Unit-6

Digital Marketing

Digital Marketing

Digital marketing is the component of marketing that utilizes internet and online based digital technologies such as desktop computers, mobile phones and other digital media and platforms to promote products and services. Digital marketing changed brands and businesses use technology for marketing.

As digital platforms became increasingly incorporated into marketing plans and everyday life, and as people increasingly use digital devices instead of visiting physical shops, digital marketing campaigns have become prevalent, employing combinations of search engine optimization (SEO), search engine marketing (SEM), content marketing, influencer marketing, content automation, campaign marketing, data-driven marketing, e-commerce marketing, social media marketing, social media optimization, e-mail direct marketing, display advertising, e–books, and optical disks and games have become commonplace. Digital marketing extends to non-Internet channels that provide digital media, such as television, mobile phones (SMS and MMS), callback, and on-hold mobile ring tones.

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Online Advertisement:

Online advertising, also known as online marketing, Internet advertising, digital advertising or web advertising, is a form of marketing and advertising which uses the Internet to deliver promotional marketing messages to consumers. When software is used to do the purchasing, it is known as programmatic advertising.

Online advertising includes email marketing, search engine marketing (SEM), social media marketing, many types of display advertising (including web banner advertising), and mobile advertising. Like other advertising media, online advertising frequently involves a publisher, who integrates advertisements into its online content, and an advertiser, who provides the advertisements to be displayed on the publisher's content. Other potential participants include advertising agencies who help generate and place the ad copy, an ad server which technologically delivers the ad and tracks statistics, and advertising affiliates who do independent promotional work for the advertiser.

Online advertisement is a paid message on a website, online service, or other interactive medium. Online advertising includes display (banners, video, and rich media), search, mobile messaging, sponsorships, classifieds, lead generation, and e-mail, on desktop and laptop computers as well as mobile devices. The gross revenue of online advertisement is rapidly increasing in comparison to the declining traditional marketing. Since last few years, the yearly growth of around 10% is observed in the digital marketing field is noticed.

Online advertising has both advantages and disadvantages when compared to advertising in traditional media, such as television, radio, and print (magazines and newspapers). One big advantage for online advertising is that the Internet is where the audience has moved, especially the very desirable 18–34 age group. A second big advantage for online advertising is the ability to target ads to individuals and small groups and to track performance of advertisements in almost real time. Another big advantage of online marketing is two-way communication with customer. One can motivate customers to purchase and even different amount can be taken from different customer.

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Ad Targeting:

Ad targeting, the sending of market messages to specific subgroups in the population in an effort to increase the likelihood of a purchase, is as old as advertising itself, but prior to the Internet, it could only be done with much less precision, certainly not down to the level of individuals. Ad targeting is also the foundation of price discrimination: the ability to charge different types of consumers different prices for the same product or service. With online advertising, it's theoretically possible to charge every customer a different price. Theoretically, online advertising can personalize every ad message to precisely fit the needs, interests, and values of each consumer. In practice, as we all know from spam and constant exposure to ads that are of little interest, the reality is very different. Online advertisements also provide greater opportunities for interactivity two-way communication between advertisers and potential customers. The primary disadvantages of online advertising are concerns about its cost versus its benefits, how to adequately measure its results, and the supply of good venues to display ads. Only the expected customers can be targeted for advertisement, due to which, the cost of advertisement is highly reduced and advertise becomes more effective and fruitful.

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Search Engine Marketing:

Search engine marketing (SEM) refers to the use of search engines to build and sustain brands. Search engine advertising refers to the use of search engines to support direct sales to online consumers.

The click-through rate for search engine advertising is generally 1%–4% (with an average of around 2%) and has been fairly steady over the years. The top search engine throughout Western Europe is Google, with a market share of over 90%.

Search engines are often thought of as mostly direct sales channels focused on making sales in response to advertisements. While this is a major use of search engines, they are also used more subtly to strengthen brand awareness, drive traffic to other websites or blogs to support customer engagement, to gain deeper insight into customers' perceptions of the brand, to support other related advertising (for instance, sending consumers to local dealer sites), and to support the brand indirectly. Search engines can also provide marketers insight into customer search patterns, opinions customers hold about their products, top trending search keywords, and what their competitors are using as keywords and the

customer response. For example, PepsiCo, home of mega brands like Pepsi and Doritos, makes no sales on the Web, but has several branding websites aimed at consumers, investors, and shareholders. The focus is on building, sustaining, and updating the Pepsi collection of branded consumer goods. A search on Pepsi will generate numerous search results that link to Pepsi marketing materials.

Search engine sites originally performed unbiased searches of the Web's huge collection of web pages and derived most of their revenue from banner advertisements. This form of search engine results is often called organic search because the inclusion and ranking of websites depends on a more or less "unbiased" application of a set of rules (an algorithm) imposed by the search engine.

search engine sites slowly transformed themselves into digital yellow pages, where firms pay for inclusion in the search engine index, pay for keywords to show up in search results, or pay for keywords to show up in other vendors' ads.

Most search engines offer paid inclusion programs, which, for a fee, guarantee a website's inclusion in its list of search results, more frequent visits by its web crawler, and suggestions for improving the results of organic searching. Search engines claim that these payments—costing some merchants hundreds of thousands a year do not influence the organic ranking of a website in search results, just inclusion in the results. However, it is the case that page inclusion ads get more hits, and the rank of the page appreciates, causing the organic search algorithm to rank it higher in the organic results.

Google claims that it does not permit firms to pay for their rank in the organic results, although it does allocate two to three sponsored links at the very top of their pages, albeit labeling them as "Sponsored Links." Merchants who refuse to pay for inclusion or for keywords typically fall far down on the list of results, and off the first page of results, which is akin to commercial death.

Search engine advertisement are of following two types:

Pay-Per-Click (PPC) adds/keyword advertising: These are the primary type of search engine advertising. In keyword advertising, merchants purchase keywords through a bidding process at search sites, and whenever a consumer searches for that word, their advertisement shows up somewhere on the page, usually as a small text-based advertisement on the right, but also as a listing on the very top of the page. The more merchants pay, the higher the rank and greater the visibility of their ads on the page. Generally, the search engines do not exercise editorial judgment about quality or content of the ads although they do monitor the use of language. In addition, some search engines rank the ads in terms of their popularity rather than merely the money paid by the advertiser so that the rank of the ad depends on both the amount paid and the number of clicks per unit time. Google's keyword advertising program is called AdWords.

Network keyword advertising (context advertising): Introduced by Google as its AdSense product in 2002, differs from the ordinary keyword advertising described previously. Publishers (websites that want to show ads) join these networks and allow the search engine to place "relevant" ads on their sites. The ads are paid for by advertisers who want their messages to appear across the Web. Google-like text messages are the most common. The revenue from the resulting clicks is split between the search engine and the site publisher, although the publisher gets much more than half in some cases.

Search engine advertising is nearly an ideal targeted marketing technique: at precisely the moment that a consumer is looking for a product, an advertisement for that product is presented. Consumers benefit from search engine advertising because ads for merchants appear only when consumers are looking for a

specific product. Thus, search engine advertising saves consumers cognitive energy and reduces search costs (including the cost of transportation needed to do physical searches for products).

Search Engine Optimization:

Because search engine marketing can be very effective, companies optimize their websites for search engine recognition. The better optimized the page is, the higher a ranking it will achieve in search engine result listings, and the more likely it will appear on the top of the page in search engine results. Search Engine Optimization (SEO) is the process of improving the ranking of web pages with search engines by altering the content and design of the web pages and site. By carefully selecting key words used on the web pages, updating content frequently, and designing the site so it can be easily read by search engine programs, marketers can improve the impact and return on investment in their web marketing programs.

Google and other search engine firms make frequent changes to their search algorithms in order to improve the search results and user experience. Google, for instance, reportedly makes over 600 search engine changes in a year. Most are small unannounced tweaks. Recent major changes have included Panda, Penguin, Hummingbird, Knowledge Graph, and an unnamed algorithm that has been nicknamed Mobilegeddon. Panda was introduced in 2011 in an effort to weed out low quality sites from search results. Those sites with thin content, duplicate content, content copied from elsewhere on the Web, and content that did not attract high-quality hits from other sources were systematically pushed down in the search results. Google introduced Penguin in 2012 in an effort to punish websites and their SEO marketing firms who were manipulating links to their site in order to improve their rankings.

The Google search engine rewards sites that have links from many other sites. What some marketers discovered is that Google could not tell the quality of these back links, and they began to manufacture links by putting their clients onto list sites, creating multiple blogs to link to their clients' sites, and paying others to link to their clients' sites. Penguin evaluates the quality of links to a site, and pushes down in the rankings those sites that have poor-quality back links.

Many search engines are attempting to capture more of what the user intended, or might like to know about a search subject. This is often referred to as semantic search. Google introduced Hummingbird in 2013. Rather than evaluate each word separately in a search, Google's semantically informed Hummingbird will try to evaluate an entire sentence. Semantic search more closely follows conversational search, or search as you would ordinarily speak it to another human being.

