

## Use the Internet to fight the downturn



**Aileen O'Toole,**  
Managing Director,  
AMAS

It is a scary world out there, with decision-making dogged by uncertainty and doubt. Even veterans of previous recessions say this one is deeper and doesn't have a rule book. But there is a chink of light that offers real business benefits – this is the first recession since the Internet became a mass medium. So what?

The Internet ticks all the right boxes. It's cost-effective, totally accountable and, used well, can help transform a company's bottom-line. From taking costs out of a business, to making the precious marketing spend go further, the Internet is a

powerful weapon to help not only companies survive the recession but emerge strongly on the other side.

But the question is how? Here are ten practical ways to use the Internet in these challenging times:

**1. Promote online self-service** – allow your customers to access services, complete routine transactions and even resolve queries for themselves online. An excellent online customer experience not only reduces overheads but creates customer loyalty

**2. Exploit social media** – Facebook, YouTube, and Twitter are not for geeks. Such social media sites are reaching a mass audience in Ireland, as the table of top Irish web properties shows. And social media campaigns can be delivered on micro budgets, or indeed no budget at all, once they have committed champions prepared to make time to build community and stimulate activity

**3. Pay by performance** – put whatever modest marketing or

Rank	Domain	Visitors (000s)
1.	Google.ie	1,301
2.	Google.com	1,006
3.	YouTube.com	919
4.	Live.com	815
5.	Bebo.com	781
6.	Msn.com	718
7.	Yahoo.com	606
8.	Facebook.com	580
9.	Wikipedia.org	569
10.	Yahoo.co.uk	526

sales support budget your accountant has left you to good use through online campaigns. Better still, tie campaign costs to delivering results

**4. Use freebies** – from Google Analytics to WordPress, freebie tools are mainstream. They're being used by the world's leading brands and often have better features and scalability than high-cost proprietary software

**5. Develop a virtual team** – cut costs, spare your staff and contractors the drudge of the daily commute. Remote working has proven benefits, for individuals and employers

*Source: ComScore, March 2009, top web domains in Ireland. Total unique visitors per domain in Ireland, based on audience of 1.75 million.*

**6. Work your contact base** – develop your network, by joining LinkedIn and particularly relevant sectoral groups

**7. Build your reputation online** – participate in worthwhile online discussions on blogs, discussion forums but avoid the trap of being over-exposed. Be selective. Not every business needs a blog or to Twitter

**8. Harvest customer feedback** – act on feedback from your customers to build loyalty, defend and build your market share and develop new customer offers

**9. Reduce your air miles** – cut down on travel, and do your bit for the planet, by using affordable video-conferencing facilities or even old-world conference calls

**10. Deliver sales** – not every business can sell online, but every business can use the Internet as a sales generation tool. See page 6 for more

### Ideas Campaign put social media to the test

Social media proved to be a powerful engagement tool during the Ideas Campaign and helped create a network of support and generate media interest, not only in Ireland but around the world.

The independent citizens' campaign, designed to harness ideas for Irish economic recovery and renewal, was initiated by AMAS and led by Managing Director Aileen O'Toole. With no advertising budget, the

campaign put the Barack Obama campaign toolkit – PR, volunteerism and online – to the test in an Irish context.

