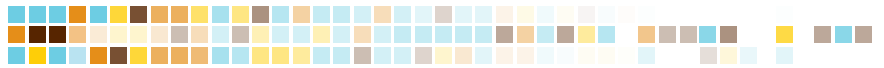


PERSPECTIVES



A monthly look at what's happening in the ever-changing digital world and beyond.

From the Editor

Greetings and Happy New Year!

It seems like everyone who has a voice in the digital sphere is making predictions on which trends to watch in the coming year, and we are no exception. Snug in our frost-covered home in Georgetown, D.C., we couldn't resist adding our 2¢ to the conversation. True to the style that has made our publication a success, in this issue we offer you some truly unique points of view in short, thoughtful and well-researched entries.

As marketers scramble to discover digital trends that are relevant to how they do business and carve a sure, definite and measurable path through all the digital chatter to reach their business goals, we offer some light and guidance. In topics ranging from new guidelines for digital etiquette to the future of specialized social networks, *RTCRM Perspectives* strives to help you make sense of the noise.

It is also a conversation starter. We are available to discuss or delve deeper into any of the topics presented here, so let's hear from you. You can join the conversation online on our website's Sparkblog and on SlideShare (listed below), or send me an email letting me know what you think. Additionally, custom briefings are available on any topic in this edition—just contact your Project Manager or Account Manager. If you aren't a current client and would like a custom briefing, contact me and we'll talk. For an ongoing conversation with a healthy dose of attitude, visit *Treffpunkt*—RTC Relationship Marketing's Digital Integration and Innovations team blog—at <http://rtctreffpunkt.blogspot.com/>.

Thanks and enjoy.

Nicole Franklin

Manager, Business Development

202.339.6273 | nfranklin@rtcrm.com | Sparkblog: rtcrm.com/blog/ | Twitter: @rtcrm | SlideShare.net/rtc123

Photos courtesy of Flickr Creative Commons. P. 1: *View Master* by Axel Tregoning, 2008.
P. 2: *View-Master Box* by Smabs Sputzer, 2008.



Table of Contents

From the Editor	1
Digital Etiquette Matters in 2011.....	3
The Rise of Mobile Instant Messaging	4
Digital Behavior Profiling.....	5
The Impact of Apps	6
The Year of Specialized Social Networks.....	7
About RTCRM	8



Digital Etiquette Matters in 2011

Summary: Although technology has made it possible to be connected 24/7, it has changed how people interact with one another and not always for the better; digital etiquette has moved to the back burner. The outcomes range from annoying – using a cellphone while in a public bathroom – to tragic, as evidenced by the recent suicide of a Rutgers student after discovering his roommate had posted private video of him online. Have we reached a tipping point in 2011 when we say enough and start behaving with more e-civility and responsibility?

Kara Reinsel
Senior Strategist
Digital Integration and Innovation

Digital marketer and online business strategist. DMV local. Art, food and fashion enthusiast.

Key Information

Digital etiquette is about using manners when online and being responsible users of technology. Because technology has blurred the lines between home, work, professional and personal space, it has become more difficult to discern when something is appropriate and when it's not. Complaints about the lack of what is considered proper digital etiquette are not new; however, a number of events in 2010 revealed how egregious this matter has become.

A generation gap exists between digital natives and people who remember the world before smartphones, laptops and iPods were ubiquitous. Implications of this gap range from the trivial to the serious. Almost half of all people under 25 think it's fine to engage in text messaging during a meal.¹ However, that number drops to 27% for people over 25.² Disagreements over whether someone should or should not text at dinner can be frustrating but are easily remedied.