Google introduced Knowledge Graph in 2012 as an effort to anticipate what you might want to know more about as you search on a topic or answer questions you might not thought of asking. Since 2013, results of Knowledge Graph appear on the right of the screen and contain more information about the topic or person you are searching on. Not all search terms have a Knowledge Graph result. Google displays information based on what other users have searched for in the past, as well as its database.

In 2015, Google released a new algorithm update (nicknamed Mobilegeddon) that made the "mobile-friendliness" of websites a much stronger ranking factor for mobile searches. Websites that are not optimized for mobile now have a much lower ranking in mobile search results.

Social Search: Is an attempt to use your social contacts (and your entire social graph) to provide search results. In contrast to search engines that use a mathematical algorithm to find pages that satisfy your query, social search reviews your friends' (and their friends') recommendations, past web visits, and use of Like buttons. One problem with traditional search engines is that they are so thorough: enter a search for "smartphone" on Google and in seconds you will receive millions of results, some of which provide helpful information and others that are suspect. Social search is an effort to provide fewer, more relevant,

and trustworthy results based on the social graph. Facebook's first effort to create a social search engine was Facebook Graph Search. Results are ranked using a personalization algorithm based in part on the user's relationship to the poster.

Search Engine Issues: While search engines have provided significant benefits to merchants and customers, they also present risks and costs. For instance, search engines have the power to crush a small business by placing its ads on the back pages of search results. Merchants are at the mercy of search engines for access to the online marketplace, and this access is dominated by a single firm, Google. How Google decides to rank one company over another in search results is not known. No one really knows how to improve in its rankings (although there are hundreds of firms who claim otherwise). Google editors intervene in unknown ways to punish certain websites and reward others. Using paid sponsored listings, as opposed to relying on organic search results, eliminates some, but not all, of this uncertainty.

Other practices that degrade the results and usefulness of search engines include:

- *Link farms* are groups of websites that link to one another, thereby boosting their ranking in search engines that use a PageRank algorithm to judge the "usefulness" of a site.
- *Content farms* are companies that generate large volumes of textual content for multiple websites designed to attract viewers and search engines. Content farms profit by attracting large numbers of readers to their sites and exposing them to ads. The content typically is not original but is artfully copied or summarized from legitimate content sites
- *Click fraud* occurs when a competitor clicks on search engine results and ads, forcing the advertiser to pay for the click even though the click is not legitimate.

Display Ad Marketing:

A form of digital marketing in which an video content is delivered using interactive media such as websites is display ad marketing. Following are the common popular examples of display ad marketing.

1. **Banner Ads:** Banner ads are the oldest and most familiar form of display marketing. They are also the least effective and the lowest cost form of online marketing. A banner ad displays a promotional message in a rectangular box on the screen of a desktop computer or mobile device. A banner ad is similar to a traditional ad in a printed publication but has some added advantages. When clicked, it brings potential customers directly to the advertiser's website, and the site where the ad appears can observe the user's behavior on the site. The ability to identify and track the user is a key feature of online advertising. Banner ads often feature video and other animations. It's important to note that, although the terms banner ad and display ad are often used interchangeably, banner ads are just one form of display ad. The cost of advertising is very less and hence, a large percentage of digital marketing is based on banner ads.

2. **Rich Media Ads:** Ads that employ animation, sound, and interactivity, using Flash, HTML5, Java, and JavaScript are referred to as rich media ads. They are far more effective than simple banner ads. For instance, one research report found that exposure to rich media ads boosted advertiser site visits by nearly 300% compared to standard banner ads. rich media ads that included video were six times more likely to visit the advertiser's website, by either directly clicking on the ad, typing the advertiser's URL, or searching.

    The IAB also provides mobile rich media ad interface definitions (MRAID) in an effort to provide a set of standards designed to work with HTML5 and JavaScript that developers can use to create rich media ads to work with apps running on different mobile devices. The hope is make it easier

to display ads across a wide variety of devices without having to rewrite code (IAB:Interactive Advertising Bureau, 2012).

3. **Interstitial Ads:** Interstitial means "in between". An interstitial ad is a way of placing a full-page message between the current and destination pages of a user. Interstitials are usually inserted within a single website, and displayed as the user moves from one page to the next. The interstitial is typically contained in its own browser window and moves automatically to the page the user requested after allowing enough time for the ad to be read. Interstitials can also be deployed over an advertising network and appear as users move among websites.

Because the Web is such a busy place, people have to find ways to cope with overstimulation. One means of coping is known as sensory input filtering. This means that people learn to filter out the vast majority of the messages coming at them. Internet users quickly learn at some level to recognize banner ads or anything that looks like a banner ad and to filter out most of the ads that are not exceptionally relevant. Interstitial messages, like TV commercials, attempt to make viewers a captive of the message. Typical interstitials last 10 seconds or less and force the user to look at the ad for that time period. A good interstitial will also have a "skip through" or "stop" option for users who have no interest in the message.

4. **Video Ads:** Online video ads are TV-like advertisements that appear as in-page video commercials or before, during, or after a variety of content. Online video ads are still very small when compared to the amount spent on search engine advertising, video ads are another fast-growing form of online advertisement. The rapid growth in video ads is due in part to the fact that video ads are far more effective than other display ad formats. Research by the IAB indicates that interactive digital video has even greater impact than typical, non-interactive video formats, with interaction rates three to four times higher, and brand awareness heightened by more than 50%. Following table describes some of the IAB standards for video ads.

FORMAT	DESCRIPTION	WHEN USED
Linear video ad	Pre-roll; takeover; ad takes over video for a certain period of time	Before, between, or after video
Nonlinear video ad	Overlay; ad runs at same time as video content and does not take over full screen	During, over, or within video
In-banner video ad	Rich media; ad is triggered within banner, may expand outside banner	Within web page, generally surrounded by content
In-text video ad	Rich media; ad is delivered when user mouses over relevant text	Within web page, identified as a highlighted word within relevant content

There are many specialized video advertising networks that run video advertising campaigns for national advertisers and place these videos on their respective networks of websites. Firms can also establish their own video and television sites to promote their products. Retail sites are among the largest users of advertising videos.

5. **Sponsorship:** A sponsorship is a paid effort to tie an advertiser's name to particular information, an event, or a venue in a way that reinforces its brand in a positive yet not overtly commercial manner. Sponsorships typically are more about branding than immediate sales. A common form of sponsorship is targeted content (or advertorials), in which editorial content is combined with an ad message to make the message more valuable and attractive to its intended audience. Social media sponsorships, in which marketers pay for mentions in social media, such as blogs, tweets, or in online video, have also become a popular tactic.

6. **Native Ads:** The Native ads actually don't look like ads. Advertising that looks similar to editorial content is known as native advertising. Native advertising is not new. Traditional native advertising includes television infomercials, newspaper advertorials, and entire sections of newspapers and magazines that are given over to advertisers, where the advertising looks similar to the rest of the publication. In the online world, native ads are most often found on social media, especially mobile social media, as part of a Facebook News Feed, Twitter Timeline, or Pinterest Promoted Pin. Mobile social networks do not have room for ads on the right side of the screen (the sidebar or right rail), and therefore native ads in the form of posts that look like other posts are the favored option.

   Typically, native ads mimic the editorial content around them, and increasingly include video. They appear outside the normal or expected area for ads and are labeled to indicate they are not editorial content, although in most cases the word "ad" is not used. On the Web or mobile screens, native ads are usually distinguished by a "sponsored" tag underneath the headline, often in a different color. Online native advertising is growing rapidly, especially on social networks.

   Researchers have found that 35% of online consumers cannot distinguish between editorial content and sponsored ads that look like editorial content, even if the ads are labelled as sponsored or promoted.

7. **Content Marketing:** Native advertising is usually focused on partnering with a specific publisher. Content marketing creates a content campaign for a brand and then tries to secure placement on a variety of websites. The aim of content marketing is to increase visitors to a company's website, organic search rankings, and brand engagement via social media.

8. **Advertising Networks:** In the early years of e-commerce, firms placed ads on the few popular websites in existence, but by early 2000, there were hundreds of thousands of sites where ads could be displayed, and it became very inefficient for a single firm to purchase ads on each individual website. Most firms, even very large firms, did not have the capability by themselves to place banner ads and marketing messages on thousands of websites and monitor the results. Specialized marketing firms called advertising networks appeared to help firms take advantage of the powerful marketing potential of the Internet, and to make the entire process of buying and selling online ads more efficient and transparent. These ad networks have proliferated and have greatly increased the scale and liquidity of online marketing.

   Advertising networks represent the most sophisticated application of Internet database capabilities to date, and illustrate just how different Internet marketing is from traditional marketing. Advertising networks sell advertising and marketing opportunities (slots) to companies who wish to buy exposure to an online audience(advertisers). Advertising networks obtain their inventory of ad opportunities from a network of participating sites that want to display ads on

their sites in return for receiving a payment from advertisers every time a visitor clicks on an ad. These sites are usually referred to as web publishers. Marketers buy audiences and publishers sell audiences by attracting an audience and capturing audience information. Ad networks are the intermediaries who make this market work efficiently.

