

KAREN FOLEY: The Online Business Exchange was a two-day, live event presented by the Business School at the Open University. During the event, there was live chat and forum discussions. The live chat is now closed, but we hope you enjoy the video that follows.

Hello, and welcome back to the Online Business Exchange, or even welcome if this is the first time you've joined. I'm Karen Foley and in our next session, I'm joined by Julian Cooper, and we're going to be talking about marketing-- a very, very popular topic.

We've been asking a lot of you where you are, what you're doing. And we're going to show some widgets on the screen that I'd like you to fill in if you haven't already. We'd like to know what's the size of the business that you're working in right now, and what best describes the type of work that you're doing, and also where you all in the world right now. That's really going to help us shape the conversation.

And you can also type any questions that you have in the chat box and that's through the Watch and Engage. So you'll see the widgets in the chat in the Watch and Engage option. If you aren't already in that-- and I'm aware that a lot of people aren't in that option-- you can go back to the website and reconnect through that with an Open University visitor account.

It's very, very easy, and simple to do. And it will enrich this experience enormously for you. Failing that, there's also Twitter. And we are taking feeds from that.

And of course, we're having our discussions on Yammer, so when you registered, you would be invited to join our Yammer network, where there will be all of these four threads that we're discussing-- finance, sales, marketing, and supply chain management. And there's also a coffee shop there, so you can form connections, ask questions around any of those aspects, and generally share your experience and support from each other.

So our next session is with Julian Cooper. Welcome to the studio, Julian. Now, you've been covering sales and marketing. We had a very interesting session earlier today. And these are forming a suite. So if you've missed some of those, a lot of them now being put on the catch-up option, which you can view on the live stream as we're going.

But Julian, we really wanted to focus on global versus local approaches. Now we know from a lot of our audience that we have some budding entrepreneurs who are very interested in fast-

paced moving, small enterprises, and being very, very innovative. And I wanted to begin this session by thinking about this whole issue of, can we think global but market local? What's your take on all of this?

JULIAN COOPER: OK, thanks, Karen. Yeah, it's an issue that's very much there for most businesses now, and certainly start-ups. Because of the way things work now, we have the capacity to market global. And within global, you can then begin to get down to a local level.

So on one hand, you have the ability to get something pretty big, and some massive audiences, and really expand customer bases quickly. But at the same time, you have to think about whether your business can actually look after that. Can it actually respond, if your global marketing campaign, say, actually delivers more than you want, more than you expect.

Have you got the capabilities within your business-- and the capacity in particular-- to actually deliver on that promise? So you start to think about the nature of why you're going for a global market, and whether you actually want to target particular parts of the globe-- particular regions, particular countries, in fact. So if you like, those are the start of discussions you might have. So let's say you have a start-up business. What's their policy?

We've got this great piece of software. We think it could be used pretty much globally, apart from maybe China, where they have different standards, for example. Do we want to start marketing globally?

And those are the questions you have to ask yourself as a business. And there are a number of perspectives. You have that technology perspective, first.

Do we actually want to, and can we take advantage in a global market? Are there particular areas where we can't actually service something? So for example, in parts of the world, if you have a mobile marketing strategy, you'd struggle to actually deliver to that, because the connectivity is not good enough. You haven't got the ability to use smartphones to do the things that actually you're trying to put in place and offer your customers, maybe, in Western Europe.

So you have to think through the technology first. Then you have to think through, as I mentioned, the whole business piece. And is that set up to deliver what you want?

If you've, perhaps, got a totally online offering-- it's a service offering, and in the digital

economy more and more of what we offer and what we sell is a digital product, if you like. It's not tangible. It's something you can grab online fully.

And maybe that's not so bad if you have that. But if you have a set of products, and those involve logistics, they involve moving-- literally moving-- tangible things across the globe, you then have to work out whether you're able to supply that. Do you want to set up particular businesses in particular regions of the world to cater for those products and deliver them more locally?

