JYX JYVÄSKYLÄN YLIOPISTO UNIVERSITY OF JYVÄSKYLÄ

This is a self-archived version of an original article. This version may differ from the original in pagination and typographic details.

Author(s): Niininen, Outi

Title: Conclusions

Year: 2022

Version: Published version

Copyright: © Authors, 2022

Rights: CC BY-NC-ND 4.0

Rights url: https://creativecommons.org/licenses/by-nc-nd/4.0/

Please cite the original version:

Niininen, O. (2022). Conclusions. In O. Niininen (Ed.), Contemporary Issues in Digital Marketing (pp. 176-182). Routledge. https://doi.org/10.4324/9781003093909-21

16 Conclusions

Outi Niininen

The five sections of this book covered some key trends evident in the Digital Marketing (DM) and Communication field: **Data analytics and measurement**, **Digital transformation and innovations in marketing**, **Customer experience and** (the merging of digital and physical) **servicescapes**, **Ethics and privacy in digital marketing**, and **Future for digital marketing communications** and **Conclusions** relevant to DM.

In Section 1, Chapter 2 highlighted several challenges emerging from Big Data and the IoT. This chapter addressed these trends across the full 8Ps of the Marketing Mix structure – Product, Price, Place, Promotion, Process, Physical evidence, Partnerships and People – to highlight how pervasive these new digital technologies are for the business of marketing. The volume of unstructured data for marketing decision-making support has never been this high; notably, we are not yet able to address the volume (too much), velocity (faster arrival) and variety (diversity) of characteristics of such data (an extensive description of the 'V' characteristics of Big Data can be found in Hussein [2020]). AI and NLP applications are already assisting managers in decision-making in stable business environments. While AI-assisted strategic decision-making is also an emerging trend, any innovative decision-making is best left to human minds (i.e. AI should be used to augment decision-making and not to replace human strategy formulation and human responses to unanticipated events).

The Big Data analytics is likely to expand beyond an object's sphere to include talent analytics, which aims to assist individuals in achieving their peak performance. This will extend the debate of privacy, Big Data and AI to the Human Resources (HR) field. In general, HR is not within the focus of this book, but it must be recognised that the future skills required for DM decision-making can be vastly different from what is expected of today's Marketing Managers.

The volume of data gathered regarding target audiences' online behaviour is vast; our digital footprints reach across the business use of online applications to entertainment and socialising via digital applications. The EU acknowledges that, at times, the data harvested from individuals do more than simply aim to offer better services to customers; such data can potentially be used to build extensive customer profiles, which could then be used for targeted advertisements. The General Data Protection Regulation (GDPR) is designed to address the harvesting and packaging of personal data (processing) for commercial purposes without explicit permission from the individual. However, the GDPR has far-reaching implications for DM in general because any data that can be used to identify a natural person (European citizen) is guided by this regulation, and organisations dealing with such data must take extra steps to ensure that the data collected are (a) accurate, (b) protected from unauthorised access and transfer outside the EU region and

DOI: 10.4324/9781003093909-21

(c) not used for automated profiling, which could be detrimental to the individual (see Further reading: Article 22 of the GDPR). Today's DM organisations must carefully plan how personal data are handled within their own processes and shared with partner organisations. The IoT will present interesting questions in this regard (e.g. voice-controlled devices that can be used to streamline our daily tasks and complete routine transactions can leave a record of highly personal data because one's voice is an identifiable characteristic). However, the privacy vs. marketing data challenge has already been acknowledged by 'Big Tech' companies. For example, Google is drafting guidelines for responsible AI uses that include liability considerations (Goul, Sidorova, and Saltz, 2020), and Apple appears to be positioning itself as the privacy champion of smartphones.