Following figure shows the working of advertising network (eg: doubleclick.net):
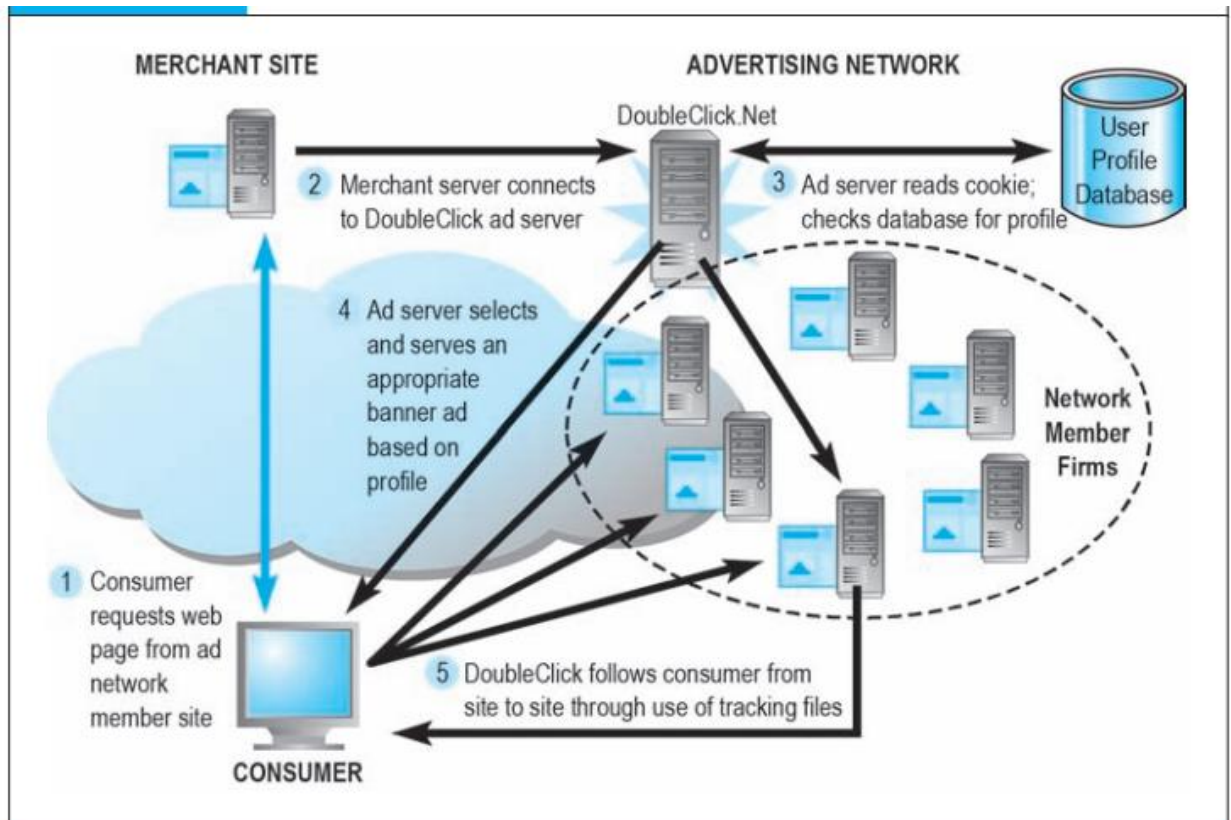
9. **Advertising Exchanges, Programmatic Advertising & Real Time Bidding (RTB):** Today, most online display advertising is being delivered by ad exchanges that use programmatic advertising and real-time bidding. An ad exchange is a digital marketplace that uses an automated auction-based method known as programmatic advertising to match supply and demand of online display advertising. Programmatic advertising uses a real-time bidding (RTB) process to match advertiser demand for display ads with publisher supply of web page space. Publishers are able to sell their inventory of empty web pages, often excess inventory that could not be sold directly. An ad exchange will allow you to bid in real time on this audience against other advertisers, and then manage the placement of ads, accounting, and measurement for your firm.

Ad exchanges offer tremendous global scale and efficiency. One of the best known is Google's DoubleClick Ad Exchange, which is based on more than 100 ad networks (the supply side), and provides a computer-based market for buyers to purchase audiences (the demand side).

Issues with display ad marketing: Display advertising is not without its issues, which include both ad fraud (similar to click fraud) and concerns about viewability (whether display ads are actually being seen).

1. *Ad Frauds:* falsifying web or mobile traffic in order to charge advertisers for impressions, clicks, or other actions that never actually occurred.
2. *Viewability Issue:* The impressions served across display advertising platforms are not viewable.
3. *Add Blocks:* Many browsers have extensions to block ads just like a firewall.

Email Marketing:

When e-mail marketing began, unsolicited e-mail was not common. Direct e-mail marketing (e-mail marketing messages sent directly to interested users) was one of the first and most effective forms of online marketing communications. Direct e-mail marketing messages are sent to an opt-in audience of Internet users who, at one time or another, have expressed an interest in receiving messages from the advertiser. By sending e-mail to an opt-in audience, advertisers are targeting interested consumers. By far, in-house e-mail lists are more effective than purchased e-mail lists. Because of the comparatively high response rates and low cost, direct e-mail marketing remains a common form of online marketing communications. Other benefits of e-mail marketing include its mass reach, the ability to track and measure response, the ability to personalize content and tailor offers, the ability to drive traffic to websites for more interaction, the ability to test and optimize content and offers, and the ability to target by region, demographic, time of day, or other criteria.

Click-through rates for legitimate e-mail depend on the promotion (the offer), the product, and the amount of targeting, but average around 3%–4%. Despite the deluge of spam mail, e-mail remains a highly cost-effective way of communicating with existing customers, and to a lesser extent, finding new customers. Mobile devices have become the predominant method for accessing e-mail. E-mail marketing and advertising is inexpensive and somewhat invariant to the number of mails sent. The cost of sending 1,000 e-mails is about the same as the cost to send 1 million. The primary cost of e-mail marketing is for the purchase of the list of names to which the e-mail will be sent. This generally costs anywhere from 5 to 20 cents a name, depending on how targeted the list is. Sending the e-mail is virtually cost-free. While e-mail marketing often is sales-oriented, it can also be used as an integral feature of a multi-channel marketing campaign designed to strengthen brand recognition. Relevancy in the form of personalization and targeting are major themes in e-mail marketing.

Although e-mail can still be an effective marketing and advertising tool, it faces three main challenges:

- Spam
- Software tools used to control spam that eliminate much e-mail from user inboxes
- And poorly targeted purchased e-mail lists.

Spam is unsolicited commercial e-mail (sometimes referred to as "junk" e-mail) and spammers are people who send unsolicited e-mail to a mass audience that has not expressed any interest in the product. Spammers tend to market pornography, fraudulent deals and services, scams, and other products not widely approved in most civilized societies. Legitimate direct opt-in e-mail marketing is not growing as fast as behaviorally targeted display ads and search engine advertising because of the explosion in spam. Consumer response to even legitimate e-mail campaigns has become more sophisticated. In general, e-mail works well for maintaining customer relationships but poorly for acquiring new customers.

Affiliate Marketing:

Affiliate marketing is a form of marketing where a firm pays a commission, typically anywhere between 4% to 20%, to other websites (including blogs) for sending customers to their website. Affiliate marketing generally involves pay-for-performance: the affiliate or affiliate network gets paid only if users click on a link or purchase a product. Industry experts estimate that around 10% of all retail online sales are

generated through affiliate programs (as compared to search engine ads, which account for more than 30% of online sales), and affiliate programs run by the Internet Retailer Top 500 have a median of 2,000 participating affiliates.

Visitors to an affiliate website typically click on ads and are taken to the advertiser's website. In return, the advertiser pays the affiliate a fee, either on a per-click basis or as a percentage of whatever the customer spends on the advertiser's site. Paying commissions for referrals or recommendations long predated the Web.

For instance, Amazon has a strong affiliate program consisting of more than 1 million participant sites, called Associates, which receive up to 10% in advertising fees on sales their referrals generate. Affiliates attract people to their blogs or websites where they can click on ads for products at Amazon.

Viral Marketing:

Just as affiliate marketing involves using a trusted website to encourage users to visit other sites, viral marketing is a form of social marketing that involves getting customers to pass along a company's marketing message to friends, family, and colleagues. It's the online version of word-of-mouth advertising, which spreads even faster and further than in the real world. In the offline world, next to television, word of mouth is the second most important means by which consumers find out about new products. And the most important factor in the decision to purchase is the face-to-face recommendations of parents, friends, and colleagues.

Millions of online adults in the United States are "influencers" who share their opinions about products in a variety of online settings. In addition to increasing the size of a company's customer base, customer referrals also have other advantages: they are less expensive to acquire because existing customers do all the acquisition work, and they tend to use online support services less, preferring to turn back to the person who referred them for advice. Also, because they cost so little to acquire and keep, referred customers begin to generate profits for a company much earlier than customers acquired through other marketing methods. There are a number of online venues where viral marketing appears. E-mail used to be the primary online venue for viral marketing ("please forward this e-mail to your friends"), but venues such as Facebook, Pinterest, Instagram, Twitter, YouTube, and blogs now play a major role.

