

Marketing

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113 year-old AIDA model needs to flip

Calculate your social media ROI

4 CASE STUDIES

NINEMSN ON THE FUTURE:

T-Commerce, media collaboration, direct response ROI pitfall

“Online people do not make any money. The whole world was conned with online retailing... it’s a con, a complete con.”

– Gerry Harvey (page 24)



REWRITE THE MARKETING TEXTBOOKS:

Logic, creativity, then numbers

Peter Cleary, founder, Zinc

In 1898, US advertising and sales pioneer E St Elmo Lewis invented the marketing model AIDA (awareness, interest, desire, action). This model assumes we need to talk to many to convince a few to change their behaviour. A television advertising campaign, for example, reaches a lot of people with the intention of getting only a few to buy.

It accepts there will be wastage – and a lot of it – along the way. It is quite unbelievable that, despite all our advances in the past 113 years, many advertising and marketing decisions today remain based on the AIDA model, whether consciously or unconsciously. It is time to change that and turn the AIDA model on its head.

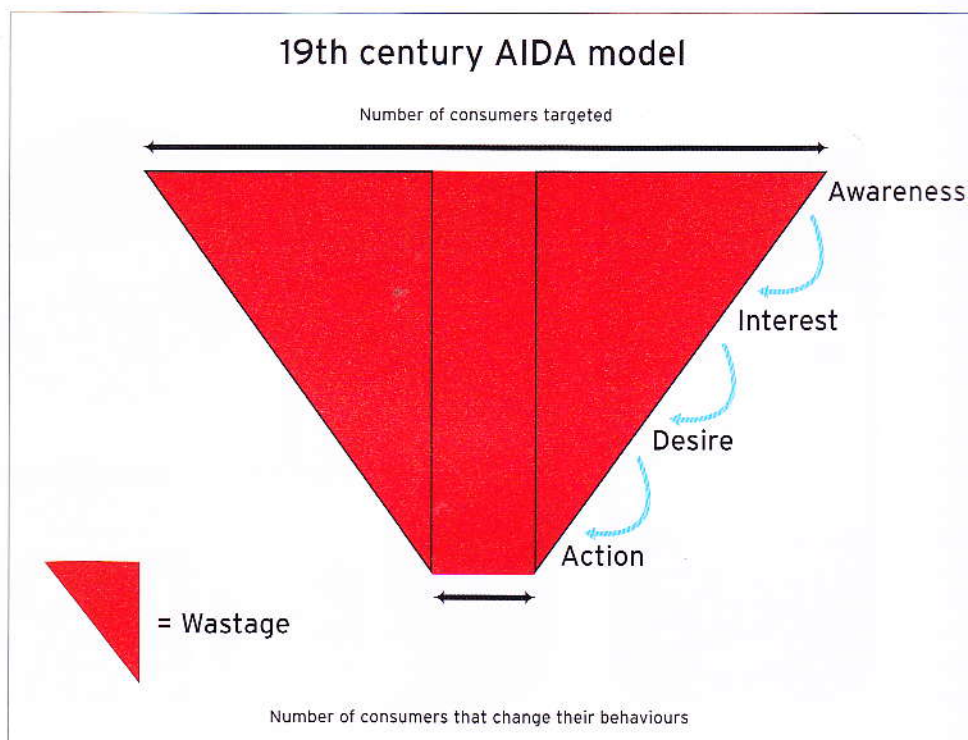
Continuing to base marketing decisions on this model is crazy when you consider how the relationships between consumers and brands have changed. In our brave new digital world, consumers own brands. Consumers say what a brand stands for. Consumers generate awareness.

Look at how some not-for-profit organisations have done it. Look at Movember. It started small and targeted, and not everyone understood it. Today, there are tens of thousands of men who take part and there are few who don't know about it. Red Nose Day is another example.

Remember that in 1898 we were getting our information primarily from newspapers. Television was a long way off and radio was just emerging. The Wright Brothers were still five years away from their first flight and Henry Ford still had two years before he built his first car.

Cars, aeroplanes and marketing strategy have all developed since then along very different paths.

While the AIDA model has served marketers for many years, it has never taken into account consumer-generated word of mouth. And in 2011 the potential for word of mouth is now huge, thanks to mobile phones, the internet and social media. We need to change.



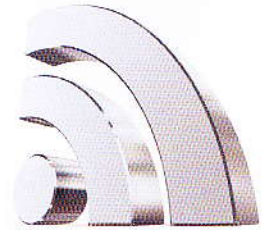
According to a global study by The Fournaise Marketing Group, customer response and engagement rates with advertising have dropped 19 percent worldwide. The study tracked response and engagement rates across traditional as well as online campaigns in 20 countries, including Australia, in the first half of 2011, comparing it to the same period last year.

Australia, along with the US and Europe, saw the sharpest decline at 23 percent. Online advertising was, on average, 25 percent less effective than traditional media, with display ads hit by a 26 percent decline. Fournaise deduced that, while the global economic conditions had some effect, the drop was more to do with less effective campaigns and too much focus on 'creativity' rather than customer benefits.

