

Year of the Tiger for digital

 By [Rob Stokes](#)

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The Year of the Tiger, 2010, is going to be a beast for those involved in anything digital. Below are my top 10 picks for the changes we'll see this year. No doubt half are obvious and the other half will be wrong, so feel free to add your two cents in the comments.



1. **Augmented reality does NOT hit the mainstream as a marketing channel:**

[Augmented reality](#): the most over-hyped technology of 2009 with the most potential for the future. A strange juxtaposition, but I think the truth with augmented reality is that we're still in the gimmick phase and it's going to be a while before we see campaigns using this technology to deliver real long-term ROI.



True augmented reality requires a huge amount of processing power to understand any image on the fly in order to overlay data - so much so that even with 2010 technology, you'd need a backpack to put it all in.

It also has to be said that even with the simple augmented reality implementations that we've seen over the past year, the vast majority of people do not have phones that are capable of using the technology. That's why I'm going Grinch on this one and predicting that, despite all the hype, this year augmented reality will stay a gimmick used mainly for its novelty, not for its value.

2. **Social media marketing moves beyond the hype:**

The days of the social media rock star or guru are over. Just because you have a bunch of Twitter followers and Facebook friends does not qualify you to devise and implement a successful social media strategy - let alone one that delivers real business value.

Instead, the social media practitioners who understand brand positioning, customer relationship management and the nuances of social influence will start to demonstrate what social media marketing is really all about.

Sadly, these true professionals will have a tough time as many marketers were naïve in 2009 and bought into the ramblings of the rock stars who promised the earth and delivered very little. One thing is certain: the appropriate use of social media can have a profound impact on most businesses, both externally and internally. 2010 will be the year we go beyond the obvious and start to see the real action.

3. **The slow death of CPM advertising continues while ad buying becomes increasingly centralised and automated:**

OK, this is a controversial one as the majority of the world's largest content properties survive on this model. The marketing world is increasingly becoming performance-driven and advertising is no exception. When buying advertising on an impression basis, you can argue all you want about post impression purchases and brand building, but when that same ad is competing against performance vehicles where the ROI can be tightly controlled, economics suggest that there can only be one winner in the long run.

When one compounds that with real data-driven targeting and the kind of increase in effectiveness which technologies such as [Teracent](#) (recently bought by Google for a hefty sum) provide, it all seems very obvious. Never mind the fact that controlling ads on hundreds, even thousands of sites from one dashboard, is inherently more preferable than negotiating and managing ad buys on a site by site basis.

I'm not for a second saying it's the death of the banner - not by a long shot - just the beginning of a change in the way we buy them.

4. Murdoch realises he is wrong:

The king of the print media world, [Rupert Murdoch](#), has been making waves with his ambition to start charging for his online content, particularly through micro payments.

While I think there is a place for this, and easy-to-make micro payments will undoubtedly become an important part of the picture, charging to access daily news content is a fool's game unless you own everything - something the Internet has pretty much ensured will never happen.

If Uncle Rupert does indeed decide to go "walled garden" with his mainstream content (like AOL was before it also realised the Internet doesn't work that way), he will quickly realise his mistake and the plummeting of revenues on those properties will force him to change back.

There is an exception: **niche content**. While I wouldn't pay for day-to-day news content (Twitter almost covers this for me anyway), I would pay for really good fishing or cricket content. Likewise, I think niche, high quality video has also proven that people are prepared to pay, and if that payment process is mega simple, I do see that market growing substantially.

5. The impact of the Internet on education starts to hit home:

I find it fairly bizarre that this isn't bigger yet. There is increasing proof that digital channels not only make education more accessible, but in many cases the interactive nature of the web makes it more effective.

I think web-based education will have a particular impact for two specific groups of people. First, for life-long learners who want to keep expanding their knowledge, but don't have time to sit in a classroom. Secondly, for those who can't afford face-to-face education, which by its very nature is far less scalable and therefore more expensive. For this second group, I think we will start to see more innovation, particularly in the mobile space as for many of them (think Africa), all the other options are quite simply just not feasible.