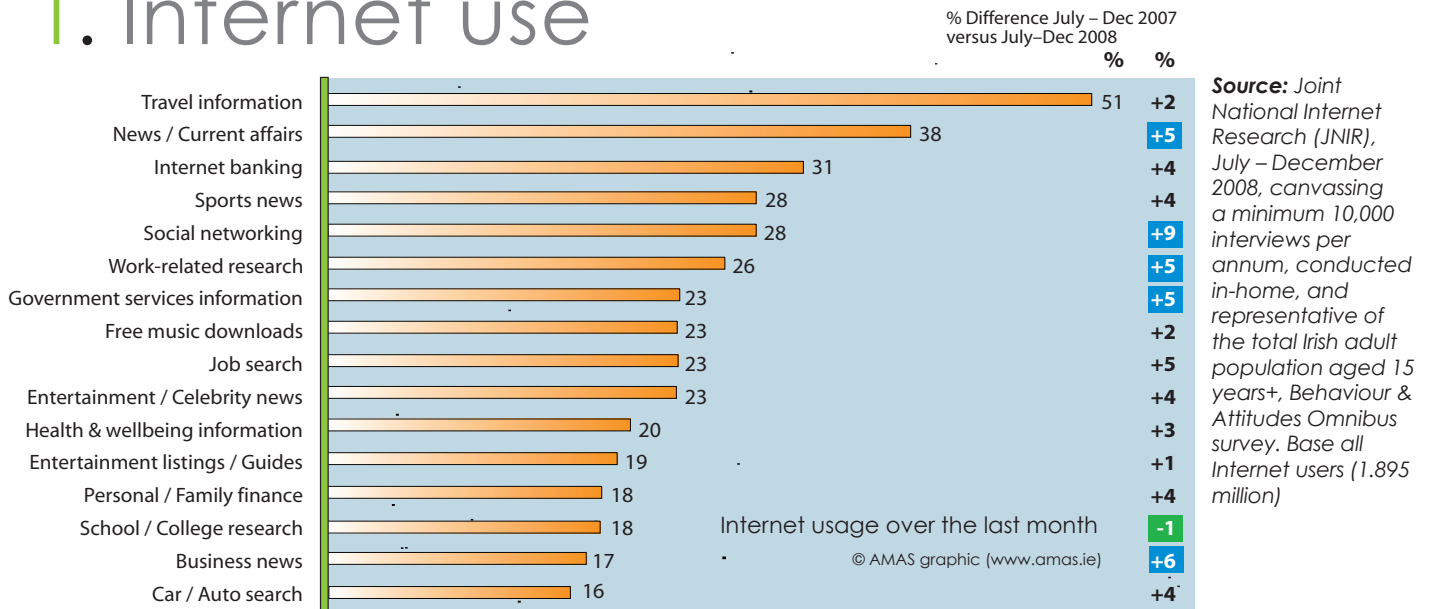
Social media sites such as Facebook and Twitter

and an enthusiastic blogosphere carried the campaign messages and enlisted supporters,

*continued on page 5*



## 1. Internet use



The recession is influencing what Irish people are doing on the Internet. They're more interested in reading news and current affairs and less interested in searching for properties, either to buy or rent.

Wanderlust – or maybe it's

escape – is still on the minds of Irish consumers. Travel is the top activity online, with 51% of Irish people using the Internet to source travel information.

Undertaken by Behaviour & Attitudes for the Joint National Internet Research

(JNIR), the study plots the growth in Internet usage. Each day, close on a million people, or 28% of the adult population, used the Internet compared with 769,000, or 22% of adults, the previous year.

The research also picks up

on growth in social media usage, which stands at 28%, an increase of 9% over the previous year. Also evident is the growing use of the Web as a research tool – for accessing government services, work and college related research.

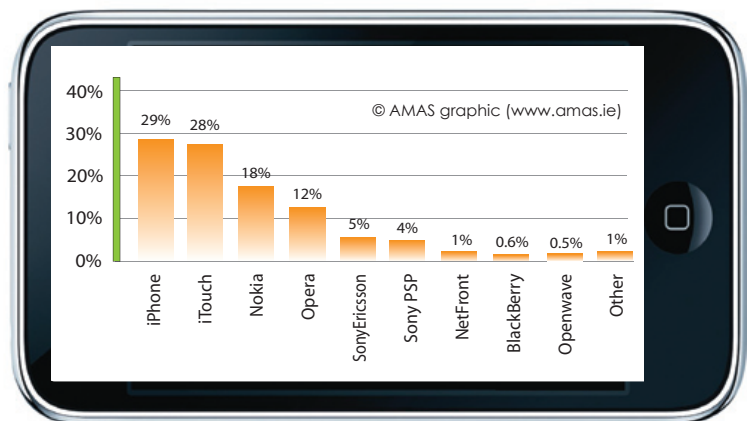
## 2. Mobile Internet

Apple's stylish mobile devices are driving adoption levels for the mobile internet. Similarly to how the iPod transformed the MP3 market, the iPhone and to a lesser extent the iPod are taking the mobile internet market to new heights.