Social Marketing & Advertising:

Social marketing and advertising involve the use of online social networks and communities to build brands and drive sales revenues. There are several kinds of social networks, from Facebook, Twitter, Pinterest, and Instagram, to social apps, social games, blogs, and forums (websites that attract people who share a community of interests or skills). Next to mobile marketing, it is the fastest growing type of online marketing. Marketers cannot ignore the huge audiences that social networks such as Facebook, Twitter, Pinterest, and Instagram are gathering, which rival television and radio in size. Almost one-third of the world's population regularly visits social networks. It's little wonder that marketers and advertisers are joyous at the prospect of connecting with this large audience. Research has found that social network users are more likely to talk about and recommend a company or product they follow on a social network. Social networks offer advertisers all the main advertising formats, including banner ads (the most common), short pre-roll and post-roll ads associated with videos, and sponsorship of content. Having a corporate Facebook page is in itself a marketing tool for brands just like a web page. Many firms, such as Coca-Cola, have shut down product-specific web pages and instead use Facebook pages.

Blogs and online games can also be used for social marketing. Blogs have been around for a decade and are a part of the mainstream online culture. Blogs play a vital role in online marketing. Although more

firms use Twitter and Facebook, these sites have not replaced blogs, and in fact often point to blogs for long-form content. Because blog readers and creators tend to be more educated, have higher incomes, and be opinion leaders, blogs are ideal platforms for ads for many products and services that cater to this kind of audience. Because blogs are based on the personal opinions of the writers, they are also an ideal platform to start a viral marketing campaign. Advertising networks that specialize in blogs provide some efficiency in placing ads, as do blog networks, which are collections of a small number of popular blogs, coordinated by a central management team, and which can deliver a larger audience to advertisers.

Mobile Marketing & Advertising:

A number of factors are driving advertisers to the mobile platform, including much more powerful devices, faster networks, wireless local networks, rich media and video ads, and growing demand for local advertising by small business and consumers. Most important, mobile is where the eyeballs are now and increasingly will be in the future: about 210 million people access the Internet at least some of the time from mobile devices.

Mobile marketing includes the use of display banner ads, rich media, video, games, e-mail, text messaging, in-store messaging, Quick Response (QR) codes, and couponing. Mobile is now a required part of the standard marketing budget. Display ads can be served as a part of a mobile website or inside apps and games. Facebook is the leader in mobile display ad revenues, followed by Google and Twitter. Search ads can be further optimized for the mobile platform by showing ads based on the physical location of the user. Mobile messaging generally involves SMS text messaging to consumers offering coupons or flash marketing messages. Messaging is especially effective for local advertising because consumers can be sent messages and coupons as they pass by or visit locations. Video advertising currently accounts for a small percentage of mobile ad spending, but is one of the fastest growing formats. Ad networks such as Google's Ad Mob, Apple's iAd are also important players in the mobile advertising market.

Apps on mobile devices constitute a marketing platform that did not exist a few years ago. Apps are a non-browser pathway for users to experience the Web and perform a number of tasks from reading the newspaper to shopping, searching, and buying. Apps provide users much faster access to content than do multi-purpose browsers. Apps have begun to influence the design and function of traditional websites as consumers are attracted to the look and feel of apps, and their speed of operation.

Local Marketing:

Along with social marketing and mobile marketing, local marketing is the third major trend in e-commerce marketing. The growth of mobile devices has accelerated the growth of local search and purchasing. New marketing tools like local advertisements on social networks and daily deal sites are also contributing to local marketing growth.

The most common local marketing tools are geotargeting using Google Maps (local stores appearing on a Google map), display ads in hyperlocal publications like those created by Patch Properties, daily deals, and coupons. The most commonly used venues include Facebook, Google, Linked In, Yahoo, Bing, and Twitter, as well as more specific location-based offerings such as Google My Business.

Local marketing has lot's benefits due to which, it is being very popular these days.

Online Marketing Matrics:

order to understand the process of attracting prospects via marketing communications and converting them into customers, you will need to be familiar with online marketing terminology. Following table lists

some terms commonly used to describe the impacts and results of "traditional" online marketing such as display ads and e-mail campaigns.

Impressions	Number of times an ad is served
Click-through rate (CTR)	Percentage of times an ad is clicked
View-through rate (VTR)	Percentage of times an ad is not clicked immediately but the website is visited within 30 days
Hits	Number of HTTP requests
Page views	Number of pages viewed
Viewability rate	Percentage of ads that are actually seen online
Unique visitors	Number of unique visitors in a period
Loyalty	Measured variously as the number of page views, frequency of single-user visits to the website, or percentage of customers who return to the site in a year to make additional purchases
Reach	Percentage of website visitors who are potential buyers; or the percentage of total market buyers who buy at a site
Recency	Time elapsed since the last action taken by a buyer, such as a website visit or purchase
Stickiness (duration)	Average length of stay at a website
Acquisition rate	Percentage of visitors who indicate an interest in the website's products by registering or visiting product pages
Conversion rate	Percentage of visitors who become customers
Browse-to-buy ratio	Ratio of items purchased to product views
View-to-cart ratio	Ratio of "Add to cart" clicks to product views
Cart conversion rate	Ratio of actual orders to "Add to cart" clicks
Checkout conversion rate	Ratio of actual orders to checkouts started
Abandonment rate	Percentage of shoppers who begin a shopping cart purchase but then leave the website without completing a purchase (similar to above)
Retention rate	Percentage of existing customers who continue to buy on a regular basis (similar to loyalty)
Attrition rate	Percentage of customers who do not return during the next year after an initial purchase
VIDEO ADVERTISING METRICS	
View time	How long does the ad actually stay in view while it plays
Completion rate	How many viewers watched the complete video
Skip rate	How many viewers skipped the video
E-MAIL METRICS	
Open rate	Percentage of e-mail recipients who open the e-mail and are exposed to the message
Delivery rate	Percentage of e-mail recipients who received the e-mail
Click-through rate (e-mail)	Percentage of recipients who clicked through to offers
Bounce-back rate	Percentage of e-mails that could not be delivered
Unsubscribe rate	Percentage of recipients who click unsubscribe
Conversion rate (e-mail)	Percentage of recipients who actually buy

The first nine metrics focus primarily on the success of a website in achieving audience or market share by "driving" shoppers to the site. These measures often substitute for solid information on sales revenue as e-commerce entrepreneurs seek to have investors and the public focus on the success of the website in "attracting eyeballs" (viewers).

Impressions are the number of times an ad is served. Click-through rate (CTR) measures the percentage of people exposed to an online advertisement who actually click on the advertisement. Because not all ads lead to an immediate click, the industry has invented a term for a long-term hit called view-through rate (VTR), which measures the 30-day response rate to an ad. Hits are the number of HTTP requests received by a firm's server. Hits can be misleading as a measure of website activity because a "hit" does not equal a page. A single page may account for several hits if the page contains multiple images or graphics. A single website visitor can generate hundreds of hits. For this reason, hits are not an accurate representation of web traffic or visits, even though they are generally easy to measure; the sheer volume of hits can be huge—and sound impressive—but not be a true measure of activity. Page views are the number of pages requested by visitors. However, with increased usage of web frames that divide pages into separate sections, a single page that has three frames will generate three-page views. Hence, page views per se are also not a very useful metric.

Viewability rate is the percentage of ads (either display or video) that are actually seen by people online. See page 407 for a further discussion of the issue of viewability. The number of unique visitors is perhaps the most widely used measure of a website's popularity. The measurement of unique visitors counts the number of distinct, unique visitors to a website, regardless of how many pages they view. Loyalty measures the percentage of visitors who return in a year. This can be a good indicator of a site's web following, and perhaps the trust shoppers place in a site. Reach is typically a percentage of the total number of consumers in a market who visit a website; for example, 10% of all book purchasers in a year will visit Amazon at least once to shop for a book. This provides an idea of the power of a website to attract market share. Recency—like loyalty—measures the power of a website to produce repeat visits and is generally measured as the average number of days elapsed between shopper or customer visits. For example, a recency value of 25 days means the average customer will return once every 25 days.

Stickiness (sometimes called duration) is the average length of time visitors remain at a website. Stickiness is important to marketers because the longer the amount of time a visitor spends at a website, the greater the probability of a purchase. However, equally important is what people do when they visit a website and not just how much time they spend there.

The metrics described so far do not say much about commercial activity nor help you understand the conversion from visitor to customer. Several other measures are more helpful in this regard. Acquisition rate measures the percentage of visitors who register or visit product pages (indicating interest in the product). Conversion rate measures the percentage of visitors who actually purchase something. Conversion rates can vary widely, depending on the success of the site.

