



DIGITAL+MARKETING



Kyle Lim is the CEO of ihub Media, the holding company of Interactive Hub Pte Ltd and dLive Media Pte Ltd which specializes in internet media sales, digital marketing strategies and online advertising executions.

ihub Media and its subsidiaries have since forged partnerships with several big-name online social networking giants like Friendster and MSN.

Editor, Mei Mei, chats up with Kyle for his views on why and how marketers should start on the journey of "Digital Marketing".

With the booming trend of digital marketing, what would you recommend as an effective approach for marketers to adopt internet marketing into its mainstream marketing program to benefit from it?

With the same marketing fundamentals in place for your digital marketing, your approach will be as effective. The marketer must first be self convinced that digital media are here to stay; the marketer must be open to tirelessly exploiting the best of digital efforts. It is non-disputable that the consumption of internet is equal to that of television; the added advantage is that digital marketing can capture a lot more interaction compared to mainstream marketing program.

Do not be mistaken that the Internet is here to replace TV, the marketer must understand that the Internet is an integral part of the communication mix. The best use of digital marketing is in its ability to educate the consumers and seek responses to your campaign in real time. Subsequently, digital marketing allows you to track consumption behavior which the marketer greatly depends on so that he can hone digital efforts maximizing ROI.

Recommendations that you would adopt for an effective approach:

1. Setting clear objectives for your digital marketing efforts -
 - a. What and how to measure success
 - b. Plan and map out your progress
 - c. Well thought mechanics
2. Ensure that your target audience is present and the environment is relevant and positive to your marketing effort.
3. Establish your communications on sites with the highest traffic.
4. In your creative messages,
 - a. Clearly indicate benefits to audience to induce every response and visit.
 - b. Compelling and appealing reasons for your audience to re-visit and refer to like-minded individuals.
 - c. Avoid hard-selling.

At the end of each digital marketing effort, the marketer should identify traits of best practices. Consequently, the marketer should also strive to adopt internet marketing in every mainstream marketing program. As a result, the marketer will be apt at digital marketing, educating consumers and building its online brand equity.

Marketers must not only get people to their site, but must also engage customers. One of the biggest challenges on the Net is creating brands and strong ones like eBay, Yahoo or Amazon that achieve an image of quality, trust and familiarity. Beyond that, there is also the need to generate traffic and cultivate "stickiness" as a good measure of value of the site.

Please comment on how marketers can achieve these objectives.

Like competitive television networks vying for eyeballs and audience loyalty, web publishers face similar challenges in retaining the exploding and sophisticated internet user population in this digital age. In order to satisfy the huge appetite for real time contents, web publishers strive to provide first-hand news, information and statistics that would keep their online users from divorcing that intimate relationship.

As we witness the rapid roll-out of Web 2.0 technologies across the globe, many web publishers also undergone tremendous 'window-dressing' to ensure that they stay connected and relevant to their user base. These publishers create platforms where users can share their experience in topics discussed on their website and this does not limit to mere forum-based textual discussions. Audio-visually captivating video-clips, music and still images contributed by the online users are highly encouraged to embrace the true spirits of the user-generated content creation. The springing up of many social networking portals like Friendster, Windows Live Space, My Space, Hi 5 and Tagged are testament to this user-led digital era.

Once the connectivity with the online users is well positioned, these web publishers are poised to become formidable forces not to be undermined as they command unique visitors and page-views that would directly translate into commercial returns for the website.

Given the informative and dynamic nature of Internet, Internet marketing provides even a small business entity with a lot of scope to expand its markets beyond its local margins and present itself with much more sophistication for lesser cost. Internet marketing is undoubtedly a considerably cheaper option than

employing a sales workforce in an offline business.

What are your tips to marketers of small business outfits to capitalize on the fact that internet marketing does not require much experience to venture into it?

The internet's target-ability and measurability features offer online marketing efforts to have much better ROIs and online display advertising is truly cost effective. Similar to sophisticated marketing strategies, online advertising also has some effective strategies that come from the experience in this area. In reverse to the common belief, stretching an online display advertising campaign for longest-possible period of time with limited budgets does not really pay for the efforts. Online advertising campaigns must be high-impact and run for a certain period of time. MSN Messenger Pack is a very good example for this approach. Each package is running for a week, offers high ROI to the client and it is easily affordable. This also encourages first time and returning online advertiser and SMEs to jump on the online bandwagon smoothly.