KAREN FOLEY: OK, so we asked our audience, then, what size of business they were involved with. And interestingly, we've got a lot of very small and a lot of very large businesses. There aren't that many of our audience out there who voted saying that they're in the middle sector. So you're talking very much, I guess, about that larger end of the spectrum, in terms of thinking about that whole route to market.

JULIAN COOPER: Yes, yes, I am. I think if you've got the business, if you've got the capacity within your business, and if you already have partners, suppliers in different parts of the world, you can take those on to deliver part of your online service, for example. And you can take those suppliers on to deliver tangible goods, as well.

But it's very much a case of understanding what you're trying to deliver as part of your online offering, and what's the marketing strategy for doing that. And if you're thinking about that, whether you're a global business, you're set up to do most of that. You should be able to do it. But even the biggest brands struggle sometimes.

If you're a startup business, you probably need to start smaller. You probably need to start and think about segmenting your market more. What are really, really important target groups?

You may find, if you're looking globally, that actually, parts of the world, regions of the world, are much more attuned to the sort of thing you're offering. Some areas won't be. Cultures differ.

The way people like to purchase content differs. So you learn a lot by looking across the globe, and trying to identify areas that are actually more tuned on, if you like, to taking what you're offering. So it's worth doing that sort of scoping exercise first, particularly as a startup.

So for example, if you're selling, maybe, perhaps, in the drinks industry, and you're selling a

particular type of drink into parts of Europe, some countries are into that product. That's what they really like. They'll go for it in a big way.

So you set up your marketing campaign to a particular target, say Germany or Spain. You know there's a market there. And you're able to exploit it.

And the key thing there is getting that marketing message right. Having the right message, having the right content in there, that's tuned in to that particular audience. So you start off by thinking globally, and then you come down to those areas that are really going to deliver what you want, but also you're going to be able to offer what that particular group of customers wants.

KAREN FOLEY: So a lot of this relates, then, I guess, to insight. I mean, we asked our audience where they were working. 45% of them were working full time, 31% are working part time, and 17% are students.

Now we could make a lot of assumptions based on this data that we've got. And one of them, because we have been talking about innovative ideas app based entrepreneur concepts. So one idea might be that some people may be working or studying with a view to doing something. And your message, really, here is about, if you are thinking global-- and to some extent we could question whether that was a good idea or not, even-- but if you are thinking global, you're saying that it's really important to understand the processes, and very important to understand what is actually happening at a local level, and how your business could actually work down that supply chain with the infrastructure to support that.

Now, that all sounds very well and good and theoretical. But what advice could you give people in terms of considering some of those? What insights can people get from those customers in terms of how they're interacting with products? How can we know, really, how effective we're being at a local level?

JULIAN COOPER: There's a number of ways you can take that or look at that. I mean, first of all, if we think about many, many services now, you can quite easily-- and indeed you're trying to get down to a very local level. In fact, we can market one-to-one now, can't we? For many products and services you buy, you're looking for something that is absolutely fit for what I want.

And because of the way we can store, and capture, and utilise, and analyse data, in theory, we can actually start to put those messages out to people right down to an individual level.

And if we're able to pick the response to those messages up, and then feed that back, we'll understand to what degree we're able to do that.

There's a big message in marketing, really, about understanding the culture, as well. And so it's really quite useful not just to have an online strategy, but also to have people who understand those local markets. Because even though you can do certain things in terms of what you're offering, you really want to understand if you've got that right.

So even things in your content, on your website, really, you have to think through what you're saying there. Have you got the language? Is it appropriate?

We can quite easily use words that aren't appropriate in different languages. There are local things that people enjoy. There are local approaches people make to online browsing.

And so if you have contacts in those areas, then use those, as well. Go online, and look at what's happening in those countries before you push and try yourself. So you can learn a lot by using your online search and looking at how other businesses are doing that, and then following suit. Don't expect that you can just use a single marketing model to go into any region, and go down to the local level.

