

# On Taxonomy of Contextual Marketing Approach

Hiroshi KOGA<sup>1+</sup>

<sup>1</sup> Kansai University of Informatics

**Abstract.** In this paper, we propose a reference framework for the contextual marketing that has attracted attention in recent years. Here, contextual marketing is an approach to which is regarded as a key factor of the product value of what situation of users of the product. However, we seem to be saying and pay attention to context, and that it is confused with the concept of a variety of contexts. Thus, we examined the concept of context, to present taxonomy of the context in marketing. Then, we try to typify the context as follows. There are Time series, synchronicity and meta-context. And, according to this typology, we introduce to case study for each context.

**Keywords:** Contextual Marketing, Diachronic Context, Synchrony, Para-Texts.

## 1. Introduction

In recent years, the concept of contextual marketing has been attracting attention. It is, In short, to focus on the situation of consumers. The traditional approach has been focused on "the various attributes of products and consumers." So to speak, it has focused on subjects such as consumer and product. On the other hand, in contextual marketing, we focus our attention on the predicate of consumers and products.

In this paper, we present a reference framework to consider the contextual marketing. To that end, first, we will present the typology of context. And, according to its typology, we introduce type of context to a marketing approach. We expect that this reference framework to help companies that is interested in contextual marketing.

This paper is organized as follows. First, indicate the typology of context. Second, the characteristics of each types were presented, discussed through the case. Finally, we examine the validity of the reference framework.

## 2. The Taxonomy of Context in Marketing

Meaning of the product is determined by the "moment of truth." By using the representation of Leavitt, "to make a hole" is more important than "drill" itself. Therefore, the concept of contextual marketing is not so new. However, the reason it has been renewed attention is the development of information and communication technology. In order to understand precisely the "moment of truth" has become possible, is a marketing context it has become easy.

Marketing point of context is not to know that the customer, there is to know the reason for the customer. It comes to "know the circumstances" rather than "Know that". In this case, the context can be broadly classified as follows. (1) Context involved in the purchase history, i.e. Diachronic Context, (2) Involved in the customer's problem-solving context, i.e. Synchrony, (3) Meta-context involved in finding the constellations or spinning the story, i.e. Para-texts. Below, we try to outline each type.

First, the diachronic Context, which means "the current situation or problem you want to clean up in the future" to be predicted from the purchase history and personal data of consumers. In the background, it can be pointed out that progress of both the software (development of data-mining tool) and hardware (such as an IC tag identification technology) made it possible to accurately grasp of personal data and purchasing history and consumer. At present, it became possible to the accumulation of individual consumers purchasing

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<sup>+</sup> Corresponding author. Tel.: +81 (0)72 690 2151.  
E-mail address: koga@res.kutc.kansai-u.ac.jp.

history. And, you can explore the purchasing propensity of people using it, with a common preference. As a result, companies began to make a timely manner, such as the promotion of cross-selling, such as when purchasing. However, the use of personal data, have a problem of privacy. Risk for not a few, and results in discomfort to the consumer. To the extent, the use of this type of context is a double-edged sword.

Second context, which means consumers are having a problem situation with “here and now.” As pointed out by Christensen and Raynor (2003), in “meal with their children” and “snacks in the car during the commute”, meaning “milk shake” required is different. Therefore, product features (meaning) is different from. We try to be referred to as “synchronic context” like this of situation.

Finally, Para-texts, originally, in literary theory, means that are alluded to, above or beyond the printed text; be interpretations of text. This is not in the context of in the text, means are provided outside the context of the text. Therefore, it may be referred to as INTER-TEXTURITY in English. Manuscript is accepted for review with the understanding that no substantial portion of the paper has been published or is under consideration for publication elsewhere and that its submission for publication has been approved by all of the authors and by the institution where the work was carried out. It is further understood that any person cited as a source of personal communications has approved such citation. Articles and any other material published in the proceeding represent the opinions of the authors and should not be construed to reflect the opinions of the Editor(s) or the Publisher.

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### **3. Case Studies**

#### **3.1. Case of Netflix: Diachronic Context**

First, we pick up online video rental that started the company operated in 1997, Netflix. The company, without yielding to the imitation of new entrants, as maintained a spot in an industry. The reason is that, in the context of utilization, such as “Item Recommender System based on the prediction of customer’s behaviours patterns and preferences” or “search algorithm of latent demand” that take advantage of a large customer database (Davenport & Harris, 2007).