As is evident in Chapter 3 data-driven (marketing) decision-making processes offer organisations unprecedented opportunities to refine their management and strategies across all organisational functions. The organisational culture refers to all the values and norms shared within the organisation; thus, it is no surprise that cultural barriers also influence data-driven decision-making. Specifically, the interviewees noted the lack of common language and 'silo-thinking' as a hindrance to data distribution. Proactive data-sharing practices and encouragement for professional personal development were viewed as a positive development towards constructive marketing analytics utilisation. Rigid structural barriers were also identified as a barrier to fluid data utilisation. Finally, managerial barriers were cited as an obstacle for the implementation of data-driven processes, especially when the top management was not familiar with either the data or the analytics applications. Therefore, a shift in the overall organisational culture is needed to fully utilise these opportunities. For example, marketing analytics and data are not only beneficial for the marketing department but should be utilised for the competitive advantage of the entire organisation. Consistent, long-term change initiatives are required from top management to find the balance between overall business opportunities offered by marketing analytics and potential data fatigue.

The conclusions from Chapter 4 highlighted several advantages of Programmatic Advertising, such as sophisticated and granular audience segmentation based on holistic online audience profiles. Granular audience segmentation relies on layers of audience attributes, such as demographics, location, interests and online behaviour, which enable lookalike audience targeting. Programmatic Advertising also reduces ad impression duplication across channels/devices and enables a more holistic evaluation of a campaign's success.

However, Programmatic Advertising has some challenges, such as platform and data fees (the more layers applied to audience targeting, the greater the cost), the audience buying concept is difficult to appreciate and, at times, it is easy to construe the system as inefficient. Furthermore, the limits of specific sizes and formats for banner ad inventories can also limit Programmatic Advertising. Owners of premium ad placements with high reach and viewability are reluctant to sell such impressions via programmatic channels. Regional fragmentation of ad inventories can also limit the effective use of Programmatic Advertising. Finally, Programmatic Advertising is highly technical in nature, and further research, especially into Programmatic Creative, is required for a holistic understanding of this topic.

Section 2 comprised three chapters. Chapter 5 explored the role that Consumer Brand Experience plays when consumers interact with company web pages. This chapter identified the central role that a website's appearance has in evoking Consumer Brand Experience, which can, in turn, result in brand trust, electronic Word-of-Mouth (eWOM)

and favourable behavioural intentions. The findings from this study elevated the website's aesthetic design features to a new level of importance.

Chapter 6 concluded that UX studies are valuable for e-commerce sites because there is a link between good usability and positive UX and adoption. UX can also predict a trusting customer–company relationship, which can lead to purchase intention. Perhaps, the greatest contribution UX studies offer for e-commerce websites is the opportunity to remove potential pain points from website design before they can have a detrimental impact on certain functions (e.g. sales). Hence, a UX study is recommended after each website (re)design to solve any potential problems. UX development and customer journey planning should be a continuous process. Furthermore, UX practice has demonstrated that the majority of usability issues can be identified with only six users.

The case study adopted for Chapter 6 asked the participants to complete six main tasks: go to the brand's website, evaluate the product's attributes, add the product to the shopping cart, proceed to the checkout, sign up for the newsletter and complete the exit interview. The UX analysis identified minor design features that reduced the ease with which the users interacted with the website (e.g. low contrast in buttons and links, small fonts used and inconspicuous secondary navigation). Such findings could be added to any web developer's checklist because they are easily overlooked at the design stage.

Chapter 7 highlighted future changes in consumer decision-making once we have become comfortable ordering goods through conversations with the VAs in our homes. A secondary, and likely, outcome will be that as customers become comfortable buying products from a narrower selection offered by VAs and appreciate the convenience, they will make repeat purchases. Will this result in limited decision-making, learning or memory capacity in general, such as that reported by Tanil and Yong (2020) for smartphone adoption? Furthermore, will our large-scale reliance result in future consumers losing the capacity to compare complex products or to select the best match from a larger selection of items?