KAREN FOLEY: Well, there are a lot of the big companies, especially FMCGs, do do that. They will have one ad that will be a European campaign. They will repurpose that. We will see lip synced local actors doing their local regional voices. But yet, there is one uniform campaign that is pushed out onto consumers, with varying levels of success.

JULIAN COOPER: Well, I think that that's an important statement-- with varying levels of success. And I think until a few years ago, that was a fairly standard procedure. You'd make a blanket advert, and it would go else across various regions, cultures. It would go, perhaps, from US to UK.

Not too long ago, I was at a software event. And I was invited there to look at some releases of software. And what we listened to and watched was a US video.

And would you believe, half of the people who were there-- it was UK-based-- they were actually chuckling and giggling at the language. They totally lost the engagement, the responsiveness they were looking for, because they hadn't actually thought about how they were actually putting that message out. They hadn't thought about the culture they were actually marketing into.

And this was a parent group working with one of their suppliers in the UK. So to me, that was a classic example about you can do that. If you really want it to work, the more attuned to local emotions, cultures, and attitudes you can get-- and that does include language-- the more successful you will be.

KAREN FOLEY: You've mentioned surveys before, in terms of actually ascertaining what the local feeling is towards things. But what can companies do, especially in the digital economy, to utilise some of those, maybe in quite a fast-paced industry? How can they get a sense of how things might be received at a local level?

JULIAN COOPER: I think if you possibly can, you plug into the local discussion groups, to country-wide forums, to industry forums. So you engage with people in discussions, and contribute to that. Listen to the feedback.

And that helps you actually build a profile of a particular region. So for example, you can go onto various African discussion groups. You can go onto business forums of East Africa, West Africa.

And you can actually become connected to these areas. So use that. Begin to develop a network.

And that way, you get much more responsive feedback. You get people messaging you, and talking to you in a much more informal way. But actually, it's at least as valuable as, if you like, going formally to say, what do I do?

Of course, you can employ local organisations to help you. Most countries, most regions will have various government-sourced initiatives. You can work with people in those government initiatives to actually get into particular areas and countries.

And most of those have online capacity, and capability, and skills as well. So they'll help you in developing your online model. And yeah, take advantage of those as a startup.

If you can get some government funding assistance, then that's great. But do stuff yourself. Actually get involved in some of those forums.

I did this not too many years ago in Africa. I was actually doing some tutoring. And before I knew it, I was being invited to a business forum.

And suddenly, there were lots of networks getting together-- different industries and businesses. And everybody was learning from everybody else. And in those businesses, there was a real emphasis on the sales and marketing aspect, because African businesses, for example, realise that they have to do more to communicate and to market, and, for example, to build trust in their products and services, just to give you a particular example of the sort of things that are important.

So yeah, networking is really important. You have local groups within the various social communities, such as Twitter, and Facebook, and LinkedIn. Yeah, get involved with those groups. Form a group of your own, for example.

KAREN FOLEY: So how can we get past all that and stay relevant, in terms of accessing those groups and having those messages that are then applicable for those local-level communications?

JULIAN COOPER: So we touched earlier on the way you can do things. But it's quite difficult to actually build and maintain relevance. You have to be able to develop a dialogue with your customers, to talk to them in a way that's relevant and appropriate to them.

But also, you have to understand you can't force that relationship. It's really important to listen to that feedback. So for example, if you're putting messages out on a regular basis-- maybe two, three, four a week-- you'll soon see, when you look at your responses, that actually, you'll probably be losing customers. You're pushing too much at them. So being relevant is all about being timely, being appropriate, and actually knowing when to disengage as well.

KAREN FOLEY: Yeah, absolutely. I mean, in your previous session on big data, we were talking about how people can use that, and how it can turn people away from things if it's too intrusive. But there are some good examples of companies that have used personalisation very effectively. And that has really created a niche for them. I mean Coke is one example.

JULIAN COOPER: Right, yes. OK, that's one of the world's biggest brands, and the world's biggest companies. But you have examples of organisations that don't do their marketing well.

