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Top 12 Marketing Trends for 2012

by
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As is our annual tradition, here is our Top 12 Marketing Trends for 2012 forecast for the coming twelve months.

1. Facebook -- 2012 is already shaping up as the "Year of Facebook," a year which will see Facebook exceed the 600 million users mark and their long await IPO finally come to market. More important, however, is that an increasing number of small business owners will learn to use Facebook both as their most viable and critical customer communications channel and as an import advertising medium. Yes, there will still be massive, big-brand promotions using Facebook, particularly by the main sponsors of the 2012 London Olympics, but these will start to be ignored much like TV commercials are. However, the small businesses and brands that use Facebook to share content and engage socially will be the ones that build brand and customer loyalty.

2. Social Media Marketing -- there are actually four key trends here:

a) more integration of social media marketing into the overall marketing strategy

b) moving away from a focus on using social media marketing only for promotions and word-of-mouth campaigns (notice how quickly the phrase "viral marketing" has gone from the marketing vocabulary).

c) while large organizations will build internal social media marketing expertise, the vast majority, especially small businesses and entrepreneurs, will outsource this function to those with the right expertise and the time to stay on top of evolving trends and nuances.

d) Google+ for businesses and brands will rapidly grow in importance, perhaps not for the social media aspects but mainly to improve Search

Engine Results Page listings. I wonder if Google+ will become the social network for B2B marketing, while Facebook retains dominance of B2C communications?

3. Direct Marketing -- I foresee a resurgence of direct marketing, but as a crucial component of Customer Retention Marketing rather than only new customer acquisition. Highly targeted programs will continue to work as a cost-effective method of obtaining new customers. And fortunately increasing costs have helped reduce the amount of junk mail one receives. But now that there is less junk being received, and with more businesses shifting to email delivery, there is a void that can be filled by creative marketers sending relevant offers and messages to clearly honed customer segments.

4. Apps -- there are now over 1 million smart phone apps and the cost of creating apps continues to decline. Smart marketers will figure out what information your customers want from you and how to put this into apps. After all, what could be better for you than having your customers carry your app around in their phones as a handy resource? The next big step -- apps that can be personalized. I don't need your entire train schedule if I only ride one line. I don't need the entire programming schedule for all 45 channels as there are at least a dozen channels I never watch. The more your apps can be customized and personalized, the greater customer loyalty you will create.

5. Marketing in the Boardroom -- a slowly evolving trend, but one that that likes of Qantas, Netflix, BP, Telstra, Gap, Toyota, HP and others probably wish they were ahead of the curve on. The mistakes and errors of corporate management are intensified and magnified in today's world of social media. As these types of brand disasters escalate, the importance of having someone at the Board table who can anticipate the market response to management decisions, and who understands the long-term importance of brand protection, is absolutely critical. Just as every Board takes legal advice into consideration, it is time they take on marketing advice as well.

6. Marketing Fundamentals -- there is going to be a lot of noise in the marketplace this coming year, created by the 2012 London Olympics, the U.S. presidential election, new uses of social media, and slowly recovering economies. Unfortunately, many organizations and marketers will simply add to this noise, often in an attempt to out-shout equally noisy competitors. I sense that a underlining sense of stillness and confidence will be the way to be noticed. Rather than being Bruce Willis with guns a blazing, perhaps the quiet confident approach of a Sean Connery calmness amidst the chaos is a better approach. After all, which brand, Willis or Connery, has longer value and greater customer loyalty? Ensure your marketing fundamentals and

brand strategies are in place and adhered to before you jump into the marketing fray in 2012.

7. Dealing with bad publicity -- negative publicity goes viral in a heartbeat. The old rule of marketing was that a customer was likely to share a negative experience with up to 19 people. Now, it's easy to tell 1900 or even 19,000 people about poor service, corporate misdeeds and moron marketing programs. A crisis communications plan is sort of like an insurance policy -- you hope you never have to use it but it sure is a comfort having one. Any organization, large or small, that does not have a plan in place to deal with bad publicity is risking getting swept away by a social media tirade that will have lasting consequences for the brand.

