Digital Marketing

E-COMMERCE, MOBILE MARKETING, DIGITAL STRATEGIES, WEB ADVERTISING, SEO

Chapter Objectives

What is digital marketing?

How has the transition to Web 4.0 affected the field of marketing communications?

How can e-commerce programs and incentives build a stronger customer base and overcome customer concerns at the same time?

How do mobile marketing systems enhance digital marketing programs?

Chapter Objectives

What digital strategies do marketing professionals employ?

What types of web advertising can companies use to reach consumers?

What is a search engine optimization strategy?

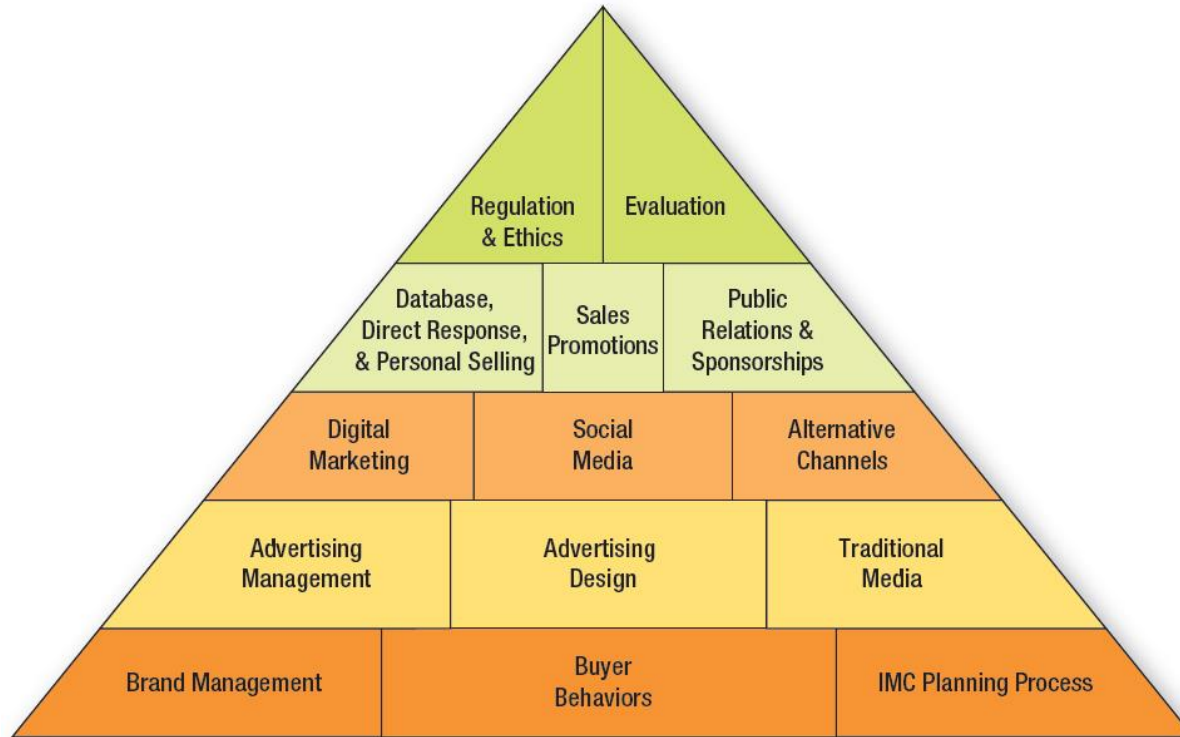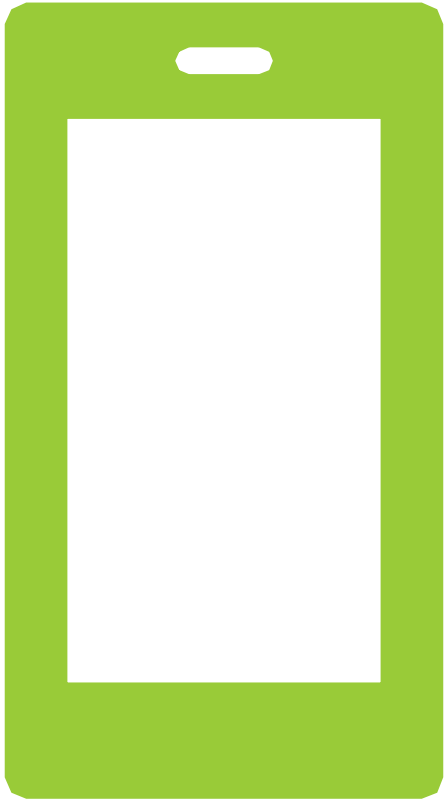How can companies successfully conduct digital marketing programs in international markets?

