

Touchbutton

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Be careful what you wish for

When the marketing departments of global brands first discovered the impact of advertising via social media sites on the internet, coupled with the ability to target specific age groups and target markets, they could hardly believe their luck. In their wildest dreams, there was almost even the possibility of dispelling the age old saying that half of advertising is a waste of money, but nobody knew which half.

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So far, so good: targeted marketing meant that people over the age of about 50 were encouraged to buy conservatories, Norwegian fjord cruises and comfy fit trousers (thanks Google), while younger hipsters could buy vinyl records and cheaper clothes (about 70% of which are returned, apparently).

However, in the new world we live in, trends and opinions change fast. In the last week alone two major brands, United Airlines and Pepsi Cola, have seen the backlash of a connected audience, who are able to vent their collective spleens very rapidly, and with awesome, to use a currently popular adjective, effect and impact. The dramatic ejection of a passenger from a United Airlines plane was viewed on You Tube more than 100 million times within hours, and Pepsi has had to issue grovelling apologies to its loyal band of drinkers who don't prefer Coke, for their ill-advised commercial in the US that invoked misguided imagery from the Black Lives Matter movement. In the US, properly connected firms are now watching social media with the same, or more, attention being paid to it than to their share price. With good reason: crises can escalate at the speed of light via social media, and are not just storms in teacups – they are a threat to brand loyalty, profitability, and the scalps of senior executives.

Some companies are embracing the new world quicker than others. Unilever, possibly not regarded by some as being at the cutting edge in terms of management style, has no less than twenty five per cent of its consumer marketing insight team devoted to understanding and monitoring what it describes as a 'tidal wave' of data that it collects on line, compared with just five per cent two years ago.

The interaction and relationship between consumers and suppliers has altered permanently, and will continue to evolve as the power to influence opinion and buyers' inclinations shifts towards the end user. Global brands that fail to recognise this seismic shift do so at their peril.

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