A weightier issue is how different generations feel about personal information being shared via digital devices and with whom the information is shared. In September 2010, Tyler Clementi, a freshman at Rutgers University, killed himself after discovering that an intimate encounter he had was secretly recorded and then broadcast online by his roommate.³ In the wake of his death, there were calls to teach not only digital etiquette but digital citizenship to young adults. According to experts, young people don't understand that any information they share via a digital device can be tracked and retrieved even if it's deleted.⁴ Moreover, the anonymity of the Web gives young people a false sense of security to say and do things online that they would not do in the physical world. According to one Rutgers student, "Nobody has come out and said, 'This is how it's supposed to be.' There are no guidelines set down for us when we start using the Internet at an early age – or any age – so I think it's a free for all."⁵

Implications and Action Items

In 2011, look for universities, businesses and individuals to address digital etiquette in ways that are relevant to the audience:

1. **Universities and Schools** – A reported 65% of colleges already provide counseling on online privacy.⁶ Logical next steps include offering these programs in middle and high schools and expanding the curriculum to cover what is and isn't appropriate digital behavior and how to use technology responsibly. In addition, universities may consider having students pledge to follow a "digital etiquette honor code" similar to academic honor codes.
2. **Businesses** – Changing digital etiquette in the workplace begins with change at the top; if the senior executives don't check their BlackBerries during meetings, neither will anyone else. Digital etiquette workshops may become increasingly popular to help employees become more conscientious and aware. Moreover, companies may consider implementing informal technology-free zones such as encouraging employees not to bring smartphones to meetings.
3. **Individuals** – Akin to the Family Game Night, friends and families may start to implement technology-free nights when they turn off smartphones, Wii sets, laptops and MP3 players so they can enjoy an evening together without digital interruptions.

¹ Retrevo Gadetology Study. *Is Social Media a New Addiction?*, March 15, 2010

² Ibid

³ NPR. "Schools Urged to Teach Youth Digital Citizenship," October 6, 2010

⁴ *Niagara Gazette*. "FBI Warns Cyber-bullying on the Rise," December 15, 2010

⁵ NPR. "Schools Urged to Teach Youth Digital Citizenship," October 6, 2010

⁶ *The Chronicle of Higher Education*. "Colleges Push for New Technology Despite Budget Woes," October 14, 2010

The Rise of Mobile Instant Messaging

Summary: Smartphone adoption and mobile applications are altering both how and why consumers stay connected through their mobile devices. As technology develops, users expect not only faster methods of communication, but improved user experience and simplicity. Instant messaging (IM), now available by mobile device, computer and tablet, will challenge the SMS/text-dominated market in 2011. With a change in consumer behavior, SMS could begin to lose ground to IM in 2011.

Rebecca Johnson

Interactive Strategist

Digital Integration and Innovation

Tradigital marketer. Social media junkie. DC Localvore with the heart of a New Yorker. Soccer enthusiast. Pop culture expert.

Key Information

In 2009, about 13% or roughly 40 million mobile users owned smartphones.⁷ At present, 35% of U.S. mobile phone users own a smartphone, and Nielsen predicts smartphones will be the dominant form of mobile device in the U.S. by the end of 2011.⁸

The primary driver behind the acquisition of smartphones is consumer demand for constant mobile Internet access. Previous versions of cell phones called “feature phones” allowed users to stay in touch through talk and text functionality, and while texting has continued to rise over the last decade, the development of applications or “apps” has opened the doors to improved methods of communications.

One such emerging, or rather resurging, method of mobile communication is Instant Messaging (IM). Popular in the 1990s and early 2000s, IM is a real-time direct text-based communication sent over the Internet between two or more people using personal computers.⁹ As mobile phones infiltrated the market, consumers began using less desktop-based IM, opting instead for mobile texting. However, improvements in cell phone technology have allowed IM to go mobile with Mobile Instant Messaging (MIM). MIM can be accessed from portable devices ranging from feature phones to smartphones to tablets that use various operating systems (e.g. iOS, BlackBerry OS, Symbian OS, Android OS, Windows Mobile, etc.). MIM clients/applications also allow Internet users to access all of their favorite IM networks (MSN, Yahoo!, Google Talk, AIM, Facebook, MySpace, Skype and Twitter) through one portal from all of their devices. Additionally, placing calls via VoIP; sending instant messages, photos and videos; and checking when outgoing messages are received can all be managed through a cellphone data plan.

In recent months, the use of this communication platform has begun to generate industry buzz. According to a recent study by the Nielsen Company, 18% of smartphone owners and 11% of regular mobile phone users had used an IM app in the last 30 days.¹⁰ Instant messaging apps have more weekly users than games apps: 26% and 18% respectively. MIM apps and social networking sites (like Facebook, which offers its own version of MIM) capture more face time than mobile games. MIM users spend on average 18 minutes per day with MIM apps, compared with 11 minutes per day with social networking applications and 7 minutes per day on gaming apps.