Time the company was founded, in the video rental industry, Blockbuster is more than \$ 30 billion in annual revenues, was poised to store not only the United States to overseas. In such a situation, Netflix presented a business concept of flat fee. Denying the existing concept, advocated no late fee for unlimited period of rental. And, the company built a business model that is a mailing system - order online. Then, unlike the widely expected but the idea is interesting, the business would fail, the company was a great success. Repeatedly stressed, the key to the success of the company is in the use of data.

For example, the selection of rental products, based on impressions, such as at the time of return, have a twist, such as well encourage the borrower usually products with less. Exactly, it is an example of leveraging the long tail. In addition, it is said that even when suppliers (purchase of distribution rights DVD) of rental products, taking advantage of rental history data, and make it possible to determine more accurate. Furthermore, it is also characteristic of delivery means. To identify priority customers, delivery times have been adjusted. Here, priority customers are “member who do not rarely borrowed.” In the fee structure of free shipping and fixed monthly fee, the “best customers” are not members rarely borrowed. Then, at a profit, bonding of prime customers is extremely important. So, Netflix have developed a method of delivery, known as “throttling”, which is trying to eliminate the sense of unfairness among priority customers and frequently borrow customers --- However, in recent years, an increase in membership streaming, throttling, might be the episode of the past --- . In recent years, Netflix is working energetically to improve the accuracy of “customer analysis” to adopt a interpretative method (Davenport, Harris & Morison, 2010).

### **3.2. Case of YUME-TENBOU INC. : Synchrony of Context**

Next, we take up YUMETENBOU of Japan (In English, it mean a dream vision). This company is establishment in 1998. The company's concept is that “to win, there is a need to create a vertically integrated business model that can be used to control all from upstream to downstream.” And, they build a mail order business model of the web.

The company's flagship product is “YASU-KAWA” the saying goes. Japanese YASU-KAWA means “cute at a low price.” Many products are 3,000 yen or less. They are dealing with a lot of frilly clothing and, accessories with a big ribbon. They are just kind of products it is not possible to hand over the counter ashamed. Their target is a layer called the customer, such as “KOAKUMA (Little devil) AGEHA (Butterfly of the night)” and “HIME GAL.”

Now, the company's Web site is Frankly speaking, it is difficult to understand (less difficult to search, operability, and confusing.) However, even then such sacrifice, the company has one to cherish. It is involvement in the image. Whereas only "clothes lined" many sites, the company has posted an elaborate photo using the model of good quality. Indeed, it is the impression that women's magazines as it is replaced with the web site. Well, in 2007, got the popular Women's Suit Set. They sold at 10,000 yen a set point six jackets, pants, skirts, blouses, belts and accessories. Total sales of 60,000 were wearing. In 2011, they won the grand prize of the 3rd Grand Prix of mobile commerce research meeting organized by the EC. Award as a reason, "the company's mobile division, that it is the driving force for breakthrough accounted for more than 80% (up 28% year on year) ¥ 59 billion sales company" has been pointed out in the first.

The reason we are paying attention to the company as take advantage of context is “YUMEKORE, which is software to dress up” and “Begging function.”

First of all, YUMEKORE is a soft dress-up using a smart phone. It is a software application that works with photo manipulation software and it is possible to try to model (or photo was taken in her own) the clothes that you selected on the screen. When you start the download service in May 2011, the number of downloads were recorded in just one week 10,000. And it exceeded 90,000 at the end of January 2012. For customers who focus on sewing and materials, high-precision photo is essential. However, for HIME Gal worry about whether to suit for themselves, try activities that are essential. The company, if you shoot yourself in the standing position of the camera's built-in smart phones, made it possible to try to manipulate items on the touch panel of a dream vision (hat, clothes, bags, shoes, etc.) the image. In addition, if you post to blogs and social media figure has been created, you can listen to opinions from the friend. It can be said and took advantage of the fact form the shortcomings of the net by mail order to take full advantage of shooting functions and communication functions, that it is not possible to hand.

Next, the begging function is a service to ask someone others than the purchaser to pay the purchase price. When you enter the name and e-mail address of the opponent begging and message to them, the information will be sent e-mail to request payment partner. And partner payment request, to access the company's Web site, if you accept the payment, the procedure is completed. The company said it is assumed as a partner, such as grandparents. Close rate is about 80%.