A few years ago-- not too many years ago now-- but Coke actually put together this campaign. It really was to try to get back into particular markets. I think they started in Australia.

But they were looking at the demographics. And they were seeing that actually, younger people were not really continuing to engage with their products and some of their offerings as they expected them to. The trend was kind of downward.

So how did they address this? They recognised that social media gave them an opportunity to get really personal. And what they did, they actually used a combination of media.

But the basic thing was building a campaign around having your own personalised can of Coke. So you could go online. You could say, yeah, that's me. My name's Julian. I want a Coke can like that, please.

And they launched this simultaneously online. But really important-- they also had offline, real events, as well. So you had things set up in the street. You had little hubs in the street where people come together and talk.

You had articles. And you had lots and lots of online media. You had stuff that went viral-- great viral videos.

And this was all really carefully targeted. And it worked, actually, wonderfully. If you looked at the outputs from that, you can see that they did manage to grow sales. They managed to grow the level of interaction.

And with online marketing, that's really important, to have that engagement, to have people talking, discussing. Virtual word of mouth is so important. And that was a great example of how one organisation learnt and understood how online marketing could be the driver, if you like, of lots and lots of new ideas and new customers.

But actually, to get the value from it, you do it across your different media and integrate them all as an overall message. And it was hugely successful. And I believe some of it's still running today, and it's moving out into different areas.

KAREN FOLEY: I mean, the Coca-cola company are fantastic, actually, in using the whole marketing mix. And we've seen other companies-- I mean, Nutella springs to mind, Marmite-- you can personalise your own jar. But they did this so well. And this whole issue of viral marketing-- it's one of the things that, of course, everybody would love-- getting things out there for free, effectively. So what is the secret, then, with viral marketing? And how is it still continuing now, when people are effectively copying the same idea less effectively?

JULIAN COOPER: Yeah, yeah, it's like pretty much everything. It becomes fashionable. And then, perhaps, the fashion goes, and comes back again.

Yeah, perhaps there's been a bit of a decline in that sort of approach. But it still recognised as something that can be incredibly valuable. So do you try to do it yourself, have your small team of marketers that can work with you? Or do you actually outsource it to a media company?

OK that's what I want. I'm looking at stuff. It's very hard to do that, and actually deliver something that's viral. Quite often, it happens by accident.

So I guess the message is, work towards it, but don't recognise it as a be-all and end-all. In terms of marketing generally online, you're really looking at a whole mix of things that you're doing. So if particularly you're a business-to-business company, you're thinking about things like thought leadership. You're thinking about industry issues that you want to engage in.

One of my tweets that got the biggest feedback was actually something that was quite serious, and quite a detailed comment, or led to that from the tweet. And that kind of surprised me. But it meant that there were people interested in that subject. It meant something to them.

So I tapped into a thought line within that particular industry, within that business, at that particular time. So I think the message is not necessarily to go all out for that viral video. Because you're disappointed when you don't get it.

KAREN FOLEY: So it's all about being really in touch with the local market, and having a range of things so that you can react very quickly when things are happening, and being in tune enough, I guess, to know when you can maybe push things a little bit further. As opposed to, you were saying, we shouldn't directly be selling to people. It's more about understanding their consumption, and how our product can fit within that need.

JULIAN COOPER: Yes, it is, yes, yes. I think if you try to get into markets where you don't have the skills and capabilities, you don't have the people who actually understand how that market works and react-- especially in social media-- then really, you can look quite embarrassing if you try to do that. If you're particularly into, perhaps, the retail market, and you're looking at clothing, and you're looking at clothing for teenagers between 10 and 15, you have to be really quite careful before you start to try to get the language right. And you need the right people to work with you, and advise you on that.

And I've learnt that lesson myself. You actually need to understand and watch how those different groups behave. You can't really switch off for more than a few months before the

language has changed. And if you put the wrong word in, actually, that's seriously embarrassing to that market.