For marketers, a voice-based ecosystem is an opportunity to increase brand awareness and create new augmented product offerings – a notable opportunity in the current COVID-19 social isolation environment. VAs and commerce offer interesting psychological challenges for future researchers, whereas digital marketers will have to develop an entire voice-based ecosystem that is similar to current text- (or image-) based search engine marketing.

Section 3 included three chapters. Chapters 8 and 9 explored the social aspect of servicescapes and how digital (and mobile) technology could augment these service experiences. These two chapters took different approaches to place, atmospherics and servicescape, but both concluded that virtual shopping places can imitate the social and physical atmospherics of a traditional brick-and-mortar store. Online environment enhances opportunities for customers to gain added value benefits. Such a trend is, indeed, recognised by retailers that now offer multichannel transaction opportunities. With the COVID-19 pandemic forcing consumers to seek information and buy products online at increasing rates, the future of omnichannel retailing looks promising. However, physical retail outlets could start playing an increasingly social role in retail, even if products are ordered online.

Chapter 10 outlined how Social Media (SM) enables interactions between consumers and organisations. These should be viewed as accumulative social interactions online and should not be represented by simple numerical values of likes and shares. Consumers' motivation to interact with brands online could determine whether the

interaction will either co-create or destroy value. DM and communication specialists can use SM to gauge consumer preferences and identify behavioural patterns. Notably, Chapter 15 further highlighted the role that influencers can play in DM as well as the negative aspects of engaging consumers in (work-like) tasks in the value co-creation process.

Section 4 included four chapters that focused on ethics, privacy and the EU GDPR across various DM situations. Chapter 11 linked customers' perception of retailers' ethics to their channel selection (brick-and-mortar, online and multichannel retail). Consumers evaluated available channels by variables, such as convenience, perceived risk, information search ability and ethical considerations. The higher perceived risk of online purchases could be offset by ethics linked to retailers' websites. Online and multichannel shoppers reported heightened concerns for retailer ethics, especially those who bought products online frequently. This highlighted the importance of transparency of ethical conduct for all online retailers. However, further research into the consumer interpretation of retailer ethics is required as new (online) retail channels emerge. Furthermore, as ethical interpretations are highly culturally dependent, findings from one country to another are not easily transferable.

Based on interviews conducted in five different countries, Chapter 12 reported on the impacts that the GDPR initiatives have had on AI applications. Considering that the GDPR was initially viewed as highly restrictive by organisations working to become compliant, the feedback from AI technology experts was rather positive: the GDPR had placed an organisational focus on customer privacy and the processes companies should implement to protect their interests. Private citizens have also become more aware of the potential for harvesting their data and the value that customer data can bring to companies. This study also highlighted the notion of consumers 'trading their personal information' for better service, a more enjoyable browsing experience or targeted, tailor-made offers, as suggested by Niininen, March, and Buhalis already in 2006 and 2007.

Chapter 13 applied the *GDPR Guidelines for Academic Research in Marketing*. Although the GDPR was supposed to harmonise European data management practices, the reality is that the GDPR (and related privacy regulations) still allows each member state to supplement the regulations with their own legislation. Thus, a move from one country to another by a researcher might change the interpretation of the regulation. This chapter introduced a seven-step approach to achieving GDPR-compliant research, with some steps aligning with the Institutional Review Board for the ethical conduct of research recommendations (many national ethical research guidelines have also incorporated the essential GDPR regulations). Academics conducting research in marketing should pay special attention to online services (e.g. online survey software or cloud storage) used for data collection, which could unintentionally result in sharing individual information between the EU and the United States. Qualitative research colleagues should also take care when citing study participants who use particularly colourful expressions because this could result in the individual being identified. One's voice is also an identifiable variable, and it should be treated as such.

