

## MARKETING IN THE 21st CENTURY

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**Abstract:** Marketing in the 21st century involves the need for clear strategies in order to reach and engage target markets in an ever evolving landscape. In this paper, personalized marketing, technological shifts, new consumer trends, globalization, and pricing strategies are analyzed in order to shed more light on some of the challenges companies face in establishing and sustaining strong brands.

The growing trends of personalized marketing, internet and mobile technology usage, and the viewing of target markets as existing in cross-border circumstances all comprise the reality of marketing in the postmodern world. The landscape for marketers is ever more complex because while technology is of great assistance to them, technological advances have also created threats to traditional brands. Consequently, building strong and sustaining brands is a challenge today particularly for companies that face heavy competition from private labels.

**Keywords:** Marketing, Organisation, Technology, Information, Advertising, Branding, Analysis, Evaluation, Customer, Consumers, Companies, Flexibility, Community, Products, Interactive.

There is no recipe for success for marketing in the postmodern world. Marketing successfully is not linear, but rather is the interplay of complex forces with many variables and little ROI data (D'Esopo & Almquist, 2007). Marketers must increasingly address changing expectations and oversaturated customers. Consumers are exposed to on average hundreds of advertisements per day (Nunes & Merrihue, 2007). If only a fraction of the information penetrated into the consciousness of people, marketing would be a breeze. How do marketers best address changing expectations and oversaturated consumers in order to reach consumers effectively? What marketing strategies pay off in this age of mass communication and information overload? What can companies do in concrete terms within this media jungle to identify the unique selling points of their products and services and at the same time effectively communicate them to the customer?

That advertising is necessary is undisputed. Without differentiation and gaining the attention of an audience, products and saleable services risk irrelevance. The effectiveness of advertising is based on three core factors: drawing attention to products and services, increasing the probability of contact with the target group, and actively differentiating products from competing brands by conducting image work. Catching people in bottlenecks, using Trojan horses, targeting people at play, and getting people to play games are viable strategic marketing options for large and smaller brands alike (Nunes & Merrihue, 2007). Brand development can make a difference and with strong brands all the more as a means of communication between companies and consumers. Hence, it is an increasing necessity for companies to re-engage the 5Ps in order to harness maximum competitive advantage locally, globally, and online. Strong brands generally achieve success due to an above-average efficiency of their marketing expenditures, high customer loyalty and higher margins. Companies, regardless of size, that have established their name, products, positive customer-oriented and sustainable corporate culture, targeted positioning, and wise and systematic corporate communications with consumers are more likely to succeed in the long haul.

For brands to become strong in their own right, marketing must first be a worthwhile activity. How this works is through brand communication. In order to not just be another ineffectual brand long forgotten, brands need to become a trademark. It is not the amount of money spent which brings success. Rather, there are systematic tactics which are also applicable to smaller companies. It is vital to become a brand that is different, innovative, something special that stands out clearly. Strong enduring values need to be communicated as well as authentic (and systematically) relevant messages to the target audience. To merely increase product volume and range is expensive, and brings little. Above all, it does not automatically generate sustained interest. Many marketers misconstrue gaining

the attention of customers with the impact of their advertising message. This error can cost companies a lot of money and cause the urgent need for an ROI analysis (D'Esopo & Almquist, 2007). To reach the target audience sustainably and retain them for the long term, short-term and expensive blockbuster penetration advertising is not necessarily desirable. Long term customer retention needs a clear strategy. Marketing in the 21st century entails having relevant content, added product value, and brand identification (Gamble, Gilmore, McCartan-Quinn, & Durkan, 2011).

### **Personalized Marketing**

The changing landscape of traditional advertising methods is spearheaded by digital marketing techniques. While traditional media will always have its place, there is increasing necessity to utilize digital media platforms. The best marketing campaigns will not look at these two components as separate parts of the media mix, but instead understand how to best combine all these media channels to form a single integrated marketing campaign (Hakansson, 2012). One of the strategies companies use to increase brand identification accordingly is utilizing personalized marketing (Vesanen, 2007). Internet marketing, direct mail and email, business to business, and social media marketing are ways in which companies often conduct personalized marketing campaigns. Companies also may employ brand ambassadors to use personal branding in their marketing strategies in order to create a more one-to-one marketing appeal. Branding is vital to organizations because it serves to assign a perception of a corresponding product that invites unique customer relationships (Kotler & Keller, 2010). The need for and use of a charismatic figure, whether he or she be the CEO as brand ambassador or a spokesperson, helps build personal confidence in the products being marketed. In addition to trust, the brand ambassador also serves to assign values on the product that are associated with him or her which can be related to on a per customer basis.