The browse-to-buy ratio measures the ratio of items purchased to product views. The view-to-cart ratio calculates the ratio of "Add to cart" clicks to product views. Cart conversion rate measures the ratio of actual orders to "Add to cart" clicks. Checkout conversion rate calculates the ratio of actual orders to checkouts started. Abandonment rate measures the percentage of shoppers who begin a shopping cart form but then fail to complete the form and leave the website. Abandonment rates can signal a number of potential problems—poor form design, lack of consumer trust, or consumer purchase uncertainty caused by other factors.

Retention rate indicates the percentage of existing customers who continue to buy on a regular basis. Attrition rate measures the percentage of customers who purchase once but never return within a year (the opposite of loyalty and retention rates).

Specific types of advertising have their own special metrics. For instance, for video ads, view time (how long the ad actually stays in view while it plays) and completion rate (how many viewers watch the entire video ad) are important factors.

E-mail campaigns also have their own set of metrics. Open rate measures the percentage of customers who open the e-mail and are exposed to the message. Generally, open rates are quite high, in the area of 50% or greater. However, some browsers open mail as soon as the mouse cursor moves over the subject line, and therefore this measure can be difficult to interpret. Delivery rate measures the percentage of e-mail recipients who received the e-mail. Click-through rate (e-mail) measures the percentage of e-mail recipients who clicked through to the offer. Finally, bounce-back rate measures the percentage of e-mails that could not be delivered.

Pricing Models for Online Advertisements: 423

- **Pricing:** Putting value on a product and service.
- **Law of one price:** with complete price transparency in a perfect information marketplace, there will be one world price for every product.
- **Demand Curve:** It shows the quantity of goods that can be sold at various prices.
- **Price Discrimination:** Selling products to different people and groups based on their willingness to pay.
- **Free & Freemium:** Basic service for free and needs payment for upgrade to premium.
- **Versioning:** Creating multiple versions of information goods and selling essentially the same product to different market segments at different prices.
- **Bundling:** Offers consumers two or more goods for a reduced price.
- **Dynamic Pricing:** The price of the product varies, depending on the demand characteristics of the customer and the supply situation of the seller.

Facebook Marketing Tools (Case Study):

Facebook is designed in such a way that people reveal their personal information themselves. Personal information includes activities, behavior, photos, music, interests and many more. One result is that Facebook is the world's largest repository of deeply personal behavioral information on the Internet. Facebook knows a great deal more about its users than Google does about its users. Second, Facebook's features are built to maximize the connections among people in the form of notifications, tagging, messaging, posting, and sharing. In many instances, the movement of personal information is so widespread that it is beyond the understanding of users and outside observers. The effect of these two factors is to greatly magnify the social density of the Facebook audience. Social density refers to the number of interactions among members of a group and reflects the "connectedness" of a group, even if these connections are forced on users. For instance, some natural groups of people are not very "social" and few messages flow among members. Other natural groups are loquacious and chatty with many messages flowing among members. The scope, intensity, and depth of Facebook's repository of personal information and rich social network present extraordinary marketing opportunities.

Following are the major features of Facebook due to which, it became the largest marketing opportunity.

Profile	As part of account creation, you create a profile that includes certain personal information. The profile may also include photos and other media. Establishes baseline information that will be shared with friends.
Friend search	Helps you find friends who are already using Facebook, as well as friends who are not, typically by searching your e-mail contact list. Creates your baseline social network based on prior contacts.
Timeline	A history of your actions on Facebook, including photos, history of posts, and comments to your News Feed, as well as life events that you post and want others to see as a part of your profile. Additions you make to your Timeline may appear on your friends' News Feed. Creates additional links with friends.
Tagging	Ability to tag photos, status updates, check-ins, or comments with the names of friends. Tagging links to that person's Timeline and News Feed. Your friends are notified they have been tagged, and you are linked to their Timeline. Friends of your friends may also be notified. Whenever Facebook detects the person in a new image, it notifies all those who have tagged the photo that this friend appears in a new photo that you can link to. The tagging tool is designed to create additional connections among users.
News Feed	News Feed is a continuously updated list of stories from friends and Pages that you have liked on Facebook. Ads running in the News Feed are the major ad revenue producer for Facebook. News Feed stories include status updates, photos, videos, links, app activity, and Likes. Provides a continual stream of messages from friends and advertisers.
Trending	Facebook's version of trending topics; appears at top of right-hand column next to News Feed.
Status update	A way to post your comments, observations, and location to all your friends.
Reactions buttons	In February 2016, Facebook redesigned its Like button functionality to add five additional buttons and rebranded it as Reactions. In addition to the familiar Like button, users can now register additional reactions, such as Love, laughter (Haha), surprise (Wow), sadness, and anger.
Messenger	Facebook's instant messaging app, used by over 1 billion people every month. In April 2016, Facebook began allowing companies to deploy chatbots on Messenger to provide automated customer support and other e-commerce services, and also began a trial of Sponsored Messages that would allow companies to send messages to customers who had previously engaged with them.
Third-party Apps	Third-party apps add functionality to Facebook. Apps run the gamut from games (Candy Crush Saga; FarmVille) to photos (Instagram, now part of Facebook), music (Spotify), and publications (Washington Post Social Reader). Your personal information and that of your friends is shared with apps that you install. Most apps are free, and most rely on revenues from advertising.
Open Graph	A feature used by app developers to integrate their apps into the Facebook pages of users who sign up for the app, and in that sense, it opens the Facebook social graph to the developer, who can then use all the features of Facebook in the app. For instance, this feature allows your performance on game apps to be sent to your Friend's News Feeds. Supports the development of social apps and increases links among users.
Search	In 2013, Facebook introduced Graph Search, a "social" search engine that searched your social network for answers to queries. It was a "semantic" search engine insofar as it provided a single answer rather than a list of links based on an algorithm's estimate of user intentions. It was also a "hybrid" search engine that relied on Bing to supplement results. In 2015, Facebook significantly expanded its Search functionality. It now focuses on keywords and includes everyone's public posts, Likes, photos, and interests, and makes them available to all users of Facebook, friends or not. In June 2016, Facebook reported that users were doing 2 billion searches a day of its 2.5 trillion posts.

Facebook Marketing Tools:

Facebook offers a number of marketing and advertising opportunities and tools for branding and developing community on its site.

1. *Reaction Buttons*: The Reactions and Share buttons on Facebook, and similar buttons on other social sites, are perhaps the single most important element in the rise of social marketing. "Like" is the engine of social marketing. The Like button was introduced by Facebook on its own website in 2009 and rolled out as a plug-in to other websites in 2010. In February 2016, Facebook added five additional buttons (Love, laughter (Haha), surprise (Wow), sadness, and anger) and rebranded the Like button as Reactions. Unlike traditional online advertising, the Reactions buttons give users a chance to share their feelings about content and other objects they are viewing and

websites they are visiting. For instance, the Like button communicates your support of comments, photos, activities, brands, articles, and products to your friends, and also to the Facebook social graph and third-party marketers. The Reactions buttons are available on virtually all Facebook content, including status updates, photos, comments, brands, timelines, apps, and even ads. Like button also appears on external sites, mobile and social apps, and ads. These sites are utilizing Facebook's Like social plug-in, and when you Like something outside of Facebook, it appears on your Timeline, where friends can comment on the activity. The Like button is one-way Facebook knows what other sites you visit. According to Facebook, the Like button has over 10 billion views a day across millions of websites, with 30% of those impressions coming on mobile devices (Facebook, 2016).

2. *Brand Pages*: Facebook's early efforts at brand marketing focused on the development of brand pages as a means for firms to establish a direct relationship with their current and potential customers. The purpose of a brand page is to develop fans of the brand by providing users opportunities to interact with the brand through comments, contests, and offerings. Using social calls to action, such as "Like us on Facebook" and "Share," brand pages can escape their isolation and make it more easily into users' social networks, where friends can hear the message. In 2015, Facebook began offering a new Shops tab for Facebook brand pages that features products and services, taking it further into the realm of social e-commerce.

Social brand pages have many more social opportunities for fans to like and comment than are typical of traditional web pages. Brand pages on Facebook typically attract more visitors than a brand's website. Brands can get exposure on Facebook either organically or via paid advertisements. Organic reach is free, and happens when fans see the brand's updates and posts in their News Feed, or when others who are not fans see that content because a fan liked, commented, or shared the post (viral reach). In order to ensure that they get the exposure that they want for their marketing messages, most companies choose one of the paid advertising formats discussed below.

Facebook enables you to choose from a variety of different marketing objectives, including promoting your Page posts/ads (Page Post Engagement); obtaining Likes for your Facebook page to grow your company's audience and brand (Page Likes); getting people to click through to your website (Clicks to Websites); getting people to take certain actions on your website (Website Conversions); getting people to install an app (App Installs); getting people to use an app (App Engagement); creating offers for people to redeem (Offer Claims); and getting people to watch a video (Video Views).

Once you have chosen a marketing objective, the next decision is to whom you want to target the advertisement. Facebook ads can be targeted based on location, age, interest, gender, education level, relationship status, and political views, as well as to custom audiences defined by the marketer. Facebook can also create what it calls a "lookalike audience" based on demographics shared with the custom audience identified by the marketer.