Within a year of the much-hyped iPhone launch, Apple is far ahead in the

mobile browser war in Ireland. With a combined share of 57%, according to StatCounter, the iPhone and iPod have pushed the mobile kingpin Nokia into second place. Blackberry – for long the smartphone of choice among many users – is proving to be an also-ran in mobile browsing with a market share of just under 1%.

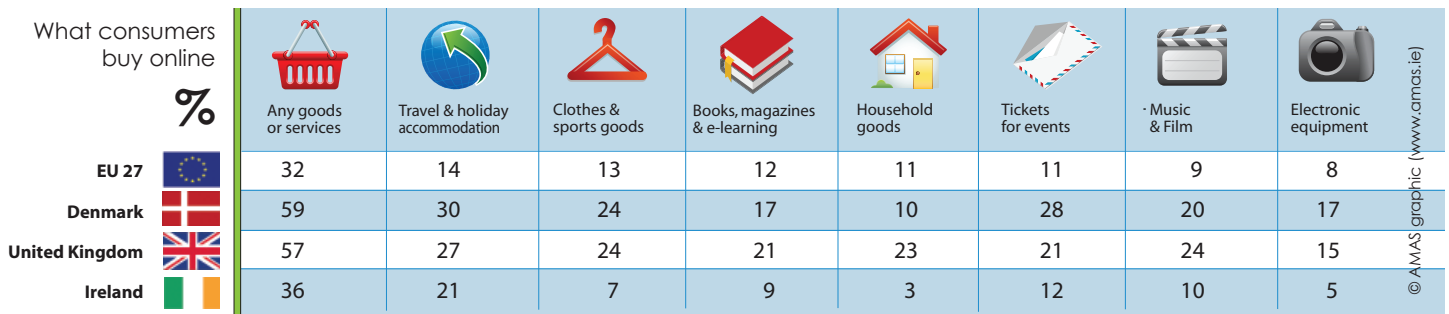
Mobile browser market share in Ireland



**Source:** StatCounter, average mobile browser market share in Ireland for six months to May 2009

# Top Trends

## 3. Online shopping



Source: Eurostat, March 2009, respondents asked if they have bought or ordered goods or services for their own use over the Internet over past 12 months, data collected mainly in second quarter of 2008

Late 20s, early 30s. Loves travel and gigs. Downloads music and buys DVDs. Not necessarily a gadget freak.

New EU data on online shopping helps create this profile of the typical Irish online shopper. It shows that the number buying online in Ireland has shown one of the fastest

growth rates across the EU27. In 2008, 36% of Irish people shopped on the Internet, compared with just 14% in 2004, with the latest rankings putting us slightly above the EU average of 32%. The greatest concentration of online shoppers in Ireland is among 25-34 year olds at 52%, followed by 35-44 year olds (44%) and 16-

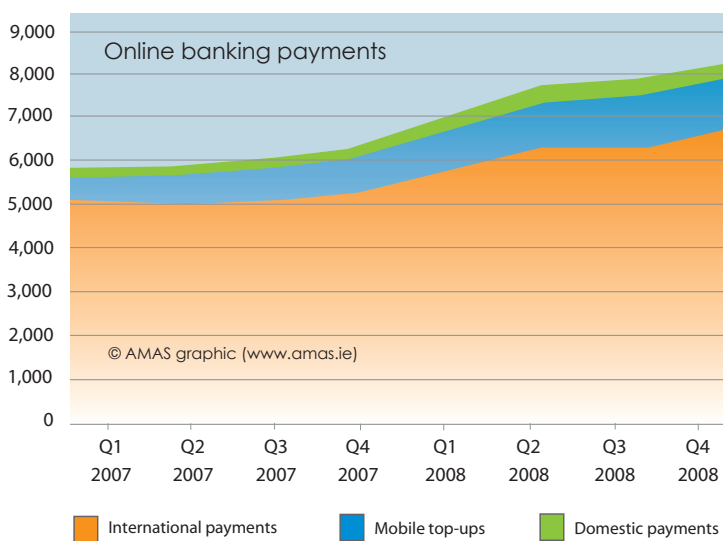
24 year olds (34%).