### **3.3. Case of Tokyo Girls Collections: Para-Texts**

Finally, we will cover the Tokyo Girls Collections (TGC). Originally, TGC is a fashion show that was held in commemoration of the fifth anniversary of Japan's largest portal site for women. And that site is a Girls Walker ([www.girlswaker.co.jp](http://www.girlswaker.co.jp)). It is said that the number of users are more than seven million. The first TGC was started in the summer of 2005. Since then, TGC has been held twice a year in spring and autumn every year.

Well, generally, the term of “collection” means the presentation of a new luxury brand to target a guest. On the other hand, TGC is targeted to the general public. If customer is a woman, it is possible to purchase an admission ticket. In addition, the products handled by TGC are called “real clothes.” This means that high-fashion casual wear. To do so, it is the only product that will hit store shelves on to the next month or

season. Therefore, TGC can say that they have fundamentally overturned the concept of fashion show and/or the collection. And it appeared on stage wearing a “casual” is exclusive model of popular fashion magazines. In addition, a popular fashion model, they co-star beyond the boundaries of the magazine. Has been considered at the show of the past, models constrained by the magazine and offices belonging to a large, co-star is difficult. Moreover, TCG is to challenge the common sense of the fashion show. For ensample, TCG try to debut a brand of non-store. In result, a certain brand began to expand the 17 stores in two years from non-store.

Well, the biggest attraction of the TGC is a mobile marketing. It is a point that Participants show can buy clothes, which has appeared on the show, using mobile phone on the day of the show. Participants show. It is necessary for participant on the day of show that resister a limited membership in the venue. It is the moment that the participant changes to the consumer. When the models are appearing on stage wearing a casual dress, then participants received mobile emails. Link to the site of purchase of the clothes that wore by models through the front of them are arrived. As a result, we can see a lot of ladies who order through mobile phones in the hall.

By the way, the company managing TGC was dealing with the web mail order of clothes for young woman (F1). So, the collection was one means of sales promotion. And the show itself was realized to be sales opportunities. And the relay by the Internet was started in the autumn of 2010 so that the atmosphere in the hall of show could be enjoyed. The situation in the hall was relayed through the movie share site in Japan, which name is NIKO-NIKO-DOUGA (<http://www.nicovideo.jp/nikodo.co.jp>). Their site is characterized not only by sharing movie files like YouTube but also by the service that can write a comment in a movie. On the day, many viewers write comments of a model or clothes, and it was owned jointly. And simultaneously with the movie, the structure of the mail order site about clothes was introduced on the screen. So, the company built the sales opportunities by the personal computer or a mobile phone. The first-time total number of accesses exceeded 140,000. It was said that the cardholder of being an animation with a smile" by a young woman increased rapidly.

In addition, it is also active collaboration. Side of the venue to stage the collection, are provided a number of corporate sponsors compartments. There, during the break stage, such as actual sales distribution is carried out free samples, and the fitting. For example, "Aoyama clothes" is popular in the sale of the suit fitting for job hunting. At first glance, Suit for hunting job, the only strong impression does not suit fashion show, the first time that activity was noted.

Furthermore, it is also active collaboration with other industries. Not only fashion-related, such as beauty salons and hair care products manufacturer, such as (Lawson and Family Mart, retailer in Japanese), the automotive industry (Dell, Benz and Nissan) have co-sponsored (Mister Donut and Ajinomoto Co., Inc.), convenience store industry food industry. Are deploying efforts to intermission of the show, appeared on stage to hand the computer model, such as advertising of the product to do casually.

Well, TGC are building a system you can buy not only a stylish finish to the fashion show the everyday clothes, which have seen the sight of famous dress model “in place”. It is nothing other than that we have a major shift meta-context that sell clothing. In addition, the plan in collaboration with corporate sponsors such as donuts and pasta, that provides the opportunity of a new sales plan for young girls.

#### **4. Conclusion**

As described above, in this paper, we took up the contextual marketing that expected to be used as one of direction of e-business. And we have attempted to present a reference framework in the term of a context. That is, we are proposed by the taxonomy of context. And, as each type of the context, we presented a simple example.

Needless to say, our case analysis alone does not escape the reproach of seeking one's own interests. Besides, it may be criticized as a Gerrymander of the case. However, we think that our taxonomy of context

can be expected as a reference framework for discussion to comprehensive, such as purchase history and business model transformation. In the future, we want to promote the further refinement of the taxonomy.

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