Once the marketing objectives and audience have been determined, the next decision is where to place the advertisement. Facebook has four basic locations from which to choose: The News Feed, the right-hand column or sidebar section of Facebook pages, and the mobile News Feed. Ads can also be placed within apps.

3. *News Feed Page Post Ads:* The News Feed is the most prominent place for advertisements. The News Feed is the center of the action for Facebook users and where Facebook users spend most

of their time because that is where posts from their friends appear. Page Post Ads appear in a user's News Feed along with all of the other posts and status updates that normally appear from friends. Page Post Ads have a tiny tag that indicates that they are sponsored (i.e., are advertisements) but otherwise look very similar to posts from friends. Page Post Ads can contain text, photos, video, and links. They can be used for many of the marketing objectives mentioned above, such as increasing brand engagement, obtaining Likes for the brand's Facebook page, and encouraging app installs and engagement. In 2016, Facebook continues to pilot test a Buy button that appears in News Feed Page Post Ads that allows people to purchase items without leaving Facebook. Companies pay to promote or boost Page Post Ads in order to extend their reach. This has become increasingly important as Facebook has reduced the organic reach that brands previously enjoyed for free in an effort to increase advertising revenues.

4. *Right-Hand Column Sidebar Ads:* These display ads are located in the right-hand column or sidebar of Facebook pages. They are often used to direct users to off Facebook content such as website landing pages and content offers. Facebook has recently reduced the number of ads that appear in the right-hand column sidebar from seven to two, increased their size, and made them consistent with the format of News Feed Page Post Ads in an effort to enhance their performance.

5. *Facebook Live:* Facebook introduced Facebook Live, its free video streaming service, in April 2016. Facebook Live can be used to stream live content that followers can interact with by commenting, liking and sharing. The video can be saved on a brand's page and followers can continue to interact with it. Many advertising campaign can run as a Facebook live.

6. *Video Ads:* In March 2014, Facebook began showing 15-second video autoplay ads. In July 2014, it acquired Live Rail, an advertising network that now acts as the ad server for Facebook's video ads. Since that time, Facebook video ads have become an increasingly important part of Facebook advertising strategy. In order to continue to grow its advertising revenue without overloading and turning off users by having too many ads, Facebook intends to focus on video ads, which command a premium and therefore generate more revenue.

7. *Mobile Ads:* Because the smartphone screen is much smaller than regular computer screens, there is no room for sidebar ads on the right-hand column, so all mobile ads need to be displayed in the users' News Feed. Mobile ads can include many of the ad formats described above, including video ad. Critics complain that the number of ads in the mobile News Feed becomes distracting and annoying. Mobile ads often take up the entire screen. There also is less targeting of mobile ads, which increases the likelihood users will see irrelevant ads. So far, despite the annoyance, Facebook mobile users continue to sign up and view. In 2016, over 80% of Facebook ad revenue comes from its mobile ad platform, and it is its fastest growing revenue stream.

8. *Facebook Messenger:* Because the smartphone screen is much smaller than regular computer screens, there is no room for sidebar ads on the right-hand column, so all mobile ads need to be displayed in the users' News Feed. Mobile ads can include many of the ad formats described above, including video ad. Critics complain that the number of ads in the mobile News Feed becomes distracting and annoying. Mobile ads often take up the entire screen. There also is less targeting of mobile ads, which increases the likelihood users will see irrelevant ads. So far, despite the annoyance, Facebook mobile users continue to sign up and view.

9. *Facebook Exchange:* is a real-time bidding system that allows advertisers to target their ads based on personal information provided by Facebook. FBX competes with Google's display ad system DoubleClick and other real time exchanges. Visitors to third-party websites are marked with a cookie, and can then be shown ads related to their web browsing when they return to Facebook.

Following table summarizes the basic Facebook marketing tools.

Reactions Buttons	Amplification. A feature that allows users to express support (and as of February 2016, other reactions as well) for content on social sites to their friends and friends of friends. The one tool that marketers cannot control. Currently free.
Brand Pages	Engagement and community building. Similar to a business web page, but much more social by encouraging user interaction and response; ongoing discussions among the community of fans. Brand pages are currently free. Shops tab for brand pages allows companies to feature products and services for sale.
News Feed Page Post Ads	Fan acquisition. Paid brand messages can be inserted into the News Feed. Requires payment. Buy button that can be embedded in News Feed Page Post Ads currently being tested.
Right-Hand Column Sidebar Ads	Fan acquisition. Display ads in the right-hand column (sidebar) similar to display ads elsewhere on the Web. Requires payment.
Facebook Live	Fan acquisition and engagement. Video streaming service within Facebook. Can be used to stream live content that followers can interact with by commenting, liking, and sharing. Video can be saved on a brand's page and followers can continue to interact with it. Free.
Video Ads	Fan acquisition and engagement. Video ads autoplay in silent mode on both desktop and mobile News Feeds. Requires payment.
Mobile Ads	Fan acquisition. Mobile News Feed Page Post Ads are delivered to smartphones and tablets. Requires payment.
Sponsored Messages	Fan acquisition and engagement. Messages to customers who had previously engaged with them via Messenger chatbot. Requires payment.
Facebook Exchange (FBX)	Facebook's real-time ad exchange, which sells ads and retargets ads through online bidding. Advertisers place cookies on user browsers when they visit a site, and when they return to Facebook, they are shown ads on the right side from the site they visited. Requires payment.

Starting a Facebook Marketing Campaign: Prior to starting a Facebook marketing campaign, there are some basic strategy questions you need to address. While every product presumably could benefit from a social marketing campaign, how is this true of your products? Who is your audience? How can you reach them? How have real-world social networks been used in the past to support sales in your industry? Can you be a "thought leader"? Once you have identified your audience, what content will get them excited and interested? Where are you going to get the content? What will it cost and what impact do you expect it to have on your brand and sales? At this point you do not need a detailed budget, but you should be able to develop estimates of the cost of such a campaign, as well as anticipated revenues.

A typical marketing campaign for Facebook might include the following elements:

- Establish a Facebook page for your brand. Content is king: have interesting, original content that visitors can be enthusiastic about. Acquire fans.
- Use comment and feedback tools to develop fan comments. You want visitors to engage with your content. You can also encourage bloggers to develop content for your page.
- Develop a community of users. Try to encourage fans to talk with one another, and develop new (free) content for your page.

- Encourage brand involvement through videos and rich media showing products being used by real customers.
- Use contests and competitions to deepen fan involvement.
- Develop display ads for use on Facebook.
- Develop display ads for use in response to social search queries.
- Liberally display the Like button so fans share the experience with their friends.

Many famous and popular companies use Facebook marketing campaign to promote their business. Some of the popular examples are shown in the following table.

COMPANY	MARKETING CAMPAIGN
Lays	Asked its Facebook followers to submit suggestions for new potato chip flavors, offering a $1 million prize to the winner. Now an annual event.
KIa	Created a racing video game, GT RIDE, to promote the release of the Kia GT. The game allowed players to build their own racetracks and send challenges to Facebook friends, all within a Facebook app. Users were automatically entered into a sweepstakes to win a Kia GT.
Budweiser	Buds for Buds campaign encouraged users in certain cities to buy a beer for a Facebook friend's birthday using a redeemable receipt.
Procter & Gamble	Launched a video along with the Facebook hashtag #LikeAGirl displaying positive representations of "acting like a girl" to promote its Always brand. The video was the most watched in company history.

Measuring Facebook Marketing Results:

Following table describes some of the basic metrics to use when evaluating a social marketing campaign. It uses the five steps of the social marketing process —fan acquisition, engagement, amplification, community, and ultimately brand strengthening and sales—as an organizing schema.

It uses the five steps of the social marketing process found in following figure—fan acquisition, engagement, amplification, community, and ultimately brand strengthening and sales—as an organizing schema.

SOCIAL MARKETING PROCESS	MEASUREMENT
Fan acquisition (impressions)	The number of people exposed to your Facebook brand page posts and paid ads (impressions).
	The percentage of those exposed who become fans based on Likes or comments.
	The ratio of impressions to fans.
Engagement (conversation rate)	The number of posts, comments, and responses.
	The number of views of brand page content.
	The number of Likes generated per visitor.
	The number of users who responded to games, contests, and coupons (participation).
	The number of minutes on average that visitors stay on your page (duration).
	The rate of Likes per post or other content (applause rate).
Amplification (reach)	The percentage of Likes, shares, or posts to other sites (the rate at which fans share your content).
Community	The monthly interaction rate with your content (i.e., the monthly total of posts, comments, and actions on your Facebook brand page). The average monthly on-site minutes for all fans. The ratio of positive to negative comments.
Brand Strength/Sales	The percentage (or revenue) of your online sales that is generated by Facebook links compared to other platforms, such as e-mail, search engines, and display ads.
	The percentage of Facebook-sourced customer purchases compared to other sources of customers (conversion ratio).
	The conversion ratio for friends of fans.