Figure 8.1 Overview of Marketing Communications

What is Digital Marketing

Digital marketing combines all the components of e-commerce, internet marketing, mobile marketing, and social media.

Digital marketing includes anything with a digital footprint.

This chapter presents the various concepts related to digital marketing.

https://www.youtube.com/watch?v=LUbqRwp8NXI

Chapter Overview

Web 1.0 → Web 4.0

A new way of communicating and engaging consumers

Digital Marketing Involves:
- E-commerce
- Mobile marketing
- Digital strategies
- Web advertising
- Search engine optimization

Primary Characteristics Web 1.0 to Web 4.0

1

Web 1.0

- Static content provided by creator
- Dominated by institutions and businesses
- Commercially and technically based

2

Web 2.0

- Content is socially-based and audience generated

3

Web 3.0

- Content driven by online metrics
- Integration of content and communications
- Instant real-time communications

4

Web 4.0

- Customer engagement
- Cloud operating systems
- Web participation a necessity

Web 4.0

- Web 4.0 has emerged, with key characteristics of **customer engagement, cloud operations, and Web participation as necessities.**

- Companies cannot just sell products to individuals and then allow customers to post reviews.
  - Engagement is the business model for Web 4.0.

- Many companies employ people to monitor Twitter and other social media sites and to develop a web presence.

E-Commerce

Selling goods and services on the Internet is known as e-commerce.

Many Types:
- E-commerce consists of click-only operations that sell exclusively online
- bricks-and-clicks that operate both retail and online stores.

E-commerce is being conducted in both the consumer sector and the B-to-B sector.

Online sales now account for nearly 7.5% of total retail activity.

Many consumers conduct research online prior to making a purchase.

Characteristics of Successful E-Commerce Sites

- Search-optimized design
- Customer-centric design
- Mobile-optimized design
- Consistent customer experience
- Channel integration
- Brand engagement
- Shopping cart abandonment strategies
- E-commerce incentives
- Offline marketing

What is Search Engine Optimization?

- 80% Americans – online research

- SEO is a marketing discipline focused on growing visibility in organic (non-paid) search engine results.

- SEO encompasses both the technical and creative elements required to improve rankings, drive traffic, and increase awareness in search engines.

- There are many aspects to SEO, from the words on your page to the way other sites link to you on the web.

- Sometimes SEO is simply a matter of making sure your site is structured in a way that search engines understand.

Google, Explorer, Amazon

Google: Organic wedding flowers

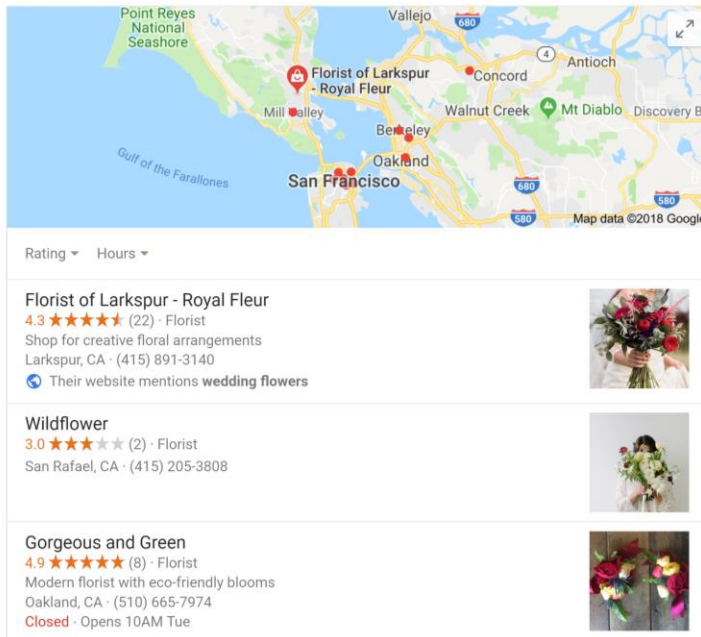Search engines are unique in that they provide targeted traffic—people looking for what you offer.