An analysis of what shoppers buy online throws up some quirky details. In general, we score higher than average for buying travel and accommodation online and about average for tickets, film and music. But Irish consumers lag behind our European neighbours

when it comes to buying clothes, household goods, books and magazines and even electronic gadgets online.

Similar to other European tables, Denmark leads the pack, with 59% of its population buying online, while the UK is close behind, with a gap of just two percentage points.

## 4. Online banking



Online banking has reached critical mass in Ireland, with more consumers realising the benefits of its convenience and value for money. A typical online customer accessed his or her account 56 times last year and made a transaction – either to make a payment in Ireland or abroad or to top up a mobile phone – 14 times a year.

The banks had 2.2 million customers on their online books in 2008, a 28% annual increase, and transaction are showing healthy growth levels.

The number of times online accounts were accessed was up by a third to 123 million, while transaction activity showed similar levels of buoyancy, resulting in 31 million payments in the year.

Most online payment activity was concentrated on making payments within Ireland. But there was also growth in online mobile top ups through the banking network – the 1.2 million top ups in the final quarter of 2008 represents a doubling from the first quarter of 2007.

Source: Irish Bankers Federation/Irish Payment Services Organisation, quarterly report, April 2009 based on data supplied by 11 financial institutions.

the opportunity to win online

## 5. Digital advertising

Online advertising – covering everything from banner campaigns, to Google AdWords to video – is bucking the trend in advertising markets worldwide.

Advertisers are slashing their budgets across traditional

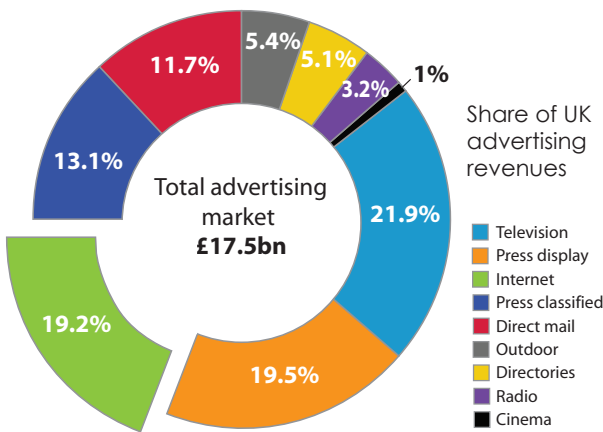
media channels but more are taking to online advertising, because of low budget requirements and its proven accountability.

