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Consumer communication in the multimedia age

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Speech Draft on Consumer Communication in the Multimedia age

1:Introduction

In the past 5 years, we have witnessed many changes in the world system. We have witnessed capitalism win over communism, democracy over totalitarianism, and the shift in hegemony from the pan Pacific region to pan Atlantic region. We are also experiencing a phenomenon called the "Borderless."

Every day, in tremendous amount, we see transaction of goods, money, information and human being across the border. For instance, world economic system is now about to be integrated into one economic system. No economic system of a single country can now exist independently, isolated from the rest of the world. At the same time due to advance in technology we see information crossing border faster than ever.

And this flow of information across the border has been the trigger to many of the changes we see today. These changes and phenomena have greatly affected the way we live as a global citizen. Especially in the way we consume information.

The amount of information a single person consumes per day is greater than ever. With the amount of information at hand, people have more power, more choice and they are much more wiser. With more information at hand, the consumer interest is more fragmented.

Then come the question, how, as an advertiser, can we communicate effectively with this new type of consumer who has more power, has more choice, are more wiser and whose interest is more fragmented? As I said before, due to these advances in the digital media, there is a flood of information. The amount of information that a single consumer must process per day is greater than ever. Will the mass communication system we have now be still effective in communicating with these new consumers who is drowned in the flood of information?

The topic of today's speech is "Consumer Communication in the Multimedia age," in this respect I would like to search together with you, how can commercial communication be effective in an age of information over flow. My hypothesis is that with the right mixture of the conventional mass media and the new digital media, we are now able to communicate with consumers more effectively and efficiently than ever.

2:New types of digital media

Due to advance in digital technology, we now see new variety of digital media, which allows us to approach the consumer. The new digital media, with the conventional, so called the analog media, has given us more choice when choosing the tool when approaching the consumer. In other words We now have more choice than ever before, when approaching the consumer.

One of the main characteristics of these digital media is that they are interactive, personal, and the target audience is easily seen. Here I would like to demonstrate few pragmatic cases which Dentsu used digital media in approaching the consumer in supporting our client's marketing communication. By demonstrating the following examples, it is not my intention to give you all a clear vision on the consumer communication in the Multimedia age, but to give you some hints when envisioning the consumer communication in the Multimedia age.

This first example is a video game which one of the major food manufacture in Japan, created as a sales promotion tool for their mayonnaise brand. Nintendo Super Famicom is one of the most popular and most

distributed Video Game in Japan. The cumulated number of Super Famicom sold in Japan is 1.8 million. Thus assuming the number of households in Japan is 4.3 million, one out of every three households owns this media. In this respect, this food company decided to use this popular digital media for consumer communication.

A survey conducted indicated that the major factor for a consumer to choose and to purchase a certain brand of mayonnaise was the taste. The consumers tend to choose a brand whose taste is most familiar with. Since major Nintendo Video Game players are kids, the company's strategy was to use the video game to familiarize their product to kids and build brand loyalty of their mayonnaise at a young stage of the potential customer. The game was to give away as a sweepstakes prize. The consumers were able to enter this sweepstakes by purchasing the mayonnaise. This example demonstrates how digital media could become a viable tool approaching the right target efficiently and for building consumer relation.

The next case is a case on a promotion of a car brand which used a digital media. A floppy disk catalog was produced a year ago as a promotional tool for the company's line of luxurious car. The catalog was made to be viewed on Macintosh.

What differentiate this catalog form a normal paper catalog is that it allowed us to use animation. For example, well we all now know what an air bag is, however this explanation of ABS anti-lock break system allows the viewers, within seconds, to understand this safety function of the car. This illustrates how a digital media can become a viable vehicle for advertising.

One of the biggest characteristics of digital media is that it allows the audiences to be the initiator when consuming commercial information. The audience has the choice not look at the information or to look at the information. In other words, the commercial information has to be chosen by the consumer. Thus to attract and retain consumers, the provided information must be both useful (informative) and entertaining.

And making the commercial information both informative and entertaining is a big challenge for the producer of the information. As in the case of this floppy disk catalog, the gimmick was that the creator has put in a personality analysis test as an incentive for the viewers to go thorough the entire catalog. At the end of each section of this catalog the viewer is asked a few questions and at the end of the entire catalog, this catalog gives the viewer the analysis of his/her personality based on his/her answer.

80% of the copies produced was distributed at Mac World Expo, a Macintosh exhibition. It was assumed that the Macintosh users in Japan were considered as opinion leaders among the generations who would become potential buyers of the car in promotion. Thus distributing this catalogue was an effective way of reaching opinion leaders in Japan. Trade shows and exhibitions are sought as a powerful media in consumer communication. Thus, distributing at such expo was an efficient way of reaching the opinion leaders. Here is an example where the combination of analog media, the exhibition, and the digital media, the floppy disk catalog, produced an efficient and effective way of communicating with the targeted consumer.

Another digital media we are utilizing as a marketing communication tool is the internet. This next demonstration is a demonstration of our company's home page on the WWW. Dentsu's personnel office is providing recruit information through the WWW. The target audience of this home page is senior in college who is seeking jobs after graduation next April. Each spring Dentsu hires about 150 newly graduates.

This homepage is constructed of three parts. The first section gives basic profile of our company. The second section gives updated placement information such as interview date for potential applicants who may be interested in applying for job interviews. The information on this section is updated regularly. One of the major advantage of using on-line media is that the time lag that the updated information is reached from the information provider to the audience is minimized compared to other media. In this section, the audience can also request the paper pamphlet of our company, on line.