Implications and Action Items

As MIM gains traction in the smartphone and app-based cellphone market, 2011 could see the tipping point for this communication platform. In order to plan for the future, learn from the past by examining the circumstances and situations surrounding the rise of MIM.

- **Keep Your Ear to the Ground:** SMS/Text messaging is still the top dog. But just as Beta lost to VHS, and HD-DVD lost to Blu-Ray, so too can it be dethroned.
- **Look to the Future:** Mobile technology, whether app- or operating-platform-based, is developing at a rapid pace. Look for MIM systems to become more robust and pervasive, encompassing more valuable functionality such as live voice or video calling.
- **Popular at Home = Popular on the Go:** Instant messaging has been a staple form of communication in home and at the office, so although MIM is a little late to the game, it should be no surprise if this technology becomes an on-the-go staple.
- **Apps Are Changing Marketing Strategy:** With consumers spending more and more time buying and using apps, like MIM, creating an app-based strategy to deliver either in-app or app-based advertising and marketing messaging should be a key part of a mobile advertising.

⁷ <http://tiny.cc/m1j3lp=1666>

⁸ GigaOM. “1 in 2 Americans Will Have a Smartphone by Christmas 2011,” March 2010. <http://tiny.cc/izufk>.

⁹ <http://tiny.cc/5eafq>

¹⁰ <http://tiny.cc/klvd4>



Digital Behavior Profiling

Summary: If 2010 was the year of social media monitoring, 2011 will be the year of digital behavior monitoring. As social media, email and search behavior shift from the desktop to the smartphone, marketers will require a more detailed understanding of the consumer's technology habits, utility and dexterity. While in the past it sufficed to understand what sites consumers used, it is now necessary to understand not just what, but why, how and where.

Sara Weiner

Associate Director

Digital Integration and Innovation

Yrs of planning, prodding & implementing digital stuff. Philadelphia born 'n' raised. Geeky, athletic and green. Go Big Red!

Key Information

In 2009 and 2010, marketers and ad agencies spent a great deal of time monitoring social media conversations and website data. These measurement tools benchmark consumer thoughts and website usage, but they often stop short of understanding the why, how or where behind an action. Social media monitoring and Web analytics are best utilized when combined with a more robust understanding of digital behaviors, specifically related to cross-platform technology usage. In 2009–2010, major research companies such as Forrester and TNS paved the way for this type of information through their Technographics and Digital Life offerings (respectively). In 2011 we will see this type of data combined with Web analytics, social media monitoring and qualitative studies in order to profile the overall digital behavior of specific consumer groups and even distinct segmentation priorities. Marketers will seek to dissect and reveal understandings about consumers that ultimately answer the three-part question: “Which consumer audience, in which situation and with what tool and technology?”

Implications and Action Items

As technology adoption increases and consumers move off of the desktop, better knowledge of a core audience's technology usage, preferences and even concerns will become as important as understanding their demographics. The earlier marketers obtain this information, the more effective their plans, tactic and executions will be. Some of the best ways to use digital behavior data are:

- Supplement overall segmentation research
- Validate or augment existing research
- Inform digital design prior to wireframes and development
- Inform tactical planning

RTC Relationship Marketing offers a solution called the Digital Behavior Profile that helps our clients effectively move forward through segmentation, planning, design and execution. And while the Digital Behavior Profile is a comprehensive approach to understanding an audience's digital acumen, similar data is available in varying levels from other sources as well. To decide whether profiling digital behavior is valuable for a brand, marketers can ask themselves a few questions, outlined below. Once these questions have been considered and a need for digital consumer research identified, marketers can then determine the best methods for obtaining valuable and actionable insights.

How much do I know? If current knowledge about consumers stops at a list of sites, number of times a month, or is entirely built from syndicated research, a custom analysis will augment this data with important specifics about your target audience.

Does existing data conflict with actuality? If existing research suggests that your target audience loves Facebook, but your Facebook Page sees limited use, consider custom digital behavior research to identify the dynamics that may be causing this.