Chapter 14 outlines a study wherein customer loyalty application was piloted (n = 1,259). Qualitative feedback on the new application was classified under four major headings: benefits (e.g. customers used the data to make more informed buying decisions, such as for following a healthier diet or budgeting their expenditures better); uselessness (i.e. when customers could not understand how they could benefit from access to the

data); privacy (i.e. when customers were concerned that their shopping behaviour was being monitored) and transparency (i.e. when the respondent's emotions varied between positive and negative, depending on their situation because the loyalty cards to which the application was linked were commonly issued for all family members).

Chapter 15 re-emphasised the vital role that AI will play in interpreting Big Data into actionable datasets. Natural Language Processing will introduce human-like communication to chatbots that never sleep, making this the ultimate customer service opportunity. However, AI is not yet producing content that entices customers in a way that is equal to that of human influencers. The appeal of influencers is linked to liking peers who share aspects of our lives or those who volunteer their expertise in a field that interests us. In the future, AI influencers may be possible, but by then, blockchain technology will have hopefully developed to such an extent that audiences can verify the identity of influencers (and deepfakes) whose messages they read.

Some chapters in this book had already addressed the value of User-Generated Content where private citizens amass an SM following through exceptional content. This is an interesting paradox: organisations are keen to harness these influencers (who are often perceived to be independent from any brand) for positive consumer sentiment, and some influencers are keen to explore paid collaboration opportunities with brands. If that occurs, how will 'authentic content' be ensured? Moreover, some argue that enticing consumers to interact with brands is a form of unpaid digital labour!

The potential future applications of digital communications technology also pose challenges: as consumers, we regularly trade information about our buying preferences to obtain better quality services, but when will this enter the realm of 'data surveillance'? The introduction of the GDPR has brought publicity to the practice of tracking consumer behaviour online, and new privacy regulations have already been introduced in many jurisdictions.

Blockchain technology is another major opportunity for DM as well as other businesses (i.e. a major disruption). The trust protocols offered by blockchain will, for example, make deepfakes easier to identify and increase the tools that consumers have to protect/manage their personal data. True ownership of our personal data can revert back to us as consumers if we store our data cryptographically in a digitally encrypted, secure wallet, which would eliminate third-party access. In this sense, a new layer of trust can be injected into the Internet's ecosystem.

This book has outlined major changes currently taking place in the DM and communications field. Some of these developments are at the conceptual stage, while for others, the technology already exists. We have also outlined various research methodologies suitable for the DM and communication context and made specific recommendations for future research. We hope these will be helpful for the next wave of research in the DM and communications field.

As the editor, I thank all the authors and anonymous reviewers who made this project possible. Special thanks are also owed to the Taylor & Francis team for your support during this book editing process as well as for polishing this book into its final format.

Further reading

Europa.eu. (2016). *Regulation (EU) 2016/679 of the European Parliament and of the Council General Data Protection Regulation*. Available at: https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32016R0679&from=EN

References

Goul, M., Sidorova, A., and Saltz, J. (2020). 'Introduction to the Minitrack on artificial intelligence and big data analytics management, governance, and compliance'. In *Proceedings of the 53rd Hawaii International Conference on System Sciences* (pp. 5255–5256). Hawaii: HICSS.

Hussein, A. A. (2020). 'How many old and new big data V's characteristics, processing technology, and applications (BD1)'. *International Journal of Application or Innovation in Engineering & Management*, 9, pp. 15–27.

Niininen, O., Buhalis, D., and March, R. (2007). 'Customer empowerment in tourism through Consumer Centric Marketing (CCM)'. *Qualitative Marketing Research – An International Journal*, 10(3).

Niininen, O., March, R., and Buhalis, D. (2006). 'Consumer-centric tourism marketing'. In D. Buhalis and C. Costa (Eds.), *Tourism Management Dynamics: Trends, Management and Tools* (pp. 175–186). London: Butterworth-Heinemann.

Tanil, C. T., and Yong, M. H. (2020). 'Mobile phones: The Effect of its presence on learning and memory'. *PLoS ONE*, 15(8), e0219233. https://doi.org/10.1371/journal.pone.0219233