◦ Search engines are the roadways that make this happen.

◦ If search engines cannot find your site, or add your content to their databases, you miss out on incredible opportunities to drive traffic to your site.
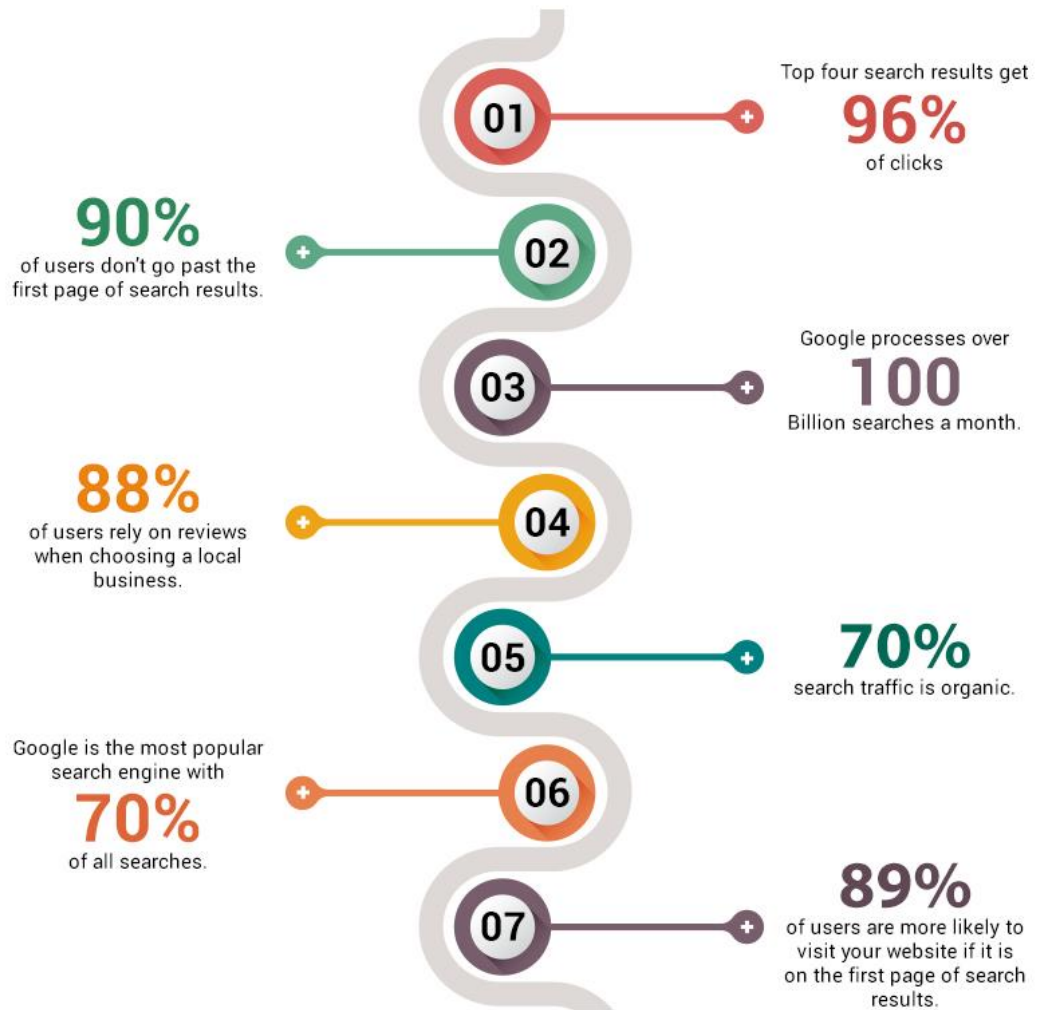
Search queries—the words that users type into the search box—carry extraordinary value.

Experience has shown that search engine traffic can make (or break) an organization's success. Targeted traffic to a website can provide publicity, revenue, and exposure like no other channel of marketing.