Am I building a new website or app? Before wireframing or even considering creative, evaluate whether you have enough information on your users' preferences for certain technologies and digital elements. If you don't know if they prefer text to video, or whether they use touch screens instead of keyboards, studies can identify details that will lead to successful execution.

Am I tasked with creating a social media campaign, SMS effort or something else technology-based? Before planning and messaging, determine if you have enough information to make decisions about which tactics to utilize. If you know your users are on Facebook, but don't know what they use it for, a deeper investigation can provide clarity.

RTCRM's Digital Behavior Profile is available to current and new clients. For more information on the Digital Behavior Profile and RTCRM's research capabilities, please contact Nicole Franklin at nfranklin@rtcrm.com.



The Impact of Apps

Summary: iPhone and Android apps changed our perception of what a mobile experience could be. With the advent of Chrome apps and the blurring of lines between browser-based, mobile and desktop software, what will the impact be on consumers' expectations of any Internet experience? In 2011, I'll be watching to see how the app experience across mediums changes people's expectations for all digital engagements.

Carlen Lea Lesser

VP/Director

Digital Integration and Innovation.

Connector of people, ideas and info. Marketer, geek, blogger, baker, tea drinker and artist.

@carlenlea

Key Information

When iPhone launched the concept of "apps," it revolutionized how we think about digital experiences on mobile phones. Until then, the prevailing wisdom was to keep it simple and give people the basics. This was primarily due to the fact that before the iPhone, Web browsers on a mobile phone could only manage basic elements. Apple, through iPhones and especially iPads, has created the expectation that dynamic, rich interactive experiences can exist in a mobile environment, but not necessarily through a Web browser.

Google followed the trend in 2010 with robust offerings of Android apps, but possibly more important was something from the very end of 2010 that few people really took note of – Chrome apps. Now instead of just mobile apps, we have browser-based apps, which sets an expectation that the "app" will have a rich experience and not just provide information. Unfortunately, many current Chrome apps are just normal websites with a pretty way to bookmark them in your browsers. Others, however, like Gilt,¹¹ The New York Times¹² and NPR¹³ have used this as an opportunity to redefine the website. NPR's Chrome app is a completely new experience because it mimics the look, feel and functionality of their groundbreaking iPad app. There are even Chrome apps that have a cost to "install" them.¹⁴ This is not unusual for an iPhone or Android app, but Chrome apps are browser-based like websites.



Implications and Action Items

With the advent of browser-based apps, content creators will need to follow how this shifts consumer perceptions in both positive and negative ways. While the majority of the cultural impact is most likely going to be from mobile apps in 2011, content creators should still plan to begin creating richer, more dynamic and ultimately more useful interactive experiences for consumers.

The website as we know it is not dead just yet, but 2011 seems to be the beginning of a monumental transformation. As Chris Anderson said in his *Wired* Magazine article, "The Web Is Dead. Long Live the Internet"¹⁵, 2011 is the year the website will be transformed, and we have apps to thank (or not) for that.

- **Experiment:** Don't wait until browser-based apps are mainstream. Start experimenting with bringing the app experience to your websites today.
- **Launch:** If you don't have a mobile app yet, now is the time to plan one. Even if your audience is not currently app-savvy, they will be in the next few years.
- **Utility:** With both mobile apps and browser-based apps, focus on utility, not just sparkle. Start by thinking about what would be useful to your customers.
- **Experience:** If you don't use apps, start using them. The only way to understand why they are different is to use them yourself.

¹¹ Gilt for Chrome: <http://tiny.cc/lg454>

¹² The New York Times for Chrome: <http://tiny.cc/85kws>

¹³ NPR for Chrome: <http://tiny.cc/saisc>

¹⁴ Dreams 2: <http://tiny.cc/dx2oq>

¹⁵ Chris Anderson, *Wired* Magazine. "The Web Is Dead. Long Live the Internet," September 2010. <http://tiny.cc/60i62>

The Year of Specialized Social Networks

Summary: Watch for growing popularity of smaller social networks organized around a specific topic or interest in 2011. These networks which have become increasingly user-centric in addition to being topic-centric, offer users many benefits that they may not find on Facebook. Marketers can leverage this shift in social network affinity by creating content that is highly relevant and targeted to these smaller segments of users.

