Designation: Marketing “A study on marketing in telecommunication”

k.Sudhakar, B.Anboli kanchana, S.Vaishali, S.Sakthi guru

Abstract

Marketing “A Study on marketing in telecommunication”

Customer retention marketing is key components in maintaining a profitable business. The goal of customer retention marketing is to convert just time or occasional buyers into loyal, long term customers and to accomplish this, understand what it is that converts the occasional or first time buyer into a loyal customer.

One the past 20 years or more, loyalty marketing companies have created an entire lexicon of terms to define what they do. “Reduce customers churn”, “Improve customer retention and built customer loyalty” are among the most commonly used phrases.

Customer retention marketing is a technically driven approach based on customer behavior. It is the core activity going on behind the scenes in relationship marketing, loyalty marketing, database marketing, permission marketing and so forth.

II. Consider Consumer Points And Priorities.

As a telecom marketer, it's hard not to jump to defend the industry's long standing reputation as one riddled with hidden surcharges, exorbitant monthly rates, complex contracts and overpriced devices. However, Virgin Mobile has been leading the pack in terms of friendliness and approachability. In an attempt to target a younger demographic, specifically 18-24 year-olds, Virgin's US-based marketing team, led by CMO Ron Faris, sought to hit the pain-point of most young mobile users nationwide -- high monthly charges on voice usage when the majority of their time was spent not talking on the phone.

As a prepaid mobile provider, Virgin took advantage of their market position, as well as their knowledge of their target audience, to develop a campaign with data, not voice usage, at its core. Virgin's strategy was spot on. According to a 2013 Pew Research study, 78% of teenagers own a mobile device, and nearly half (47%) own smartphones. Virgin again hit the mark by strategically focusing on data versus voice; according to the same Pew report, one in four teens access the web primarily using their mobile device, compared to 15% of adults. In turn, data usage is key to young customers, especially those in the 18-24-age range.
Thus, as a way to engage their target audience, Virgin partnered with the popular, ever-viral website BuzzFeed, putting content at the forefront of their campaign. The result? VirginMobileFeed -an entertainment hub featuring live streams of pop music, viral content and direct links to Virgin's various social media channels, including Tumblr, Instagram and Twitter. Virgin's in-house editorial team, trained by BuzzFeed staff, ensured that all content was relevant, clickable and "newsroom worthy," guaranteeing that interesting, shareable, or friendly, content was at the heart of Virgin’s efforts.

Virgin internally acknowledged customer pain points in regards to their industry at large, and made an effort to turn them on their head. By ramping up the fun and friendliness quotient in their content offerings to consumers, Virgin honed in on what they knew their youthful customers would enjoy, and, by partnering with BuzzFeed, developed a fun content strategy destined to go viral.

III. Communicate with video.

When Samsung sat down to craft their marketing strategy for the Android-based Galaxy S3 in anticipation of the iPhone 5 release, marketers knew they had to focus on touting their own product and its unique capabilities while acknowledging the existence of their direct competitor's achievements.

As seen in the case of Virgin, focusing on consumer pain points is always an excellent way to garner a reaction; Apple, Samsung's biggest competitor, was banking on their existing brand cache and customer loyalty in order to hit proposed sales and revenue targets for the iPhone.

And, while the iPhone 5 was expected to be a huge success technologically speaking, Samsung took advantage of Apple's ongoing triumphs when crafting an integrated marketing for the release of their own device.

Samsung chose to forgo traditional marketing tactics and decided to go viral with social video. The result was a subtle and very clever commercial addressing the central pain points of iPhone users such as exorbitant costs, long lines at retail locations, software glitches, incompatible power adapters, screen size and so forth. The video's placement on YouTube was another agile strategy; given the massive volume of traffic YouTube amasses each month.

According to a recent study by AYTM Market Research, nearly 60% of Internet users visited the video platform in March 2013, and 21.7% of users frequented the social network each day. By showcasing the commercial on YouTube, Samsung recognized its viral potential and the value of YouTube's potential as an innate broadcasting and publicity tool.

IV. be timely and relevant; serve up content when your audience needs it most.

When you purchase a new mobile device, it's highly unlikely that you'll be able to use it in its entirety without some form of guidance or instruction from the manufacturer. In fact, there are probably several undetected shortcuts to learn as you become more familiar with the phone itself.

The latest email marketing strategy from Verizon Wireless takes the wait and theorizing out of the equation by deploying a series of targeted email newsletters to new device owners directly following their purchase.

The intent of these emails is purely informational, and not intended to drum up immediate business. Given the fact that the recipient made a recent purchase and most likely won't be investing in a new device for another one to two years. On the contrary, Verizon’s aim is to educate their consumer base through targeted, device-specific thought leadership.

The content of the welcome email is separated into a four-part campaign, establishing a how-to, step-by-step guide for new users and owners. Verizon was able to assess the ROI of its product-specific newsletter by evaluating the open and click-through rates of their email campaigns, respectively.

According to data shared by John Edwards, Verizon's associate director of email and search marketing, published on ChiefMarketer.com, the initial newsletter, otherwise known as part one of the segmented campaign, resulted in a 42% open rate and a 35% click-through rate. Although Verizon's high open rate is not necessarily surprising, since the consumers opening the email had recently purchased a Verizon Wireless product, and was presumably in need of the information, the initiative is a clear example of how to leverage both thought leadership and consumer needs as a means to garner in engagement and connect personally with users.

Verizon has leveraged content in other ways in an effort to exacerbate customer loyalty and sales through thought leadership. Their online mobile app "magazine,” The Recapp, culls in news, reviews and rankings from around the web exclusively related to mobile applications.

V. Think about multimedia and commerce.

While user experience and design may be at the forefront of your consumer-driven marketing campaign, it's important to focus on multimedia, in all its mediums, as a main driver of consumer engagement.
When UK telecommunications powerhouse Orange Telecom sought to build out their content marketing strategy, they turned to multimedia as a tool of engagement.

Orange developed a vertical zed hub featuring fully licensed UK and world news, entertainment, lifestyle, and sports content, complete with video, games, images, and music and movie trailers. Additionally, Orange provides users with the ability to stream music directly from their Orange mobile or tablet device, selling ringtones to consumers for instant use as well.

In turn, Orange turned the traditional concept of content marketing on its head, by fusing news content with video, music, games, and commerce.

This multifaceted approach not only increased engagement to the brand's website, but it also established Orange as a recognized thought leader in entertainment and cutting-edge content trends.

As you begin to develop your own content marketing strategy, or iterate on an existing one, consider the calculated approach taken by Orange. One of their most on-target executions understood that an effective content marketing strategy must have engagement at its core.

By employing various forms of multimedia, specifically video, music and visuals, Orange managed to augment time spent and interaction with their brand, all by creating a stimulating user experience featuring exclusive digital content that resonated with their users.

VI. CONCLUSION

Thus, I conclude that the aim of telecommunication marketing is to generate the highest level of revenue from the network and strengthen customer loyalty. In consumer markets, focus on selling bundles of products to customers, while in business sectors, aim to build strong relationships as a channel for marketing additional services.