In Ireland, there is a reliance on anecdotal evidence rather than statistics to

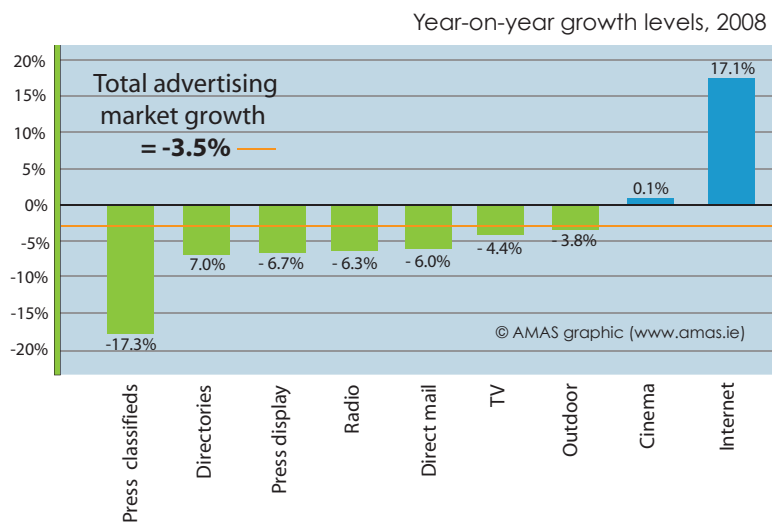
illustrate the shift. But our nearest

market, and one whose media habits we tend to emulate, has no shortage of hard evidence. In the UK, a more mature Internet market, online is second to TV in terms of media time among consumers.

Advertising revenues follow audience behaviours and online has cornered a 19.2% share of the advertising pie, worth £17.5 billion in 2008. The PricewaterhouseCoopers study, for the UK's Internet Advertising Bureau (IAB), shows online closing the gap on the top two categories – press display and TV.



Source: Internet Advertising Bureau, 2008 Online Adspend Study, PricewaterhouseCoopers



### IIA: blogging offers business benefits

Blogging provides reputational, customer service and other benefits to Irish businesses, according to a new guide produced by the Irish Internet Association's Social Media Working Group.

Join the Conversation – the Guide to Blogging for Business details the business case for establishing a blog.

It includes sections which explain the fundamentals of blogging, investigating

why businesses are adding blogging to their communications and marketing strategies. The guide also analyses the results from a survey of Irish business bloggers about their motivations, objectives and how they measure effectiveness. There is also advice on managing blogging resources, comments and content as well as numerous links to further information and recommended resources.

"For countless organisations, accustomed to being in control of what their customers read about them, this presents a new communication challenge. Organisations that have seen the greatest success are those like Dell that have realised that consumers will continue to express their satisfaction or frustration with brands online", the guide states.

IIA members can download the guide from



www.ia.ie/smwg. The IIA is holding a one-day seminar on social media tools on 17 June next in Dublin. More details on www.ia.ie

# Top Trends

## 6. Broadband

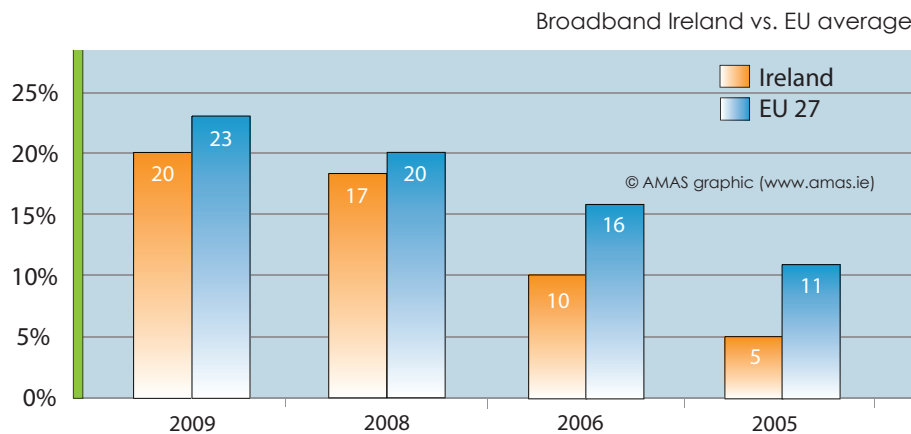
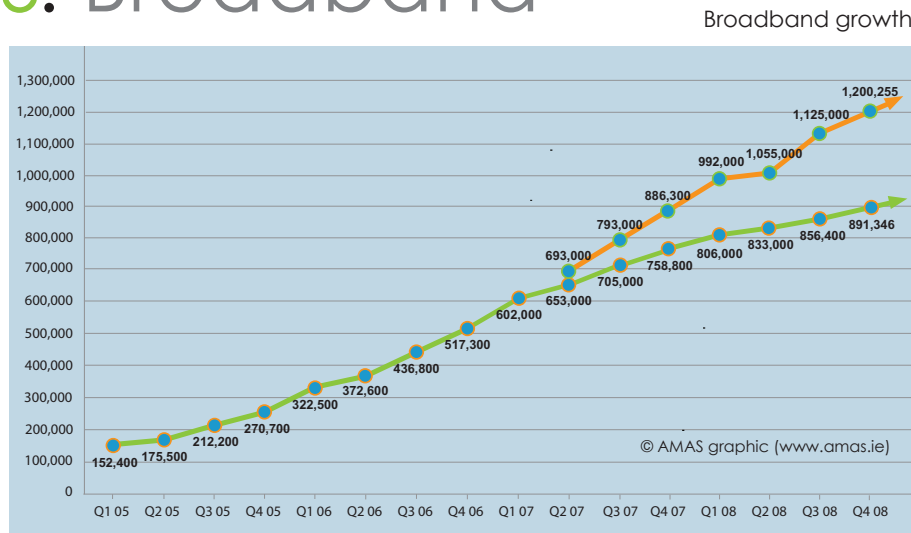
Broadband growth rates are tapering off, with the exception of mobile broadband which grew by 15%, compared with a more modest 4% growth in other broadband. The grand total stands at 1.2 million subscriptions across all platforms.