At the most elementary level, the number of fans (or followers) generated is the beginning of all social marketing. Visitors become fans when they like your content. In the early days of social marketing, firms put a great deal of emphasis on the size of the fan base, and collecting Likes. This is less important today, as social marketing managers have become more sophisticated. Fan engagement in your content and brand is the first step toward developing a truly social experience, and arguably is more important than simply the number of impressions or the number of fans. Fans that you never hear from are not valuable. Engagement relates to how your fans are interacting with your content, how intensely, and how often. Understanding the kinds of content (videos, text, photos, or posts from fans) that create the highest levels of engagement is also very important.

The ability to amplify your marketing message by tapping into the social network of your fans is also at the core of social marketing. This can be measured very simply as the rate at which fans recommend your content to their friends, and how many of their friends further recommend your content to their friends.

Measuring the strength of a Facebook community is not that much different from measuring the strength of an offline community. In both cases you attempt to measure the collective activities of all in the community. Among your fans, how many actively participate? What is the total number of actions taken by fans in a month? How many minutes of involvement are generated each month? What is the percentage of favorable comments?

Finally, measuring sales that result from social campaigns is also straightforward. First, measure the percentage of sales you receive from the Facebook channel. You can easily measure the number of visits to your website that originate on Facebook, and the sales these visits generate. In addition, you can compare purchase rates (conversion rate) for fans and compare these to conversion rates for non-fans from Facebook. More important, you can compare the Facebook conversion rate to other visitors who come from different marketing channels, such as e-mail, display ads, and blogs.

Facebook marketing has entered its second generation even though it's only a few years old. The emphasis today in social marketing has gone beyond collecting Likes and more toward building engagement with high-quality content that fans want to share with their friends; nurturing stable communities of intensely involved fans and friends of fans; and ultimately turning these communities of fans into communities of purchasers.

There are a variety of Facebook analytics tools that provide valuable information about your Facebook marketing efforts. Facebook Page Insights, provided by Facebook, tracks total Page Likes, People Talking About This (PTAT) (which tracks the number of unique people who have clicked on, Liked, commented on, or shared a post), Page Tags and Mentions, Page Check-ins, and other interactions on a page. It also tracks something it calls Engagement Rate. People are considered to have engaged with a post if they Like it, comment on it, share it, or click it.

Twitter Marketing Tools (Case Study):

Twitter is a micro-blogging social network site that allows users to send and receive 280-character (initially 140 characters were possible) messages, as well as news articles, photos, and videos. Over 90% of Twitter's users access the service on mobile devices. Almost all of Twitter's revenue comes from pop-ads that appear in users' timelines (tweet stream), but Twitter also has many other marketing tools in its quiver. Twitter sells ads based on the content of these user messages. Twitter was designed from the start as a real-time text messaging service. Twitter offers advertisers and marketers a chance to interact and engage with their customers in real time and in a fairly intimate, one-on-one manner. Advertisers can buy ads that look like organic tweets (the kind you receive from friends), and these ads can tie into and enhance marketing events like new product announcements or pricing changes. Twitter is announcing new marketing tools every quarter in an effort to boost its revenues. On the other hand, there may be a limit to how many ads Twitter users will tolerate. Twitter currently have around 325+ million active users.

Most Common Twitter Features:

While most people probably know what a tweet is, Twitter offers marketers many other ways of communicating using Twitter. In fact, Twitter has introduced a whole new vocabulary that is specific to Twitter's platform. Following table shows the most common twitter features.

FEATURE	DESCRIPTION
Tweet	140-character text message. Messages can be private (to a single person or one to one), public (to everyone, one to many), or to a group of followers.
Followers	You can follow someone's tweets and receive them as soon as they are made. Others can follow your tweets.
Message (DM)	A direct private message (DM) is like an e-mail that only you and the recipient can read.
Hashtag #<word>	Like a Twitter search engine, #<word> organizes the conversations on Twitter around a specific topic. Click on a hashtag and you are taken to the search results for that term.
Mention	A public Tweet that includes another user's name "@ username." You can click on mentions and link back to that person's profile. As a public tweet, your followers will be alerted as well.
Moments tab	Curated highlights of what is happening on Twitter at that moment.
Reply	A public response to a tweet using the Reply button. Replies show up on your timeline and that of the person you are responding to.
Timeline	Your timeline is your home page on Twitter listing the tweets you have received in chronological order, the most recent first. Click on a tweet in the timeline and it expands to reveal videos, and photos. Place your mouse over a tweet to reply, retweet, or make it a favorite (which is passed to your followers).
Retweet	Allows you to send along a tweet to all of your followers.
Links	Twitter has a link-shortening feature that allows you to paste in a URL of any link and it will be automatically shortened.

Twitter Marketing Tools:485

There are many kinds of Twitter marketing products, and the firm is creating new ones every few months. The current major Twitter marketing tools includes the following.

1. Promoted Twits: Advertisers pay to have their tweets appear in users' search results. Promoted Tweets are Twitter's version of Google's AdWords. The tweets appear as "promoted" in the search results. Pricing is on a "cost-per-click" basis, based on an auction run by Twitter on the Twitter ad platform and might range from $.50 to $10 per engagement. An "ad carousel" allows up to 12 ads to be shown in a single space, enabling users to swipe through the Promoted Tweets. Promoted Tweets can be geotargeted and also offer keyword targeting that enables advertisers to send the tweets to specific users based on keywords in their recent tweets or tweets with which they have interacted. Promoted Tweets can be plain text or include a single or multiple image, or can include a website card (link to website), basic app card (link to app), or image app card (photo plus link to app). Buy buttons embedded within Promoted Tweets enable users to purchase without leaving Twitter.

2. Promoted Trends: Advertisers pay to move their hashtags (# symbol used to mark keywords in a tweet) to the top of Twitter's Trends List. Otherwise, hashtags are found by the Twitter search engine, and only those that are organically popular make it to the Trends List. Promoted Trends cost about $200,000 a day in the United States and are also available for purchase in 50 different countries.

3. Promoted Accounts: Advertisers pay to have their branded account suggested to users who are likely to be interested in the account in the "Who to Follow" list, Twitter's account recommendation engine, on the Twitter home page. Promoted Accounts can be targeted by interest, geography, and gender, and are priced on a cost-per-follower basis, with advertisers paying only for new followers gained.

4. Enhanced Profile Page: Companies get their own banner and the ability to pin a tweet to the top of the company's timeline.

5. Amplify: The Twitter Amplify program provides marketers with a real-time digital dashboard so they can see the resulting tweet activity about the show or the brand. Based on this information, marketers can send Promoted Tweets to users who tweeted about a show. They can alter the copy as well based on other information about the tweeters. For example, Jim Beam used Amplify to promote its new Jim Beam Red Stag brand of premium bourbon. The intent was to increase brand awareness, purchase intent, and user engagement. The strength of Twitter, according to Jim Beam marketers, is that it allows the brand to be a part of a real-time conversation, as opposed to Facebook, which is better at reaching a mass audience but not at engaging consumers in real time. The power of social media, including Facebook, is finding consumer advocates who will speak on behalf of the brand.

6. Promoted Videos: In 2014, building on the Amplify program, Twitter announced a beta test of Promoted Video, which allows advertisers to distribute video on the Twitter platform. In 2015, Twitter began allowing advertisers to use Promoted Video to link directly to app installations and also added an ad purchasing feature for videos called "optimized action bidding" that enables marketers to customize ad purchases to improve return on investment.

7. Television Ad Retargeting: Millions of users' tweet with their friends while watching television, and Twitter can follow the conversation to identify who is watching a particular show. Marketers displaying TV ads can retarget those ads or other messages to tweeters in real time to reinforce their marketing message.

8. Lead Generation Cards: Marketers can embed a "card" into a tweet. When users click on the tweet, a promotional offer appears and users are asked to sign up. Cards are different from display ads because they are used only by businesses who want to develop new leads, and they always include an offer, such as 50% off your next cup of coffee. This is a one-click process. The users' e-mail and Twitter account names are automatically obtained by Twitter and sent to marketers, who can then follow up with a tweet or an e-mail.

9. Mobile Ads: Because over 90% of Twitter users access Twitter on a mobile device, most of the above referenced marketing tools can be considered mobile ads tools. Mobile is also proving to be the primary driver of Twitter's business and the source of most of its revenue.