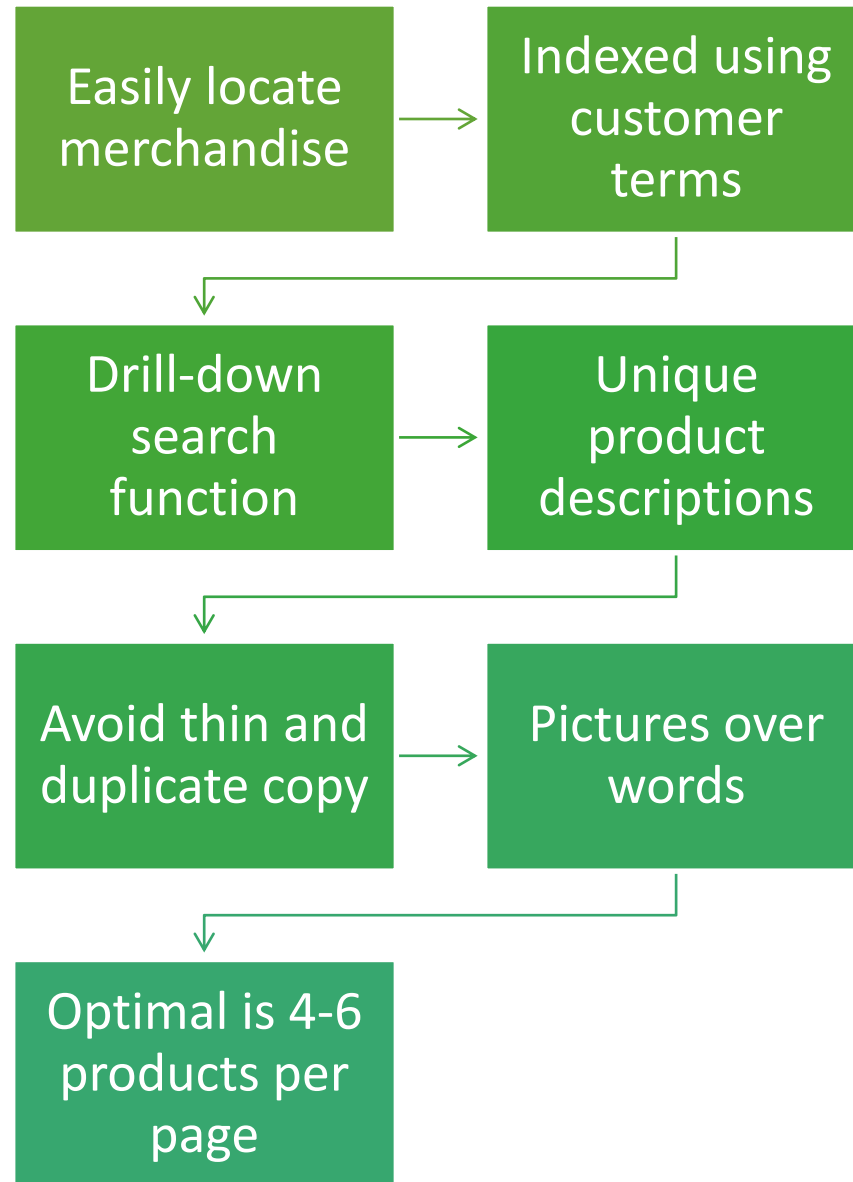Investing in SEO can have an exceptional rate of return compared to other types of marketing and promotion.

01 Top four search results get **96%** of clicks

02 **90%** of users don't go past the first page of search results.

03 Google processes over **100** Billion searches a month.

04 **88%** of users rely on reviews when choosing a local business.

05 **70%** search traffic is organic.

06 Google is the most popular search engine with **70%** of all searches.

07 **89%** of users are more likely to visit your website if it is on the first page of search results.

CONTENT

Blog posts, slides, infographics, videos, podcasts, images

SEO

DIGITAL MARKETING

SOCIAL

Web speed, keywords, link building, architecture, optimization

Social networks, reach, influence, engagement, communities, reputation

coolerinsights.com

Successful E-Commerce Customer-Centric Design

Easily locate merchandise → Indexed using customer terms

Drill-down search function → Unique product descriptions

Avoid thin and duplicate copy → Pictures over words

Optimal is 4-6 products per page

Successful E-Commerce Mobile-Optimized Design

- Adaptive design

- Higher interactions and conversions

- Advantages
  - Average conversions 3.4% compared to 1.6%
  - 50% of online purchases made on mobile devices
  - Without adaptive design, ranked lower in search

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Successful E-Commerce Customer Centric

- E-commerce sites must be customer-centric and offer a **consistent customer experience**.

- With online shopping, consumers have nearly a zero tolerance for poor performance.