Personalized advertising and targeting are important issues for a successful sales approach to online marketing (Cudmore & Patton, 2007). With the increasing use of the internet in ever new areas, the development of personalization is progressing rapidly. Many large online shops and e-commerce portals already have several measures for personalization and provide potential prospects by inserting cookies and (both technical and user-based) targeting opportunities via personally tailored results. Personalization via the internet can be achieved through different measures. Self-evaluation by the user is also a possibility per automatic personalization through interest tracking. If companies are interested in tracking the allocation of certain information and offers through cookies, the website content according to differing profiles, assigns specific target groups. Furthermore, interest tracking is achieved through the accumulation of customer databases and personalization on the internet due to newsletter registrations or contact forms.

Analysis and logging of user behavior offers operators targeted information. Hence, behavioral targeting is an effective advertising method for online stores and website owners. The development of "Predictive Behavioral Targeting" relies on a combination of online usage data and browsing patterns complemented by statistical information on potential other surfing habits ("Predictive Behavioural Targeting," n.d). By utilizing this information, targeting is enhanced as well as the advertising impact over the long term. Personalization has become an indispensable link to the customer because it increases the chances of success for marketed products and services. Targeting with personalized advertising allows each user to receive offers that he or she has already clicked or that correspond with their interest profile.

Online advertising has changed dramatically in recent years. Advertising that is connected only to appropriate page content is now almost history. For website owners, new online marketing activities offer optimal conditions in order to increase quality hits and views. The increase in the demand for personalized advertising and predictive behavioral targeting is ongoing. The positive experiences of advertisers who are active already in this field suggest that personalized marketing will continue to be a growing marketing trend.

### **Globalization and Technology**

In today's business landscape, a company's market audience can stretch well beyond national

borders. Marketing changes and adaptations have become necessary due to the globalization of the marketplace. In this vein, Wilken and Sinclair (2011) encouraged companies to think globally and act locally. Product-market strategy, corporate organization, marketing, and advertising should be globally aligned yet locally adapted. The writers also raised issues in terms of blunders that have occurred when marketing locally without properly understanding the local audience and culture. Utilizing a more cautious regional approach, strategically, can help companies create broader appeal for their brands. The more this is done, where markets are formed according to geographical regions, the better (Schaeffer, 2003). This means that marketers no longer see countries as fragmented, self-contained entities, but rather, are encouraged to think of their target markets as existing in more fluid, cross-border circumstances (Cayla & Arnould, 2008).

According to Wind (2008) the era of the passive consumer is history. Consumers are increasingly empowered and in control largely due to advances in technology. This is also becoming apparent in the developing world where internet usage is climbing by the day; many future opportunities lie in wait and should not be ignored by marketers. Hence, Wind stated it is vital that companies modify their marketing strategies in an inclusive manner and include strategies for the developing world. Wind listed seven key areas of note. The most relevant strategy that is applicable to the developing world and bottom of the pyramid (BOP) market is the relationship between the marketer and consumer. Here, Wind suggested moving from a customer relationship management (CRM) model to one that is customer managed (CMR). What this means for BOP and developing world markets is that rather than companies focusing on selling goods to them, they instead are given decision tools to help them learn about products, and thus make their own purchase decisions. Marketing in this vein can bring a merger with the respective corporate social responsibility (CSR) vision of companies when it empowers the world's poor to make informed economic choices. This approach also gives marketers the ethical high-ground as well as strategic advantage in reaching the developing world as their economies continue to grow alongside advances in technology. The relationships developed from this collaborative process are invaluable in the long term.

### **Marketing and Consumer Trends**

Consumer trends tend to change over time, and the challenge for marketers is to continually address changing expectations and requirements in a manner that is effective to their campaigns (Chinta, 2006). Present global consumer trends include: the closing of the gap between consumer desires and purchasing ability, eating right, environmental awareness and social conscience, emphasis on the home and community, work-life balance frustration, luxury for more consumers at a lower cost, the increase of consumer choices, coping strategies for the recession, the use of apps, and the desire for images (“Consumer Trends for the Next Five Years,” 2012). The more marketers are aware of trends, the better respective companies can meet changing needs.

Consumers today generally want to satisfy their desires for different products, and brands have to look for ways to exploit those impulse purchases. People are increasingly turning to brands, business models, and products that do not have a negative impact on the environment and society and make their lives better (Kemp-Robertson, 2014). Consumers are becoming more influenced while at home, too, particularly those living in multigenerational households. Multigenerational living is a relevant phenomenon, because generational influences purchasing behavior. Moreover, the use of social networks allows consumers to influence the buying habits of others per word of mouth advertising (Riegner, 2007). The commercial implications of the interpersonal communications between consumers on the internet impact the development of viable business models and the product development process as a whole. Consequently, companies need to elicit customer attention and loyalty in a sincere manner. They can do so effectively by practicing innovation, transparency, and gratitude in order to gain and sustain consumer interest, respect, appreciation, and admiration.

