



MALTA COMMUNICATIONS AUTHORITY

Are SMEs embracing the digital world?

GRTU SME Week




MALTA COMMUNICATIONS AUTHORITY

The Digital Revolution

- The Internet has had a tremendous impact on many aspects.
- The Digital Revolution Is The Industrial Revolution Of Our Time.
- How is it changing our lives?





Something interesting is happening

Uber → The world's largest taxi company, owns no vehicles.

← The world's most popular media owner, creates no content. **Facebook**

Alibaba → The most valuable retailer, has no inventory.

← The world's largest accommodation provider, owns no real estate. **Airbnb**



Top 5 global companies

3/5 are Tech companies

Market Value is the value of a company according to the stock market. Market value is calculated by multiplying a company's shares outstanding by its current market price.

The World's Biggest Public Companies 2015 RANKING

Rank	Company	Country	Sales	Profits	Assets	Market Value
 #12	Apple	United States	\$199.4 B	\$44.5 B	\$261.9 B	\$741.8 B
 #39	Google	United States	\$66 B	\$13.7 B	\$131.1 B	\$367.6 B
 #7	Exxon Mobil	United States	\$376.2 B	\$32.5 B	\$349.5 B	\$357.1 B
 #5	Berkshire Hathaway	United States	\$194.7 B	\$19.9 B	\$534.6 B	\$354.8 B
 #25	Microsoft	United States	\$93.3 B	\$20.7 B	\$174.8 B	\$340.8 B



Connected users

- In 2015, 81.9% of households in Malta and Gozo had access to the internet
- Internet usage by age
 - 16-24 → 97.9%
 - 25-34 → 95%
 - 35-44 → 89.6%
 - 45-54 → 73.1%
- Mobile exceeds PC Internet usage!
- Mobile penetration currently stands at 131%
- Use of mobile data is on the rise!!

Source: NSO



It's all about Millennials

- According to a Viacom study, there are 2.5 billion Millennials worldwide, about a third of the global population.
- ***By 2025, Millennials will comprise 75 percent of the global workforce.***
- Study indicates that Millennials represent a tremendous amount of buying power, and will make the largest consumer group in history.

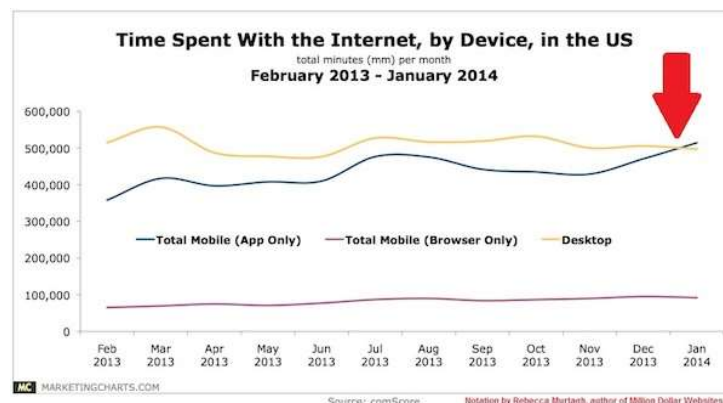


The customer: profile of the modern consumer

- They are today's and tomorrow's consumers
- Live "online" most of their waking hours and they're engaged
 - According to recent surveys spends as much as 9 hours online!
- Own 2 to 3 different devices
- Very knowledgeable!
- Expect needs to be met instantly
- Customer loyalty is ever-changing
- Comfortably participate in social networks with several hundred or more contacts
- Empowered by technology and difficult to reach with traditional media



The device: migration to mobile





What are consumers doing on mobile?

- 99.5% access content/information
- 63.1% access the Internet
- 62.1% check email
- 49.2% listen to music
- 46% play games
- 41.7% download and use apps
- 15% make purchases
- 15% read a book

Source: Online Publishers Association/Frank N. Magid Associates

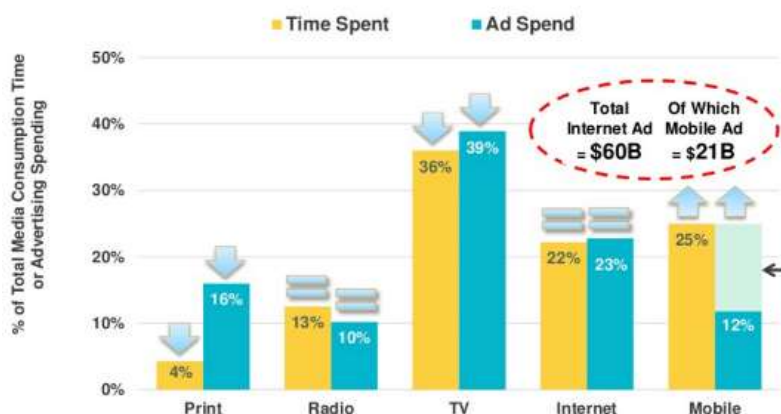


Traditional forms of Communication are dying!



Media Usage Patterns

% of Time Spent in Media vs. % of Advertising Spending, USA, 2015



Traditional Channels



- Traditional media is based on scarce distribution.
- Super Bowl was the most watched event in America with more than 120 million viewers
- ...30-second spot is an eye-popping \$4 million while a 60-second spot goes for a jaw-dropping \$8 million.