The quadrupling of adoption levels over a three-year period has impacted positively on Ireland's ranking in the European broadband league tables. The gap has narrowed considerably between Ireland and the EU average. Back in 2005, Ireland's fixed broadband rate was less than half of the EU average and we were sitting uncomfortably in the bottom third of the league table.

But by 2009 we scored 20.2%, much closer to the EU27 average of 22.9%. Denmark continues to be top of the table at 37.3%, while the UK ranks 6th at 28.4%.

**Source:** ComReg Quarterly Key Data Report, March 2009. Orange line includes mobile broadband, while green line shows all platforms, with the exception of mobile.

European Commission, Information Society reports 2005 – 2009; note 2009 and 2008 are for January in those years, 2006 and 2005 figures relate to October in the respective years; EU figures are for fixed broadband only



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contributors and opinion formers. Apart from driving traffic and action on the campaign website, [www.ideascampaign.ie](http://www.ideascampaign.ie), social media also helped stimulate debate on the campaign theme of seeking solutions to our economic problems.

From its launch on 3 March to the deadline for the submission of ideas on 31 March, the levels of interaction and the campaign's international

reach grew. The site attracted close on 48,000 visits during that period, with 17% of traffic coming from outside of Ireland and primarily from the Irish diaspora. While the UK and the US dominated, traffic was recorded from 116 countries including China, where bloggers commented enthusiastically on the campaign.

Social media also led to considerable international

media interest about the story of this grassroots' citizens' campaign. Apart from extensive Irish coverage, it was featured on TV, radio, print and online in Australia, the US and many European countries, including the UK, Sweden and Belgium.

"The Ideas Campaign showed that social media can be an important part of the communications mix," said Aileen O'Toole.

"It helped us reach audiences that would have proven difficult, or very expensive, to reach through other channels. Social media involves an investment in time, rather than money. When combined with PR, it can be a potent and effective communications channel."

For more about the campaign, and to download the action plan, visit [www.ideascampaign.ie](http://www.ideascampaign.ie)

## Meet your new super-salesperson

Business priorities in the current climate? For most companies, the top three are sales, sales and sales.

So what are the attributes of the ideal salesperson?

