Market Influence Analytics in a Digital Ecosystem

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ABSTRACT

The internet provides opportunities for marketing which extend from the micro level of electronic contacts to the macro level of new business opportunities. As the democratisation of consumer expression leads to a viral proliferation of information online, the new age communication ecosystem has prompted the need for a careful evaluation of the potential of what is being called Consumer Generated internet content, creating new challenges for Marketing Intelligence. These offerings of the Information age have garnered adequate potential to engineer business transformations. Consumer Generated Media (CGM) comprises the content generated by consumers within online venues such as Internet forums, Blogs, Wikis, discussion lists, etc. Leveraging CGM and channelizing it appropriately has become critical for organisations for understanding and managing market performance, product positioning, and driving brand reputations. The biggest challenge in front of organizations now is to harvest CGM to help marketers gain insight into the online market conversations taking place. Efforts are on by marketing in organizations to track the volume, origin, flow, and trajectory of the conversations in real time as they evolve, study the domain of Individual Internet Worth and map the scope, reach and influence of the same on topics that might have a positive or negative impact on a company’s products, promotions, and reputation.

Keywords: Consumer Generated Media, Digital Ecosystem, Individual Internet Worth, Market Influence Analytics, Marketing Intelligence

THE DIGITAL ECOSYSTEM

Online technologies provide the ability to refine marketing actions (Hanson & Kalyanam, 2007). The internet today has been hailed as the single most important invention of the 20th century and digital marketing is transforming companies, customization and advertising. With its increasing popularity, as noticed from more and more number of users coming online, and services being offered online in general, the internet now occupies a central role in young educated people’s lives, all over India (Majumdar, 2010). The digital paradigm plays two very significant roles in marketing—influencing consumer behaviour and harnessing consumer intelligence. While it is vital for an organization to evaluate consumer intentions and provide consumers the necessary information they are looking for, equally important is the need for collecting consumer data by studying the consumer behavioural patterns on the internet and subsequently nurturing long term relationships with consumers. The internet has subsequently commenced playing a very significant role in the marketing value chain encompassing value

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identification, creation and delivery thereby impacting marketing economics by reducing transaction cost and time. There seems to be rapid adoption of the internet by consumers for various purposes, including information search and online shopping (Ranganathan & Ganapathy, 2002). Consumer data analysis, content analysis (Ahuja, 2010) and predictive modelling are the buzzwords of today and digital marketing coupled with digital media are twin growth engines for organizations today.

A new dimension that of individual internet worth is fast gaining momentum. Individual online reach, amplification and network impact coupled with individual content based rankings help create peer indexes and makes it possible to measure and track reactions to individual posts and comments. This is valuable to marketing when this individual is a consumer.

Consumer behaviour has changed dramatically in the past decade. Today, consumers can order many customized products online, ranging from sneakers to computers. Many have replaced their daily newspapers with customized, online editions of these media and are increasingly receiving information from online sources. This has proliferated because these channels reflect an understanding of consumer needs and consumer behaviour (Schiffman & Kanuk, 2009). If nowadays, experts want to identify the most profound influences on consumer behaviour in recent times, the answer would be the internet. Consumers also recognize the substantial impact the Internet has had on their shopping behaviour. One reason the internet is dramatically changing consumer behaviour is that it helps us search much more easily and efficiently than ever before (Blackwell et al., 2006).

KNOWLEDGE AS A VALUE PROPOSITION

Knowledge has become the source of strategic planning for the creation of a value proposition for consumers. Market sensing (Olavarrieta & Elinger, 2007) is a core business process and organizations which are able to manage, analyze and combine knowledge faster for product innovation and improvement in line with customer expectations are succeeding in the competitive scenario. The connected millennium lays tremendous importance on shifting the concept of marketing from making and maximizing profit from individual transactions to building mutually beneficial relationships with consumers and other parties. Relationship marketing focuses on customer satisfaction and retention as organizations move from product based campaign marketing to a customer based relationship approach. Economies have become customer driven. Companies are going global, reaching out to customers located afar as e-commerce and online buying facilitate consumer purchase, thus diminishing locational restrictions. Increasing competition between organizations is leading to the implementation of relationship strategies and multi-channel relationship programs, as consumer retention becomes a vital imperative for organizational sustenance. In view of the increased need for organizations to communicate with their consumers, the internet provides an excellent low cost solution for better connectivity between the organization and its partners.

In this context, the collaborative web (Ahuja, 2011) opens myriad opportunities by providing a channel for organizations to interact with the consumer, formulate brand-consumer relationships, promote products and also leverage the consumer generated content as a source of Business Intelligence to formulate consumer acquisition and retention strategies as well as product improvements and service enhancements.

The web has ushered in an era of collaboration where participation is possible at all levels between the organization, the employees and the consumers. Organizations can use Web 2.0 techniques primarily in two areas:

1. Inside the organization to improve efficiency and productivity, and
2. Between the organization and the customers for customer acquisition, improving revenue and customer retention.
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José Luis Ruiz-Real, Juan Carlos Gázquez-Abad and Francisco J. Martínez-López (2016). Handbook of Research on Strategic Retailing of Private Label Products in a Recovering Economy (pp. 244-274).
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