KAREN FOLEY: I want to ask your opinion on this, actually, because we were talking earlier on the chat about global companies. And a lot of these big ones, initially, I think, probably a few years ago-- probably longer than that, actually-- started to create identities and act as an individual. So I can't think of any off the top of my head.

But they started to have this conversation with people. They would be replying to people's tweets, for example, as a business. And yet people are saying, you're not a person. So how can you have this voice? And it was annoying for a lot of people.

So I want to sort of touch on this idea, really, about social media, and how people can be in tune with that. And as you say, things shift so dramatically. You can use the wrong language and alienate people very effectively.

What's the trend then? What's happening in terms of-- they clearly stopped doing that kind of thing. So where are they going now in terms of responding and reacting in a social media context in a very local and personal way?

JULIAN COOPER: That's an interesting one. And I think perhaps, to some degree, it depends on the industry you're in. There will be different levels of interaction and reaction depending on those industries.

Some are perhaps slower moving than others. But then you're getting ones that are the cutting edge. I think my personal view today is, it's more about building respect.

It's about building recognition of value in whatever way your customers want it. And you're offering that in different ways. You're offering that through working with customers. You are offering that through early views of products and services to customers.

In the end, those sorts of things are valuable to people, and valuable to your customers and your suppliers. And I think you need to carry on with that and build on that. I think, as you say, if you try to push too hard, and it's so easy to appear irrelevant and wrong, then actually, as marketers, we have to think about our brand.

If it switches people off, the values that are associated with your brand, then in the end, that's still incredibly important to you as a marketer. And it's really important that you actually stand

up for those values. And in online marketing, as much as any other form of marketing, you have to try to make sure that you're incorporating those values in everything you do.

KAREN FOLEY: Well, they loved this in our chat room. They've coined a new word-- glocalisation, which is a global brand adapting to local situations to make it acceptable, which is very much what you're talking about.

JULIAN COOPER: Absolutely. And even the Cokes of the world-- it may seem the same product, but actually, inside the tin, there are slightly different mixes in some regions, or certainly used to be. And I think it's something that every aspiring and actual organisation who looks to go global, and really exploits marketing online, has to think about. So it's really for the whole business, as well.

It's for the whole business to try to understand that. Because when we're looking at online marketing, online sales, actually, it impacts on lots of the parts of our business now. There's almost nothing that's divorced from that-- whether it's any intellectual protection, it's your legal team, whether it's your finance team-- all of that is completely relevant.

So just for example, think about your finance situation. Think about how you receive payment for what you're offering in a global environment. And that's expanded massively in the last three, four, five years.

So there are other reasons why you might want to be marketing in a global manner or certainly a regional manner. But actually, you've also got to make sure that you understand that you'll actually be able to go in to tap into that revenue stream in a physical and a software way.

KAREN FOLEY: And that you've got the infrastructure there, as well.

JULIAN COOPER: That's right, the infrastructure is built in there. And there's so much happening now in that area that you really have lots of opportunities, but you also have to have some skill sets that know how to make stuff work.

KAREN FOLEY: So the digital economy is opening up a lot of opportunity. But as you say, you need to be cautious that you have the infrastructure and the local knowledge. In the last 10 minutes, I'd like to turn to this idea about local-based marketing, and also mobile-based marketing. We've been talking a little bit about mobile.

So should that be part of your marketing strategy? And how important could that be? Bearing in mind, a lot of our audience are either in very large or small organisations.

JULIAN COOPER: Yeah, I guess today, it's perhaps quite a few organisations say, no, mobile's not appropriate to me. I think if we look at our own social lives, where certainly in Western Europe, mobile usage is incredibly high. And I think in UK, it's higher than anywhere else.

So people are engaging all the time in their social lives. And inevitably, that begins to impact in business. And so you can take some of that to understand how you need to build a mobile strategy.

And I think there's such an important factor that's there now for many, many businesses. It's about people wanting to engage when they want to. And when they want to is when they've got their mobile. So that actually means that you're pretty much online with your customers all the time.

