product managers, separate sales forces and separate marketing campaigns will drive your costs through the roof. This type of conventional channel development can only provide the needed return on investment for those with the cash and years to see it through. Remember, marketing is no longer about publishing to your customer. It is now all about creating a dialog with your customer.

Does this mean that the brilliant work of Jack Trout and Al Ries no longer applies? No, it applies more than ever, only in a distributed approach. Their principles of branding and positioning continue to anchor successful, efficient marketing, which can be driven to previously unattainable heights of sales and accountability if the old tenets of messaging are adhered to but delivered on a true one-to-one basis.

So Where is This All Going? And How Fast?

While no one can truly predict the future, the one thing that has proven to be true is that one of the immediate results of technological innovation is more technological innovations. The pace of technological breakthroughs fuels itself, growing ever faster.

What might the future look like? Consider that two-year-olds today are amusing themselves with electronic devices on which they can draw characters and modify them via a touch-screen in which different types of swipes and scratches produce specific on-screen responses. How fluent do you think these little ones will be with technology when they reach their twenties? Will they even think of drawing as something limited to pen and paper? Probably not. It's much more likely that their definition of drawing will automatically include interactive technology.

If you think today's teens and twenty-somethings are permanently tethered to their electronic devices, just wait until this toddler's generation gets to high school. I think it was Yogi Berra who said: "Making predictions is very difficult, especially about the future." Predicting the future can be dangerous, particularly when the role of new technology is underestimated. Ken Olson, founder of Digital Equipment Corporation, one of the pioneering American

computer companies, told a trade conference audience in 1977: "There is no reason for any individual to have a computer in their home." Western Union responded to Edison's invention of the telephone this way: "This telephone has too many shortcomings to be seriously considered as a means of communication. The device is inherently of no value to us."

Marketing's Remarkable Future

When it comes to marketing, there is no outer limit on where technology will take us. Remember Tom Cruise walking around in a shopping district in the futuristic thriller, *Minority Report*, being bombarded by highly personalized holographic ads meant specifically for him? It's already starting to be a reality. NEC has developed smart kiosks with special advertising screens and a camera that takes pictures of consumers who stroll past. The kiosk uses biometric recognition routines to determine the age and gender of the consumer in the photo and then presents content on the screen that is relevant to the recognized personal profile.

The techy buzz phrase for this sort of thing is: "context aware pervasive system." The system is everywhere, and it knows what you're doing and who you're with. Also known as "ubiquitous computing," it means your target audiences are going to be accessible anywhere and you will know all about them. Some are already worried about loss of privacy, but because the consumers' perceptions drive the marketing relationship, those marketers who use the new technology to present customers and prospects with personally relevant marketing messaging will succeed.

How could this play out in the not too distant future? Let's say you're visiting relatives in a town you've never been to before. You're strolling down Main Street. In the distance, you can just make out the sign for a coffee shop that's part of the chain that also includes the one you've patronized in your hometown. All of a sudden, your cell phone beeps. You check it and find you've just received a coupon for \$1 off a cappuccino at the coffee shop you're approaching—in a town you've never been in before. New technology and "geo-fencing" have just presented you with a little gift from the future. The context-aware pervasive system knows you're in the neighborhood and it knows you like that brand of coffee shop. This takes "the right message to the right person at the right time in the right place" to a whole new level.

Next-Generation One-to-One Marketing

Another twist on the same scenario: You're walking down the street when you hear someone speaking to you, but there's no one else around. The mystery voice speaking to you says: "You know those Nike running shoes you've been looking at? There's a Runner's Roost store on the next block. We have your size in stock in red and blue. And, if you purchase them today, we'll knock \$15 off the price. Come on in." Technology well into development today can locate and identify you by your cell phone and then broadcast an audio message that is so specifically focused to your location that no one but you can hear it.

How about dynamically generated aromas triggered via RFID and exact GPS location of the shopper and resourced by last week's purchases as someone is approaching the bread section in a store? It's not as far away as you might think. The leaders and innovators are working on it right now.

As futuristic as the current state of marketing that I have described may sound, it is really only the beginning. Can you imagine the power of sending individually personal and contextually relevant marketing messages to specific people in shopping centers, on the street, or while they're online considering an investment? iTunes' "Genius" recommendations and Amazon's "Just for You" suggestions are examples today. In other words, get their attention while you know they are considering a purchase in your product category. Does the phrase "holy grail" ring a bell? We are there right now. And let's not forget about the inexorable march of recommendation engines or software code that gives us advice about what a buyer may want to consider next.