Michelle Fares

Associate Interactive Strategist
Digital Integration and Innovation

Floridian Hoya. Enhancing communication between companies and people; social media, online communities and cupcakes. Lots of cupcakes.

Key Information

One trend to watch in 2011 is the growing popularity of smaller, topic-specific social networks where users congregate around an interest or hobby. Although some would argue that these networks (in the form of message boards and online forums) have existed for decades, the most recent specialized social networks are more people-centric than their previous topic-centric counterparts. This new combination of people-centric *and* topic-centric social networking makes it easier for users to develop online relationships built out of common interests. These networks have also evolved to include applications and tools which allow users to rate, review and track Web activities.¹⁶

Specialized social networks offer users many benefits:

- **Organization.** Users can organize their friends, colleagues and family members into different groups and exert greater control over who sees what pieces of information.
- **Personalization.** Since sites are focused around specific topics or even geographical locations, users are able to form more meaningful connections with each other and even meet in the real world.
- **Separation.** Users can have different social networks for their personal and professional lives, which can pre-empt potential damage if a post or set of pictures goes awry.
- **Consumer privacy.** Many users object to Facebook's convoluted privacy settings. Specialized social networks let users share information only with people in a specific group of friends, limiting the access that everyone has to personal information.



One popular site that helps users organize their acquaintances and separate their social lives from their work is LinkedIn. The site lets members post their resumes, connect with past or present colleagues and communicate with potential clients and employers. Founded in 2003, LinkedIn

currently has over 85 million members, including executives from all of the *Fortune* 500 companies,¹⁷ and receives over 6 million daily visits.¹⁸

Yelp.com is another example of a highly personalized social network. The site lets users create a profile to rate and review businesses in their hometown. The site taps into the geolocation trend, offering consumers valuable information based on where they live, and has over 33 million unique monthly visitors¹⁹ and a presence in hundreds of cities worldwide. Yelp reinforces its active online community offline through sponsored events and partnerships with local businesses.



Implications and Action Items

One way for marketers to leverage this trend is to provide highly relevant content in marketing communications. Although these communities are much smaller than popular social networks, their users are interest-driven and more likely to respond when they see an ad that directly relates to them. Topic-specific social networks also have implications for consumers; new software and sites like Appleseed, OneSocialWeb and SocialGO are making it possible for anyone to start a social network with minimal expertise.

¹⁶ <http://tiny.cc/oraya>

¹⁷ <http://tiny.cc/qd9gx>

¹⁸ <http://tiny.cc/vmg6b>

¹⁹ <http://tiny.cc/ni5lg>



About RTCRM

RTC Relationship Marketing (RTCRM) is a full-service direct marketing and relationship marketing agency based in Washington, D.C., in the heart of Georgetown, with an additional office in New York. RTCRM boasts more than 40 years' worth of innovative, targeted solutions that grow its clients' brands and help them forge lasting, valuable relationships with their customers. What distinguishes RTCRM is its unique ability to analyze data and research on both a rational and emotional level. RTCRM's clients include major brands in the telecom, technology, pharmaceutical and other business sectors, such as AARP, BlackRock, Eli Lilly and Novo Nordisk.

To learn more about RTCRM, please visit www.rtcrm.com or follow the Twitter feed @rtcrm.

About the Digital Integration and Innovation Team

The RTCRM Digital Integration and Innovation team is tasked with keeping track and making sense of the ever-changing digital world. It's our job to understand the nuances of how and why different types of people use technology and what that tells us about them. More importantly, it's our job to help our clients apply this knowledge to better communicate with their customers. We help clients translate business goals into marketing campaigns that build relationships with customers. In the 21st century, understanding how and why someone uses technology is as important as understanding where they live, what gender they are and how old they are. That's where we come in. From ensuring that technographics are considered in the research phase, to tactical plans that align digital, print and broadcast tactics, we work with clients and internal partners to make sure it all works.

It's not about what's cool. It's about what's smart.

Treffpunkt, Digital Integration and Innovation Team Blog: <http://rtctreffpunkt.blogspot.com/>