KAREN FOLEY: So you're really talking here about using some of that big data to see where they are in terms of their physical location, as well as what they might be doing, and tapping into those needs, as opposed to sending them SMS messages, for example.

JULIAN COOPER: That's certainly part of it. I mean, there's a lot of perspectives you can take on this. Yes, you want to be able to get stuff to them-- messages to them-- when it's appropriate, of course. And a mobile is probably the classic way, now, of doing that.

But you very, very well may want to utilise your mobile in a number of ways. And indeed, your mobile becomes-- it's a wallet now. It becomes a wallet. You can pay with your mobile now. You can get onto your airplane through mobile booking.

KAREN FOLEY: You can get a taxi right then and there.

JULIAN COOPER: Exactly, so why would you not make mobile part of your strategy? And I think the logic there is that you have to start from the top. You have to get your top team to actually recognise, from the outset, that that is going to form part of-- most of-- your business. And your communication and your messaging is so important.

KAREN FOLEY: I've heard a lot of comments about people with apps, and developing apps, which is obviously a massive growth sector-- very quick and easy to do, filling a need. And monetising, quite-- well, it's a challenging area to monetise, I guess. But how important would you say that is as

part of the mobile thing? We've been talking about mobile in terms of communicating with consumers. But also, if you get them into your network, then you've got a lot of other options.

JULIAN COOPER: It's absolutely critical. You've been able to download applications for so many things for quite a long time now. But it's now part of most industries, most businesses-- even the most traditional, perhaps, will we be thinking about, we need to think about having an application.

And maybe you start small. You start and actually try to deliver two or three things that at one particular time, the customer wants. There's lots of stuff they could have, but what are the things that are really important? And they could simplify and go in and grab it.

And so having a mobile app strategy and capability is something that, if you like, its mobile and its application. You have to work that way now in many, many industries. And because you're having to do that, you have to think about the capabilities you have to actually write those programmes. And are you going to outsource that to an industry company that's actually looking at that, and is capable of doing that, and has the JavaScript developers, for example, to write the code? Or do you do that yourself with a small team?

And when you do that, it starts to reclassify and reposition your business, quite often. Because what you're doing is, if you like, you're offering part of what you want, but you're getting down to the basics. It forces you to think about what's really important to your customers.

And so, as you put an application into the market, you really want to look at that very closely, and see what it's doing. Because not only will you get feedback about that, it will probably impact on some of the other things that you offer. It may do good things or not such good things.

So what you're doing there, by having a different way of accessing and using, you're saying to your customer, OK, we can deliver something like this. You may not have thought about some of it before. But when you sit down with your developers, and say, could I do that? Can I do that? They'll come up with ideas that perhaps you haven't thought of.

So working with those people to throw ideas around starts to surface and innovate, really. And that's one way that you, if you like, force your business to think slightly differently about what your customers want. And of course, that all links into, then, how you communicate and market that.

KAREN FOLEY: And I'm never forgetting, obviously, the importance of the local level and understanding,

despite all of the technology. But Julian Cooper, that's all we have time for, unfortunately. But I'm delighted to say you are continuing this in the chat room, because there is so much to talk about. And tomorrow, we'll also be addressing issues of sales and marketing, and continuing a lot of these, whilst bringing in new topics as well. So thank you very much for coming to the studio today.

JULIAN COOPER: Thank you, Karen.

KAREN FOLEY: And Julian will be in the chat, so please do keep those questions coming. If you aren't engaging in the chat, you can just select the Watch and Engage button by going back to the website. And it will all guide you through that.

You need your Open University Computer user name or an OU visitor account, which is quick and easy to do. And you will then be able to ask Julian directly any questions that you have. And of course, you can also connect with us on Twitter, hashtag OU_exchange.

We'll be back in half an hour to continue the discussions about supply chain management with Robert Moore and Bjorn Claes. I'm very much looking forward to that discussion that will be on a little bit later. But in the meantime, I hope you enjoyed the chat with Julian Cooper. See you soon.

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