- Dissatisfaction results in lost sales.

- Especially important is the load time of pages and information.

Successful E-Commerce Channel Integration

Channel integration becomes essential when the business sells through additional channels beyond the web.

A company that offers a printed catalog or has a retail store should match the printed catalog with the web catalog.

◦ **Integration across all media**

To encourage online shopping, Limited Express expanded its online offerings to include products not found in the stores or in catalogs.

Successful E-Commerce Brand Engagement

- Successful e-commerce provides opportunities for brand engagement.
  - Blogs, reviews, and feedback mechanisms allow consumers to become involved with a brand.
  - Reviews are an emerging trend in Web 4.0 and provide a way for customers to express their thoughts.
  - They can serve as positive word-of-mouth endorsements.
- Visitors to a site appreciate personalization and customization of pages and information.

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Successful E-Commerce Shopping Cart Abandonment

Greg Hintz of Yahoo! Shopping offers these suggestions to keep customers from abandoning a shopping cart:

- Show any additional costs, such as shipping and handling, upfront so there are no surprises when the customer reaches checkout.

- Make checkout easy and allow customers to make a purchase without registering a user name and password.

- Make it easy for customers to enter discount codes from coupons, gift certificates, and other promotions.

- Provide a checkout procedure that is safe and the customer feels can be trusted

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E-Commerce Incentives

Three incentives consumers consider when making a purchase online are

1.   Financial

2.   Convenience

3.   Value-added

Financial Incentives

Financial incentives are used because when consumers or businesses buy over the internet, the company often saves time and money. The e-company is then able to pass along savings. A firm that fills orders via the internet saves in several ways, including the following:

• Lower long-distance telephone bills

• Reduced shipping costs, because the costs are passed along to the buyer

• Decreased labor costs associated with stocking shelves

• Smaller personnel costs (sales force) paid for waiting on in-store customers

Cyberbait is a lure or attraction that brings people to the website. Various forms are displayed in Figure 8.4.

Common Forms of Cyberbait

Financial Incentives•

•Value-added Incentives

Convenience Incentives•

Convenience Incentives

Convenience incentives are highly attractive for many consumers and businesses, because instead of making a trip to a retail store, a consumer can place the order while remaining at home.

The order can be placed at any time.

- Seeking information about various products can be quicker and easier on the internet.

- To get consumers to return, a website must be updated and changed regularly. It is important to keep the site current.

- Internet searches provide convenience. For each search, the most frequently given reasons for selecting the method was that it was easier, more convenient, and quicker.

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Value-added Incentives

Value-added incentives are used to cause consumers to change purchasing habits over the long term. The value-added incentive may be **personalized shopping**, where the software system recognizes patterns in the customer's purchasing behaviors.

The specialized software can be used to inform customers about special deals.

- Customized shopping

- Unique product information

- Mobile apps

- Social media engagement

- Exclusive shopping

- Tutorials, user tips, and repair instructions

Mobile Marketing

Smartphones users (60%)

Ways people use smartphones
◦ Communication
◦ Social networks
◦ Search for product information
◦ Method of shopping

Digital Marketing Strategies

1. Interactive marketing
2. Content and native marketing
3. Location-based advertising
4. Remarketing
5. Behavioral targeting
6. Blogs and newsletters
7. E-mail marketing

1. Interactive Marketing

Interactive marketing is the development of marketing programs that create two-way communications and enhance engagement of consumers with the brand

Two-way communication and involvement

Internet ideal medium

Can track activity

Personalize messages

Emphasizes two primary activities
- Targeting individuals
- Engaging consumers

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Figure 8.9 Content Marketing vs Native Advertising

	Content Marketing Branded Content	Content Marketing Sponsored Content	Native Advertising
Location	Brand's website or microsite	Third-party site	Third-party site
Goals	Provide information Increase brand awareness Improve search results	Provide information Increase brand awareness Increase social engagement	Generate sales Increase brand awareness Increase social engagement
Tone	Educational Solve a problem	Educational Authentic, expert tone	Solve problem through brand purchase
Audience	Brand's customers and prospects	Sponsor's audience	Third-party's audience

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Location-Based Advertising

Location-based advertising, often called geo-targeting, utilizes the GPS on mobile devices to send targeted messages to individuals based on their geographic location

Restaurants and retailers are investing dollars into this form of mobile marketing

Source: Mark Walsch, *"Location-Based Mobile Ads Deliver Best Engagement, Performance,"* Online Media Daily, http://www.mediapost.com/publications/article/192780/, February 6, 2013.