- During the X-Factor December finale, ITV charged up to £200,000 for 30-second spots.
- ***You still have zero guarantee your brand's sales will increase.***



From Marketing to Digital Marketing

Marketing

- Companies create value for customers and build strong customer relationships to capture value from customers in return.

Kotler & Armstrong (2010) Robert Farrell

Digital Marketing

- Marketing using electronic media such as the web, email, interactive TV, IPTV and wireless media in conjunction with digital data about customers characteristics & behaviours.

Chaffey, Chadwick, Mayer, Johnson (2009)



How the Internet Has Changed the Face of Marketing.....

- Educating the Consumer
- Customer Initiated Interaction
- Information Overload
- Serve the Customer Well
- Increased Consumer Participation in the Product Offering
- Cross-Channel Consciousness



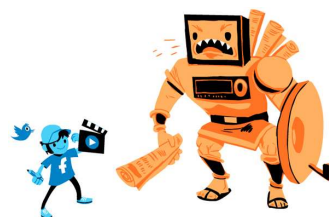
Old Media vs. New Media

- Old media refers to tools used to broadcast information before the arrival of new media channels.
- Examples of old media include radio, television, and print.
- **New media however is an all inclusive term for any form of communication made possible via information technology.**
- The biggest difference between old media and new media is **speed**.



Old Media vs. New Media

- **New media allows information to be shared and content modified instantly.**
- There are no restrictions regarding space or printing times with new media formats and it is convenient with access present on the majority of phones, computers and tablets.




MALTA COMMUNICATIONS AUTHORITY

TODAY is all about ENGAGEMENT



Congratulations


MALTA COMMUNICATIONS AUTHORITY

Engagement

- Marketing has shifted.
- It's shifted from talking at people to engaging with people – building meaningful, life-long, and personalized relationships.



HOW DO WE ENGAGE WITH PEOPLE?



Engagement is about connecting with people...

- shifting from mass communication to targeted, [personal communication](#)
- moves away from demographics-driven marketing to marketing based on behaviour
- it's about being 'omni-channel'
- true engagement marketing is a continuous process
- moves from unclear objectives to clear customer journeys
- is measurable
- coordinate marketing campaigns faster and with greater efficiency



Channels.....

- Inbound Email Marketing
- Website, Blogs, RSS
- E-Newsletters
- SEO
- Social Media



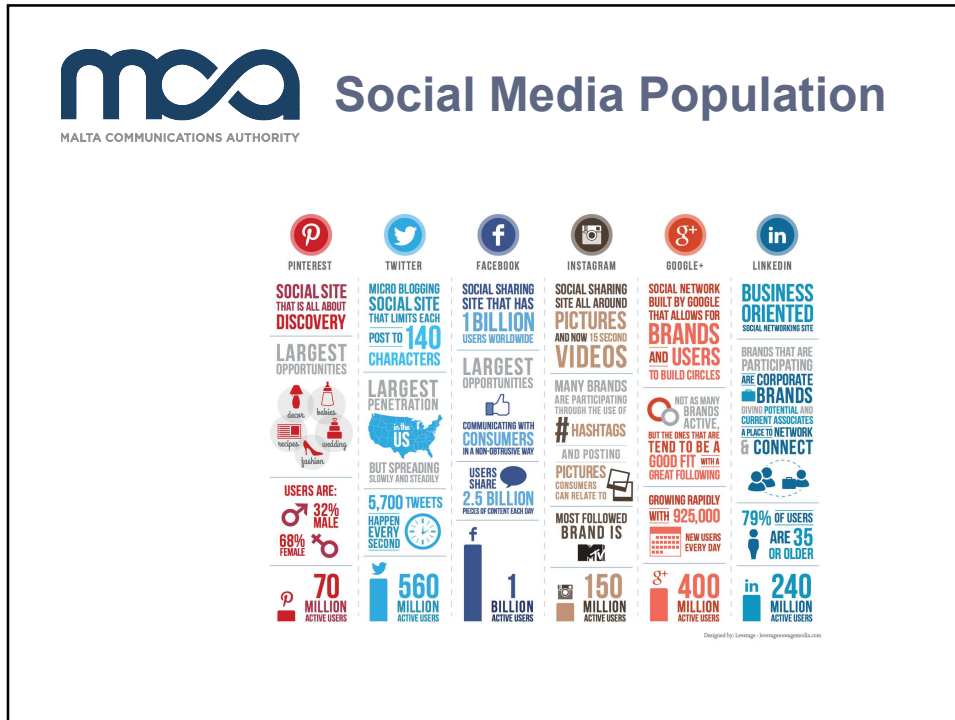
SOCIAL MEDIA
biggest opportunity
In history to
ENGAGE



What is Social Media?

Social media embraces web-based and mobile-based technologies to facilitate interactive communication between organisations, communities and individuals.







5 reasons why we shouldn't!!

1. Digital masters will emerge – and win every time
2. Digital Darwinism will become a significant threat
3. Digital transformation will be pervasive across every area of the business
4. The sales funnel will disappear – for good
5. Cryptocurrency will pave the way for better data security



THANK YOU