The third section is a catalog of message of the employee to the students. The students viewing this section can receive messages from 60 employees. In reality, it is rather difficult to talk to 60 actual employees, but however, by viewing this section, the students can receive messages from employees anytime they desire.

I hope these demonstrations gave you some hints on media in the Multimedia age and how they could be used in consumer communication. As I mentioned before, the major characteristics of these media are that they are interactive, personal and the target audience is easily seen. Then how can we utilize these new digital media to communicate with the consumer?

3:The challenge

Before answering to this question, I would like to take a few moments to mention a little bit on the current situation of the Japanese consumer market. In the past decade, Japanese market and markets in other nations, have experienced both the glory and the demise with the expansion and collapse of the so called "the bubble economy." With the limited marketing budget, the advertiser's most interest is to maximize the effectiveness of their consumer communication. The major interest of corporation is to make most out of their marketing budget.

One of the popular movement in the field of marketing, which rose during this period, is the IMC(integrated marketing communication) theory, which was advocated by professor Don E. Schultz of Northwestern University. This is a theory "of marketing planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines-for example, general advertising, direct response, sales promotion and public relations-and combines these disciplines to provide clarity, consistency and maximize communication's impact." In other words IMC theory asks the question. "What will be the most efficient and effective way of reaching the right consumer? And by using which tool?"

As a full service advertising agency, our objective is to meet our clients' need. Due to changes in the structure of economy such as price reduction, deregulation and change in consumer value, the biggest challenge which our clients are facing today is the effectiveness and the efficiency of advertisement, consumer communication. Our clients' most interest is to maximize the limited advertising budget by approaching the right consumers more effectively and efficiently. And our mission as an advertising agency is to design a consumer communication plan to meet our client's interest.

The new forms of digital media have certainly provided us with more choices when selecting which communication tool to use. With more choices, we have a better chance of effectively approaching the consumer. How ever, with the rise of these media another challenge has risen. One of the major challenge that rose with the rise of these digital media is the issue of information over flow. For instance, as in the case of the internet, personal message, and corporate message is sent to the audience (the consumer) at the same level. In a situation like this how can a corporate commercial message be differentiated from the others?

As an ad agency, our task is to effectively differentiate these messages from the other messages. We try to differentiate our client's message by strategically designing a communication plan.

The combination of the new and the old forms of communication tool will allow us a better chance of communicating with the right consumer more efficiently and effectively. Both the new and the conventional media has its strength and weakness. I hope to show you that the combination of both types of media will provide us with a powerful path in approaching the consumer. The old forms of media covering the weakness of the new media and the new media covering the weakness of the old media.

It is the task of an advertising agency to see thorough the weakness and the strength of each media to design the best communication plan to deliver our client's message.

The next case I am going to introduce to you is a case on a Corporate Image Communication of one of Japan's major electronic appliance manufacture. I hope to demonstrate how we have used both the digital and the conventional media in designing an effective communication plan to help our client's consumer communication. The combination of both the conventional media and the new digital media will become a powerful, efficient and effective tool in communicating with consumer in the multimedia age.

According to an image survey conducted, many consumers did not relate this company as a company deeply involved with multimedia. With multimedia society approaching, not having their corporate image related to multimedia is sought to be detrimental. In this respect, the company has set their goal of their communication strategy to permeate the image of a company involved with multimedia, a company who seriously cares about consumers in the coming multimedia age. Their plan to do this was by associating their corporate image to the key word "ON DEMAND" They have launched a campaign called "ON DEMAND" Their strategy was to actually use an on demand media to portray this image. Besides the conventional media such as Newspaper, Magazines, and TV, an on-line service was used to communicate company's image "ON DEMAND"

A forum was set on a major on-line service in Japan called the PEOPLE and we have conducted a panel discussion sponsored by this company was conducted on this forum. The topics of the forum included topics such as "life in the age of ON DEMAND". The participants to this panel discussion was the consumers. The consumers could get directly involved in this panel discussion by sending their opinions from their home computers and were to talk freely about their vision on the life in the age of ON DEMAND. The merit of using this on line media is that the profile of the each of the audiences was easily seen.

By using this on-line interactive media, this company was able to send their view on multimedia more personally to the consumers, at the same time collect a database on their potential customers and reflect its collected data back to the company's marketing strategy.

Beside this on-line media, TV and News paper ads were used to communicate to more broader audiences. The role of these conventional media is to communicate to the mass audience that the on-line service could not reach. The news paper ad was used to invite interested consumer to join the panel discussion. Without using the conventional media, the consumer had no way of knowing that a panel discussion was taking place.

As seen in this case, each of the media was used in its most effective way to deliver the right message to the right target. The conventional media allowed communication with wider audience and the digital media deeper with each of the audience. Digital technology has provided us with another powerful tool to communicate with consumers. Please note that the expansion of communication tools, has allowed us to communicate with consumers more efficiently and effectively.

4:Conclusion

We are now experiencing a transitional stage of the media. At this stage, taking the advantage of the available media, both the conventional and the digital, I think, is the key in surviving. Optic fiber network, cable TV, video on demand, on-line shopping, some of these words are very attractive, on the other hand they are raising a lot of confusion among business people. How ever we have to bear in mind to watch carefully which media is useful and which is not.

It is our duty, as an ad agent to always be on top of the new forms of media and to deliver more effective and efficient communication solution to our client. As an agency whose slogan is total communication service, Dentsu will continue to practice the IMC theory by making most out of our marketing, creative and media planning capability and provide always a better service to our client.