Worldwide, consumers are using mobile technologies and apps ever increasingly. These indicators of consumer interests provide immense marketing opportunities for brands. However, where there is opportunity, there are also accompanying challenges, particularly for national and international brands in direct competition with private brands or labels – a growing marketplace trend

(Kotler & Keller, 2012). Marketing national and international brands consequently has become an increasing expenditure for companies offering premium brands. Lower priced private brands in contrast have not needed to be marketed in the same vein and have been more profitable for their owners, often the retailers themselves. Moreover, consumers increasingly are viewing private brands as equivalent to national and international brands (Wong, 2008). This is especially the case outside the United States where European and Canadian supermarkets sell popular private brands at a level of about 40 percent (Kotler & Keller, 2012). In countries such as Austria, discount supermarket chains such as Lidl and Aldi owe their market share largely to carrying private labels and various homegrown national products. International brands have generally been given much less shelf space and prominence, and as a result have had to market their products to private brands in order to gain sufficient sales.

### **Pricing Strategies**

As noted previously, private brands or labels have the advantage of price; their prices largely reflect only the cost of making the product. This lies in contrast to perceived value pricing which has been a pricing strategy of many premium brands focused on the quality of their products. While there is no definitive answer to the question of whether prices should reflect the cost of making the product or whether prices should reflect the perceived value instead, pricing strategies are important to companies, and sensitivity and care are often taken particularly after hard lessons are learned (Ellickson, Misra, & Nair, 2012). It would not be appropriate for Amazon to further practice dynamic pricing, for example. The company tried this approach in the past and consumer reaction was very negative to what were sometimes very dramatic price changes. This struck to the very core of fairness and trust (Garbarino & Lee, 2003). For companies such as eBay, however, perceived value pricing is the model of choice. Auctions by nature inherently follow a dynamic pricing model. If someone wishes to bid or pay 1,000 dollars for a used product because he or she feels it is worth that price, then that is their prerogative. Because eBay members can rate each other and offer feedback after each sales auction experience, this helps create a self-evident atmosphere of confidence and trust which may mitigate pricing concerns.

Arguably, there is more flexibility when it comes to regional pricing. Here, if the reasons for the price differences can be made transparent and consumers do not suspect unfair, i.e. opportunistic behavior, they should not harm retailer's price image (Kimpel & Friedrich, 2015). Without such transparency, however, most consumers rightfully do not enjoy the perception of being sized up in an impersonal and automated manner in terms of what is decided they can afford to pay for products based on their location and demographic. Purchase decisions are often based on how customers perceive prices and what they consider the current actual price to be, not on the marketer's or retailer's stated price (Kotler and Keller, 2012).

With regard to prices reflecting only the cost of the product, this is arguably a more suitable pricing strategy for brands that service basic needs rather than desired wants. It would be ill- advised for a given supermarket chain to charge double the price for bottled water just because water is arguably an inelastic commodity, particularly in communities rife with contaminated water. It would be an inadvisable course because the chain in question could be accused of price gouging and taking advantage of the community. While the chain would create more sales revenue due to demand, this does not make such a course of action recommendable let alone ethical. Marketers and retailers should also consider the competition in their pricing strategies in lieu of the panorama of issues affecting their market community. Maybe, in the water example, other stores in driving distance are charging much less a gallon and may win a plethora of happy customers over to them because they employed traditional pricing strategies that considered only product cost.

Companies generally try to set a price that will maximize current profits and that some want to also maximize market share (Kotler and Keller, 2012). If the product is price sensitive, they may set the lowest price in order to increase sales. If respective companies were to apply the perceived value approach in such instances, they could risk losing market share. Notwithstanding, crafting a marketing strategy, whether for goods or services, is dependent upon on knowing what competitive

prices comparably are. If a marketer or seller wants to start out with an opening minimum bid of 10,000 dollars on eBay for a used car, for example, there may not be many bids if the same make and model is generally going for much less elsewhere on the site. He or she would be wiser to evaluate the price and offer the car in that range, while extolling particular features of it that make it as attractive as possible. It is important for sellers of goods and services to conduct basic market research and sell their products more in this vein.

### **Conclusions**

When it comes to marketing in the 21st century, being communicative, transparent, persuasive, and positive are all helpful attributes for companies to have respective to their brands; practicing personalization, originality and differentiation, promoting customer managed relationships, and having suitable pricing strategies are also very useful. To engage target audiences involves knowing the market community well and reaching out to them effectively. To adapt to market changes, means being involved in those shifts and trends and having the cultural and technological know-how to navigate successfully. Companies have to integrate direct and interactive marketing to develop competitive advantage accordingly. The more the brand image is worked on in a consistent and innovative manner, the more the brand can strengthen and be viable consumer choice. When customers choose products and services accordingly, all the hard work that goes into the marketing process is then complete.

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