Of all my supposed "trends", this is the one I want to see the most. Education is the one thing that can change the world and the more accessible it becomes, the better.

6. Mobile commerce and payments:

Speaking of mobile, this is one area of technology that always hits the trends list and yet there is always this feeling that it never quite reaches its potential. I'm not convinced things will be too different this year, but I do think that we will start to see some real movement in a few areas, both of which involve money.

First, mobile commerce: expected to crack the billion dollar mark in the US this year, it is growing in leaps and bounds. A few years ago, no one really thought people would buy anything more than ringtones and porn on their mobile devices, but it turns out the likes of Amazon are doing a roaring trade. I expect this to continue, especially in Africa where many people will never own a PC, and yet increasingly have the economic means to want to transact.

Of more interest to me as a cash-hating consumer is mobile payments. Once again, Africa is leading the world on this with services such as Kenya's [M-Pesa](#) proving to be a resounding success. Over the past year we've seen a number of mobile payment providers pop up their heads, but consumer adoption hasn't taken hold largely due to a lack of readiness by retailers.

Given the obvious convenience of mobile payments, I think 2010 will prove to be a tipping point in this arena. As a consumer, this pleases me. As a conspiracy theorist, this worries me because of course Big Brother will know exactly what you're buying and when, and worse still, will eventually have the power to turn you off...

7. In-game advertising grows in South Africa:

OK, so this is a bit of a local prediction as this is a market that has exploded internationally in recent years, but remained fairly dormant in sunny South Africa. The reason for this local growth in 2010 is that in-game advertising works better with a solid Internet connection - something we have only just started to experience here and are still a long way off from the developed world.

But this is a channel that can be extremely effective, particularly in reaching a younger, digitally savvy audience who don't spend much time in the traditional media channels. Expect to see this popping up as a discussion point in marketing meetings in 2010.

8. UX, analytics and conversion optimisation hit the mainstream:

With the cost of attracting quality web traffic going up every day, marketers are slowly starting to realise that they need to make more of that traffic when it hits their website. The big global ecommerce players realised this years ago and as a result have invested countless hours into those minor site and process tweaks which have a cumulatively enormous effect on conversion rate.

The equation is simple: the difference between a 1% and a 5% conversion rate is five times more revenue with zero extra expense in acquiring traffic. An obvious statement and yet the majority of sites have never even sniffed an A/B or multivariate split test. With increasing demands for performance, and the aforementioned increase in traffic costs, I expect a surge in focus on usability, analytics and conversion optimisation in 2010.

It's also worth looking at the economics of online advertising (which as I stated earlier, is tending towards performance). For example, with paid search click costs rising, a point will be reached where a marketer will be unable to bid more without risking profitability. If, however, their conversion process becomes more efficient, it will allow them to pay more for the click, thus outbidding their competitors and gaining the volume that comes with the number one slot.

9. Online video as a replacement to television:

TV is linear and finite, but with online video the choice is almost limitless - why wouldn't you trend in this direction?

With the world slowly figuring out how to monetise mainstream online video content such as movies and series, platforms such as [Hulu](#), while still in their infancy, are bringing a collective sigh of relief to content owners everywhere. Although piracy will still run rife, improved connectivity combined with easy micro payments will make paying for good quality online video more convenient and leave you feeling less guilt ridden than hitting the torrents would.

If my final prediction below comes to fruition, I think we may even see this happening in SA.

10. 2010, the year the Internet becomes cheap in SA:

I'm not sure if this is a predication as much as it is a wish, but we started to see signs of this toward the end of 2009. For years, SA has been choked when it comes to online access. But with more pipes landing on our shores, the ISP environment is starting to get very competitive and I expect this to heat up even more in 2010. A reduction in shaping and the elimination of bandwidth caps should make 2010 a really exciting one for eMarketers, as our target markets enter the world we've been dying to show them for years.

ABOUT ROB STOKES

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