In today's world, where consumers are bombarded with advertising messages, a brand's actions speak louder than words – and a consumer advocate is far more powerful than a brand one. More attention needs to be given to developing a strategy that enables a brand to demonstrate its promises through actions that have benefit or cachet for consumers and get them talking positively about the brand.

"A GOOD DECISION IS BASED ON KNOWLEDGE AND NOT ON NUMBERS" - PLATO

Many marketers have a false sense of security in basing their marketing decisions on long-standing media metrics such as 'reach', 'frequency' and 'penetration', with the belief



that these will create awareness, and from awareness their ultimate marketing objectives of sales and profit will then follow (the classic AIDA model approach).

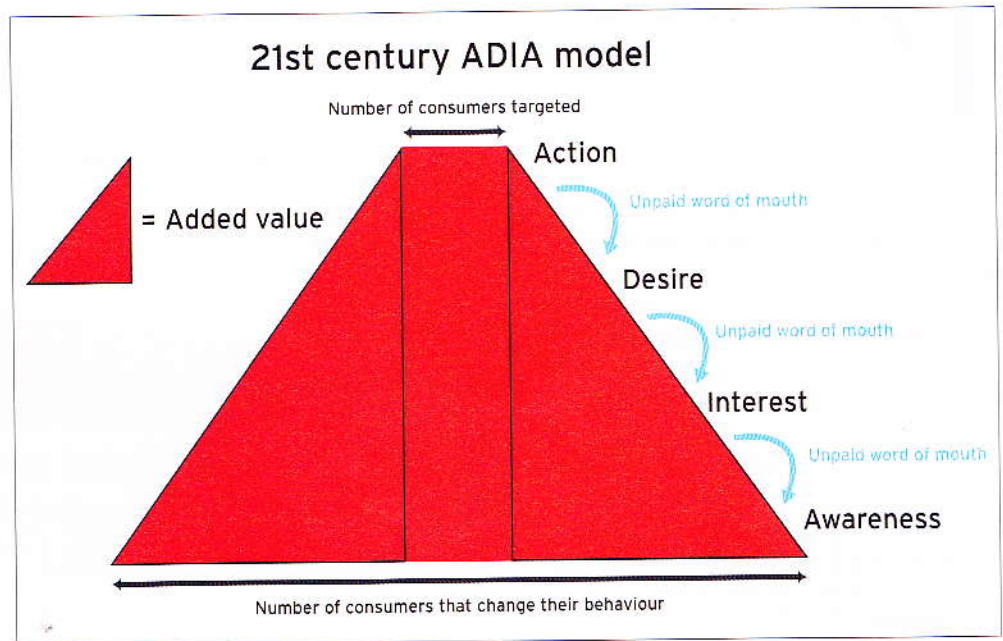
In today's marketing-savvy world, however, awareness is rarely enough to change a consumer's brand perceptions and behaviour. Content is king, not channel, and actions that demonstrate and deliver a brand's promise speak louder than words.

Furthermore, awareness does not have to come first. In fact, it makes more financial sense to create targeted behaviour change first and then let your consumer advocates create awareness for you at no extra charge.

In today's world, marketers need to consider strategic ideas before planning how they want to spend their budget. There is no magic numerical formula to predict the right strategy. Strategy is based on marketing and business acumen, logic and creativity, and it should be distinct to each client challenge and each brand. Marketers need to work with media and marketing neutral strategists and, crucially, trust logic over numbers. A scary proposition, but it's also a smart one if clients want their marketing dollar to stretch further.

So, what is the outcome of this? The AIDA model needs to be replaced with the ADIA model – action, desire, interest and awareness. This is an inverse funnel that starts with action and filters out to awareness through positive word of mouth.

The ADIA model is based on a highly targeted strategy that invites a small group of people to interact with the brand. Their positive experience of the brand creates word of mouth that creates desire among a wider circle. Word of mouth travels through this wider circle to create interest among an ever wider circle and, through them, word of mouth spreads to the mass to create awareness.



“It makes more financial sense to create targeted behaviour change first and then let your consumer advocates create awareness for you at no extra charge.”

Examples of action include point of purchase activity such as value-added sales promotions and sampling, experiential (perhaps via sponsorship of owned events), digital gaming, interactive branded content such as promotional merchandise, magazines and websites (created and owned by the brand). Activate the brand.

The world has changed considerably since the pioneering days of Henry Ford and the Wright Brothers. Yet, a lot of marketers have not adapted as quickly to a changing world.

Marketers need to think strategy first, media and marketing channels second. This

means consulting with strategists who are genuinely media and marketing channel neutral – those who are more interested in doing what's right for the brand than they are about getting their name in lights at Cannes for creating a multimillion-dollar TVC.

It's time to move into the 21st century. TV is not dead. Advertising is not dead. But traditional media metrics are increasingly irrelevant. The AIDA model should be tipped on its head and be replaced by the ADIA model. It's time to rewrite the marketing textbooks. **M**