Neuromarketology™ was the early influencer in this phenomenon that has quietly penetrated Corporate America over the last 10 years. Seven years ago, after seeing the first Amazon engine, we were creating dynamic recommendation engines as an alternative to direct visitors within our clients' websites to the most appropriate messaging, without having to create an entirely new website presence for each audience. We utilized the breakthrough as a tactic to provide target segmentation without the costs of a complete website rebuild.

Over the last decade, recommendation engines have become ubiquitous with the Google Generation's buying process. They seamlessly appear like bird songs in our ear with sites like Amazon, Netflix, Genius from Apple, YouTube, TiVo. Forrester Research says one-third of customers who notice recommendations while buying on a website actually buy something based on the recommendations generated by the software programming.

Think about what is driving those applications. We break down human behavior into data sets, then look for the patterns that match up. The software's recommendations can become incredibly relevant and fiendishly accurate. The methodology inside a recommendation engine is attempting to second-guess the mystical and seemingly erratic behavior of the human mind.

And what is the most erratic and unpredictable output of the human mind? Think about the decisions and emotions triggered by the human mind as related to romance. How about the emotions encompassing the mission of finding our one true love or the selection of a spouse or romantic partner?

What could be more unpredictable, mystified and relegated to the never-going-to-figure-it-out pile? Ever heard of Match.com or eHarmony? Think about the progressions in predictive algorithms we have made over the last decade by those of us who have been toiling with the subcomponent parts of this technological evolution. The leaders in the industry have been applying them to commerce where and when we could to drive intermediate return on investment.

A Convergence of Capability

Now with dynamic databases and the proliferation of communication devices we have a massive convergence of capability. When we string together the capability, the outcome allows us to tap into the key information that buyers unconsciously radiate about themselves and their personal preferences all day long in a plethora of interactions within a myriad of communications platforms. We now have the ability to capture that info and then purpose the data in real time to help reshape the reality of your prospects in real time. It provides an endless feedback loop between you and your customers.

Why does this become necessary? The new long-tail economy has created a deluge of choice in an area people cannot usually get enough of: CHOICE. In 1994, the book *The Art of Choosing* by Sheena Iyengar informed us that we had 500,000 consumer goods for sale in the U.S. Now, by itself, Amazon offers 24 million. We must provide our brains a path to make the choice.

We have all been glossed over by the rows and rows of thumbnails when searching for a product. Now think about all the other choices we are inundated with. One-to-one dynamic marketing methodology offers you, as a smart marketer, a solution that allows your company to cut through the clutter and resonate over your competitors' choices.

We stand today at the very beginning of a game-changing evolution of marketing. So, let's carpe diem and harness those market share gains. Start playing now, before the action passes you by.

About the Author

Brian Fabiano is the CEO and founder of FabCom, a full-service strategic integrated marketing and advertising agency with offices in Scottsdale/Phoenix, Los Angeles, Seattle and O'ahu. He is a nationally recognized innovator, advertising and marketing industry leader, author and speaker, whose insights in dynamic **cross-channel cross-media messaging, business intelligence, strategic planning, positioning, brand mapping, and segmentation/database marketing** are sought by corporations and trade associations alike.

He is now working on his second book on the convergence of technology and marketing strategy, after the resounding success of his first book, *Neuromarketology: How to Develop, Implement and Manage Dynamic, Real-Time, Cross-Channel Marketing Campaigns that Generate Astonishing ROI*. This is the second book in the planned trilogy and will delve deeply into the connection between Neuromarketology™ and the contemporary convergence of artificial intelligence, dynamic messaging, and Distributed Customer Experiences™, driven by Blockchain technology.

FabCom is a full-service strategic marketing, PR, and advertising firm

Principal: Brian Fabiano

Employees: 38

Local Area Billings: \$42.1 Million*

Location:

7819 East Greenway Rd

Suite 5

Scottsdale, AZ 85260

Contact:

phone (480) 478-8500

fax (480) 478-8510

fabcomlive.com

*Amortized for media billings as calculated in the Phoenix Business Journal Book of Lists.