In a consumer environment, you cannot necessarily replace the human touch. However, efforts might be diverted on stratagems as the business is very dynamic in its nature. And internet marketing still requires some rules and regulations to be followed against objectionable information and content.

Whilst internet marketing may seem to be a low cost marketing tool, it also has a dark side to it. In the absence of any stringent rules and regulations against objectionable content, as well as, open nature of the medium, each online business entity runs the potential risk of negative publicity, which may render all marketing efforts futile. What are the best practices for marketers to mitigate such risk?

It is a myth that the internet marketing is a low cost marketing too. I would say that the online medium is cost effective and a medium that allows your target audience to interact with your brand and product. Unfortunately the market has this perception that you can run a 3 months campaign with a small budget and expecting the campaign to be successful. The only advantage in spreading your campaign so thinly is that the media plan looks fantastic in running for such a long period. The truth is that you will not see any impact or response for your campaign. Which is why we have rigorously enforced requirements like minimum buy, duration and share of voice of a campaign. For the first time in our life we have to face the issue of sold out inventory for some of our products.

As per all media, you will always run the risk of negative publicity for your marketing campaign. The only main difference is that many of us are still very new to this online medium and you are more likely to have hiccups in your campaign. Many 1st time advertisers we met always request to use the latest technology or want to break through in new online format of advertising. I would recommend that you run some standard banner advertising campaign and test the capabilities of your internal and external teams.

You have built ihub Media with the vision to offer internet media sales, digital marketing strategies and online advertising services in the Asia Pacific region. In your view, what would be the key drivers to accelerate the growth rate in internet marketing particularly in the South East Asia market.

This is a HUGE topic. I'll limit it to 3 areas:

Growth of internet usage and lower broadband subscriptions

The growth of internet usage in Asia has certainly been an impetus to growth.

Asia has the largest online population in the world, and its internet usage has grown by some 200% from 2000 to 2005. Asia is the world's biggest broadband market with 61 million subscribers, or 39% of the global market.

As broadband subscriptions in SEA continue to become more cost effective, we will see an even greater buoyancy of the internet sector leading to an increased understanding of the commercial benefits of best practices online.

An interesting story here is that only 2 years ago, our broadband subscription in Jakarta (where we also have an office) cost us more than the rental of our office premises.

A second point here will be that the growth of broadband penetration will drive innovation over the next several years. I'm ecstatic to see more companies embracing online marketing and a greater realization that there is a direct link to their commercial success.

Paradigm shift, need for one

The real growth for online marketing will come when we see a paradigm shift in the industry, and unless it's a top down approach where senior management embrace the medium, we're not going to see a paradigm shift in mindsets, or a focus to acquire the necessary skills and expertise to understand the medium. A certain detachment and loss of understanding of our youth of today has crept in, and unless we use products like messenger, this detachment is only going to grow even more. I've heard many a story of senior executives clamour to embrace the internet only after witnessing their children aggressively living an internet lifestyle.

A favorite quote of mine is from Rupert Murdoch; ".....after the dotcom bubble burst in 2000, I thought the digital revolution would just limp away. Well it hasn't and it won't. It's a reality we had better get used to and fast".

This alludes to my earlier point, we best embrace the online medium fast, marketers have to realize that advertising models and strategies have to change, and no longer do marketing initiatives need to be led by offline initiatives.

I'm still perplexed when I see the MP3 industry, and/or digital camera spending less than 5% of their marketing budgets online, when the affinity to the medium is such a close one.

Consequently, I am ecstatic to see the examples in this industry embrace online so aggressively that even their creatives are virtual centric and online leads their whole marketing initiatives.

Investment into human capital

This paradigm shift will likely be reinforced in increased investment into human capital. As a company, we invest heavily into training and development. We're in a people business ultimately, and it's from such education initiatives like digital clinics and workshops to educate the industry that we've broken down walls, barriers to entry and apprehensions about the online medium.

Advertising agencies that we work with are taking equal strides in this education process and by working together to educate marketers about the benefits of online, we have found success.

The final point I allude to on this point is that I am blessed with a dream team, goal setters, individuals of passion, resolve, and ambition. I have a dream team.

Kyle's entrepreneurial and leadership skills have contributed to the operational and financial success of the company and he is a firm believer in sharing the vision of the Group with all employees in order for all to work toward the common goals.