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Mobile App

Location-based
Advertising
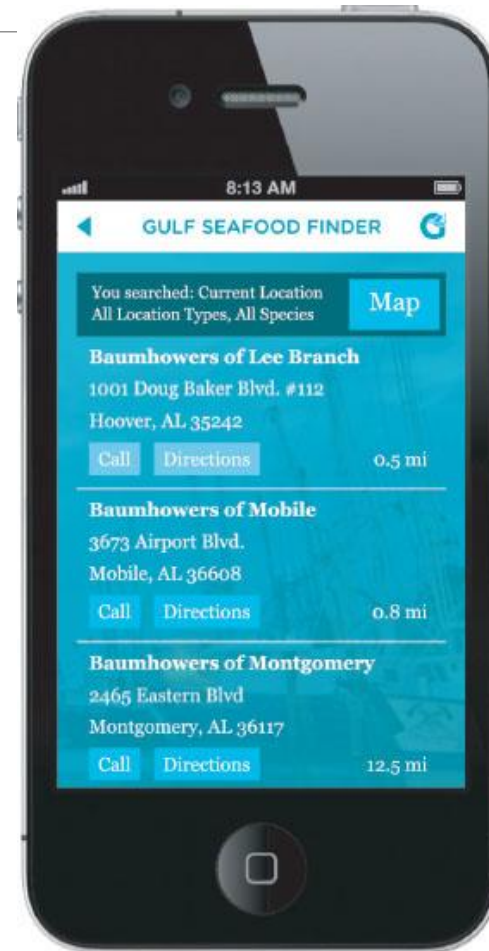
Remarketing

Engages past visitor to website

Shown interest in brand/product

Higher conversions

Ad to computer or mobile device

Abandon shopping cart

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Behavioral Targeting

Behavioral targeting uses Web data to identify and create targeted advertising messages.

Behavioral targeting can be based on pages a person has visited on the Internet.

It can be based on keyword searches an individual has typed into a search engine or content that has been read.

Behavioral targeting can be based on the browsing behavior of other visitors.

◦ Amazon does this when the company says "others who purchased this book also purchased …."

Blogs and Newsletters

Blogs are online musings

Power of online buzz

Company-sponsored blogs
- Objective of blog
- Reaction strategy for negative comments

Small businesses

Newsletters

Offer solutions and information

Update regularly

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E-Mail Marketing

Important component of digital strategy

◦ Integrate with other channels

◦ Resemble information on website

Using Web analytics to direct e-mail campaign

◦ Individuals who visit website

◦ Individuals who abandon shopping cart

◦ Targeted e-mails have higher conversion rates

Developing Successful E-mail Campaigns

- Be upfront, honest with subscribers

- Build list for quality, not quantity

- Give subscribers what they want

- Be familiar to your audience

- Keep e-mails neat and clean

- Be eye-catching

- Integrate social media

- Test, test, and test

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Web Advertising

- Highly effective

- Younger, affluent, Internet savvy

- Online budgets have increased

- Multi-screen approach

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Banner Advertising

First online advertising

Accounts for 22.6% of online advertising

Can embed videos and widgets

Targeted display ads
◦ Auction exchanges
◦ Matches audience

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Widgets
Banner Advertising

Mini-applications embedded in banners

Access external dynamic content

Provide personalized access to information

Micro-site landing pages

Geo-targeted ads

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Impact of Online Advertising

Banner click-through rate 0.27%

Improve response through targeting

Third-party tags

Ads not seen
- Below the fold
- Blocking software
- Fraud

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Offline Advertising

Integration of offline with online

Brand spiraling

Personalized URLs

End

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Search Engine Optimization

Largest category of online expenditures
◦ Text ads on search results
◦ Nearly 50% of online advertising

80% of Web traffic begins with a search

Three methods of SEO
◦ Paid search insertion
◦ Natural or organic emergence
◦ Paid search ads

Local businesses

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Results
Search Engine Optimization

Organic results
- First page – results 9x
- Second or third page – results 6x

Paid search
- Unaided awareness higher

Search click-through rate
- 5% (typical 0.2%)

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International Implications

Shipping issues

Communication issues

Technology issues

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