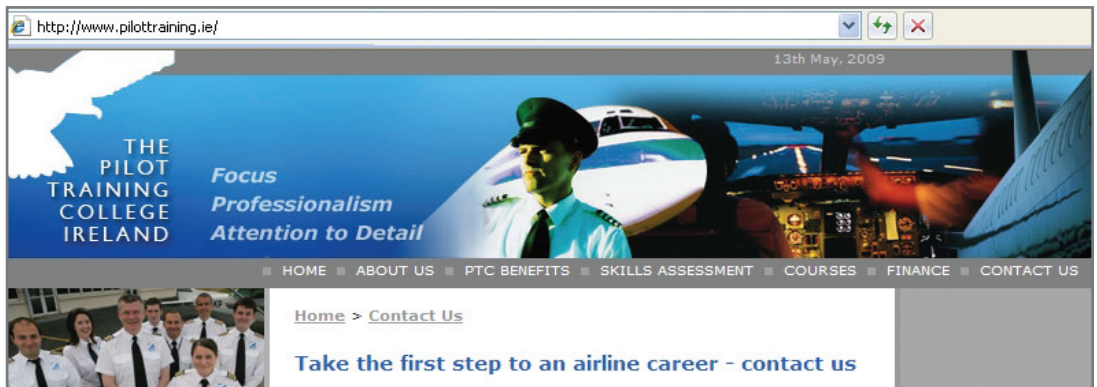
**Low cost:** There is little point in a salesperson who costs more than he or she brings in by way of revenue. In fact, sales people should cover their costs by a factor of three or more. So it helps if your super-salesperson is low-cost to start with.

**Long hours:** In tough times, it's tough getting sales. Your super-seller must be willing to put in long hours, ready to sell whenever the opportunity comes up.

**Accountable:** It's not just getting the sale, it's getting the details right. For a successful sale to lead on to a satisfied customer (and repeat business, you hope) then there has to be a full process that takes the order, gets it plugged into your business systems, gets it fulfilled and billed. This has to happen smoothly every time.

**Transparent:** When you don't get the sale you expected, you want to know why. Your salesperson should have the answers most of the time, and be willing to analyse them.

**Multi-territory:** To qualify as a super sales asset, your ideal salesman or saleswoman should be willing to work across multiple territories, not



Pilot Training College, an AMAS client, generates the majority of its leads online

just in the ones that he or she feels comfortable in.

**Multi-lingual:** With multiple territories, comes multiple languages. Ireland is a relatively small market, so we have to look further afield for sales. That means dealing with people in their own language, and using their social and business conventions. Not a problem to the super-salesperson.

**Savvy:** A good salesperson will be quick to spot opportunities to cross-sell and up-sell. Doing this well can make a huge difference to the value of an order. Bread and butter to the super-salesperson.

**Great communicator:** At the heart of the sales process is the ability to connect with the customer and to communicate your unique selling proposition to the customer in a way that closes the sale.

So where can you find this super-salesperson? Does such a creature exist at all?

Yes, this sales phenomenon exists and you can find it on a great sales-focused website. No, not on an out-of-date, confusing, unusable online brochure, but a site that puts your customers first and sells your products and services strongly in terms that make sense to them.

Eurostat figures in this issue of State of the Net show how important online shopping is becoming in Ireland (with over 36% buying online last year) and across Europe, with up to 59% of Danish consumers buying online.

Of course not every business is suited to eCommerce, selling directly online. In those cases, rather than completing the sale, the Web can deliver qualified leads and drive sales that way.

A 2008 report by Econsultancy.com stated: "Driving an accountable return on investment has never been

more important." In a survey for the report, 94% of industry professionals said online lead generation was a growth area and 82% of companies surveyed said it was going to become more important to them.

For help in unleashing the super-sales potential of your website, contact AMAS.



**Fiachra Ó Marcaigh,**  
Director, AMAS

### AMAS: what we do

AMAS is a consultancy specialising in online channels. The company is retained by businesses and government bodies to plan, manage, evaluate and market their online channels.

Services include:

- Strategy
- Research
- Content
- Marketing
- Project Audits
- Outsourcing
- management

Find out what AMAS can do for you. Contact Aileen O'Toole, Managing Director, on + 353 1 6610499 or info@amas.ie.