8. Mobile -- something like one-third of adults in the USA already have a smart phone, and the percentage is even higher in other markets. Much of the email and website content designed for viewing on flat screen computers is now being accessed on smart phones. Note that I say "accessed," for if your content is not well formatted for mobiles than a great deal of it is not being read. The other trend in mobile is location-based marketing, which continues to be slow to take off but is now not far from entering the mainstream. Personally, I think this is still several years away, but it would not surprise me at all to see it happen sooner.

9. Responsibility -- my old employer TIME Magazine named The Protestor as its 2011 Person of the Year. While their focus was on the protest movements seeking democracy in the third world and economic justice in the developed world, we have also seen the rise of the Consumer Protestor across the marketing and business landscape.

This is a reaction to the widespread dissatisfaction with governments, politicians and greedy corporate executives. Customers are looking to the corporate world to help solve social problems (62% of global consumers prefer brands that support good causes and 86% believe that corporations need to place at least equal weight on the interests of society as on their own). Consumers are changing their purchasing habits and turning cynicism into action by supporting brands and organizations that care, donate and sympathize with community concerns instead of just selling and taking.

10. Customer Retention Marketing -- one thing marketers are starting to learn is that customer loyalty begins with a great customer experience. Reward points, discount vouchers and other so-called "loyalty programs" will not overcome a bad experience at any point of customer interaction. As one often-cited report in the Harvard Business Review showed, a reduction of just five percentage points in customer attrition can boost bottom-line profitability by 25% to 80%.

In the past, being customer-oriented has meant operating in order to meet the needs of the typical customer, or the average customer. Fewer and fewer businesses today can afford to focus on the average customer. Your future growth, and future profitability, comes from satisfying the needs of your most valuable customers.

To treat your most valuable customers not as average customers, but as your most valued customers, requires that they be treated as individuals — with individual needs, wants, desires, likes, and dislikes. This is the true essence behind the concept I call the art of keeping good customers™.

(To help you in your endeavors, I will be devoting more effort next year to the Keeping Good Customers blog where I write about using Customer Retention Marketing to increase customer loyalty.)

11. The DIY Market -- will continue to expand into new categories, especially health care and real estate. We have already seen people create successful businesses based on the disintermediation of travel agents, record labels, book publishers, insurance agents and other intermediaries. In fact, any business known as an "agency" or one based on the use of "agents" is susceptible to attack from Do-It-Yourself providers. We now see many home owners using the Internet to list and sell their own homes and properties, thus saving thousands on commissions and fees that previously would have been paid to a real estate agent. Likewise, millions are finding sufficient health-related information on the Internet and self-medicating minor wounds and illnesses without the need of costly doctor or medical clinic visits.

12. Green Marketing is here to stay -- with an increased focus on recycling, reducing waste and decreasing water consumption. Research across the globe continues to show that consumers feel "it is their duty to contribute to a better society" and that a large majority of consumers are willing to change their own consumption habits to help make tomorrow's world a better place. Those who do not integrate green marketing into their products, services and marketing messages will undoubtedly lose market share to competitors who do.

These 12 trends will affect every business in 2012, some to a larger degree than others.

Everyone is extremely busy at this time of year. But if you can find 15-20 minutes of quietness in a remote corner to reflect on how these 12 trends will impact your business in 2012, you will find yourself remarkably ahead of those who spent this time putting out the remaining fires of 2011.

In two weeks the annual tradition of setting New Year's resolutions will take place. My own resolution for 2012 is to help my clients stay ahead of these trends and leverage them in building sustainable businesses that create increasingly loyal customers.

Alternatively, if you want to get very serious about these trends, give me a call and I'll be happy to discuss each one in greater depth and detail with you. After all, 2012 belongs to you as well, not just to Facebook.

Best wishes for continued success in 2012

The Author

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