Following table contains the summary of different twitter marketing tools:

TWITTER MARKETING TOOLS	DESCRIPTION
Promoted Tweets	Advertisers pay to have their tweets appear in users' search results and timelines. The tweets appear as "promoted," and the pricing is on a per-click basis, based on an auction run on the Twitter ad platform. Promoted Tweets can be both keyword- and geo-targeted and can include images and well as links (cards) to websites and apps. An "ad carousel" allows up to 12 ads to be shown in a single space, enabling users to swipe through the Promoted Tweets. Buy buttons embedded within Promoted Tweets enable users to purchase without leaving Twitter.
Promoted Trends	Advertisers pay to move their hashtags (# symbol used to mark keywords in a tweet) to the top of Twitter's Trends List. Otherwise, hashtags are found by the Twitter search engine, and only those that are organically popular make it to the Trends List.
Promoted Accounts	Advertisers pay to have their branded account suggested to users likely to be interested in the account in the "Who to Follow" list, Twitter's account recommendation engine, available on the Twitter home page. Promoted Accounts can be specifically targeted and are priced on a cost-per-follower basis.
Enhanced Profile Pages	Companies can get their own banner to display images and the ability to pin a tweet to the top of the company's timeline.
Amplify	A real-time digital dashboard connecting television commercials and tweet activity.
Promoted Video	Advertisers can use distribute videos on the Twitter platform and use Promoted Videos to link directly to app installlations.
TV Ad Retargeting	Tweeting viewers of TV shows with the same ads targeted at them on a show they are watching.
Lead Generation Card	Promotional offers that appear in users' Twitter timeline of messages with a coupon or other offer. Used for lead generation.
Mobile Ads	All of the above formats delivered on mobile devices, as well as mobile app install and app engagement ads.

Starting a twitter marketing Campaign:

A typical marketing campaign for Twitter may include the following elements:

- Establish a Twitter account. Start following others you are interested in or conversations that you might want to participate with #<topic>. Don't expect any followers at first. Your visibility rises as you follow others, who will begin to tweet back or retweet interesting content. Then start retweeting content you think the group would be interested in, and start encouraging ongoing conversations.
- Try a simple Promoted Tweet. Twitter has a very good online ad facility that will allow you to define an ad, establish the groups you would like to target, and understand the costs. You might start with a regional or metropolitan Promoted Tweet. Test various formats. You don't have to pay for Promoted Tweets unless someone clicks on the tweet, so it is up to you to make those clicks count. Direct users to your website and offer a coupon or discount.
- Promoted Trends can be very expensive—around $200,000. If your budget will allow, and your topic is of general interest to a large audience, you can try this tool. Geo-targeting is possible.
- TV ad retargeting is obviously a big business tool for media companies that have television content and television ads. Retargeting these to the Twitter community strengthens the overall brand image, and can direct people to the firm's website.
- Lead Generation Cards are something that small and medium-sized businesses can use. If you sell anything locally, from pizza to stationery, make up an offer and build a Lead Generation Card specifying the geo-location where your business is located.

Following are some examples of twitter marketing campaign organized by different companies:

COMPANY	MARKETING CAMPAIGN
Lowe's	Fix in Six campaign used animated six-second videos displaying quick home improvement tips.
Samsung	Samsung Galaxy users could recharge their phones by tweeting #PowerOn at SXSW festival, which would prompt a Samsung bike messenger to deliver a new battery to that location.
NFL	Promoted live streaming of NFL games on Verizon devices using the #FOMOF campaign (Fear of Missing Out on Football).
Netflix	Used the hashtag #BeLikeDerek to promote its new show, *Derek*.
Bravo	Used a Twitter social voting campaign on its *Top Chef* cooking show to determine the final competitor in the show's finale in its tenth season.

Measuring Twitter Marketing Results:

Using twitter analytics. (analytics.twitter.com)

Measuring the results of Twitter marketing is similar to measuring the results of Facebook and other social marketing platforms, with some minor changes to account for the unique qualities of Twitter. Following table shows the major ways to analyze the twitter marketing results.

SOCIAL MARKETING PROCESS	MEASUREMENT
Fan acquisition (impressions)	The number of people exposed to your Promoted Tweets, Promoted Trends, etc. (impressions). The number of followers and monthly growth.
Engagement (conversation rate)	The number of comments, responses to, and retweets of, your tweets. The number of views of brand page content. The number of users that responded to games, contests, and coupons (participation). The number of minutes on average that followers stay on your page (duration).
Amplification (reach)	The rate at which fans retweet or otherwise share your tweets.
Community	The monthly interaction rate (i.e., the monthly total of comments and responses to, and retweets of, your content). The average monthly onsite minutes for all followers. The ratio of positive to negative tweets.
Brand Strength/Sales	The number of leads generated (people who sign up for news or content). Visitor/lead rate: the number of visitors that become leads to compare campaigns.

Third-party tools include TweetDeck, which enables you to track mentions, people, and keywords; Twitalyzer, which provides one-click access to Twitter metrics that analyze followers, mentions, retweets, influencers, and their locations; and BackTweets, which allows you to search through a tweet archive for URLs sent via Twitter.

Pinterest Marketing Tools (Case Study):

Pinterest provides users with an online board to which they can "pin" interesting pictures. The success of Pinterest is based in part on a shift in consumer behavior enabled by new technologies: people talk about brands using pictures rather than words. Large numbers of users are pinning and instagramming about their lives using pictures.

Pinterest has been one of the fastest growing sites in online history. In 2010, Pinterest had 10,000 users, then 12 million by the end of 2011, and 150 million by 2016. Pinterest's visitors are overwhelmingly female: about 75% are women, but men were its fastest growing demographic in 2015, and its users cover a broad age demographic range from grandparents to teenagers. The hope for marketers, and Pinterest, is that its "referral capacity" (the ability to direct users to retail websites where they can purchase something) will rapidly increase as its audience grows and intensity of use grows.

You can think of Pinterest as a highly interactive and social online magazine. One difference, of course, is that users (including business firms) contribute all the photos. The site currently has 36 categories of boards from gifts, animals, art, cars, and motorcycles to crafts, food, and men's and women's fashion. Users can pin to these boards, create their own boards, and follow other pinners and boards as well.

One way to look at the billions of pictures on Pinterest is as disguised display ads—click, and off you go to a brand website for a purchase. Pinterest pins are much better than display ads because they are unobtrusive, and because they don't look like display ads. Instead, they look like sumptuous catalog or

magazine photos. In the future, analysts believe, Pinterest could charge an affiliate fee for any subsequent purchases. Pinterest could also charge businesses for creating brand sites or boards, which currently are free.

Following table shows some of the basic Pinterest features.

FEATURE	DESCRIPTION
Pins	Used to post a photo to a Pinterest board.
Board	An online scrapbook where photos are organized by the user.
Repins	The ability to pin the photos of other users to your own boards, and to share with your friends.
Hashtags and keywords	Use <#hashtags> in the description of your pins, e.g., #style, #cars, #sports cars. Use keywords people are likely to use when searching for specific content.
Share	Sharing your pinned photos with friends. Options: Twitter, Facebook, e-mail, embed.
Image Hover	A widget you can add to your browser. When your mouse hovers over an online image, the Pin It button pops up and you can pin the photo automatically to your Pinterest boards.
Embed	Code that allows you to embed your pinned photos into your blog automatically.
Me+ Contributors	Allows others to contribute to your boards (only if they are already a follower of yours).
Follow	Users can choose to follow other pinners and boards and receive e-mail updates.
Number of Pins and Followers	A count of the number of pins and the number of followers visible at the top of the brand page.
Link to URL; Link to pinner	Click on the URL of the company who pinned a photo; click on a link to the person who pinned a photo.
Price display	Hover over a product and a display pops up with the price and model information.
Integration with Facebook and Twitter	Login from Facebook, Twitter, and other social sites. Your personal profile (but not your photo) information from Facebook comes over to Pinterest; your pins go onto your Facebook Timeline. Twitter and Pinterest profile pages are also integrated.
Pin It browser button (bookmarklet)	Browsers' red Pin It button. Users drag the button onto their browser screen, allowing them to instantly pin photos they see on the Web.
Apps	Smartphone and tablet apps that allow users to pin photos, browse pins and boards, get ideas while shopping, and display pins.
Pinterest widget	Pin It button on your brand page that makes it easy for people to pin images from your site.

MARKETING TOOL	DESCRIPTION
Rich Pins	Rich Pins enable advertisers to include extra information directly on the pin itself. There are six types of Rich Pin: Product, App, Place, Article, Movie, and Recipe. Product Pins include real time pricing, availability and link to where the item can be purchased. App Pins include an install button that allows a user to download an app without leaving Pinterest. Place Pins include a map, address, and phone number. Article Pins include a headline, author, and story description.
Promoted Pins	A way to promote pins to a targeted audience, and pay for click-through to your website.
Cinematic Pins	A made-for-mobile ad format that displays a short animation when the user scrolls down through the ad; only plays a full-length version when the user clicks on the ad, providing more user control over the experience.
Buyable Pins/Shop Our Picks	Eligible merchants can create Buyable Pins that allow users to purchase product featured in pin without leaving Pinterest. Shop our Picks feature highlights hand-picked items for users to consider purchasing.
Promoted Video	Uses Pinterest's new native video ad player to allow marketers to run video ads.
Add Pin It or Follow button to your website (Pinterest widget)	Makes it easy for visitors to pin photos from your website, and be notified when you post new photos to your site.
Pin as display ad	Pinned photo acts as a display ad by directing users back to a firm's website.
Brand page	Allows companies to create a corporate brand page. In the past, Pinterest did not distinguish between a personal page and a corporate brand page.
Create theme-based boards to reflect your brand messaging	Pinterest recommends that business boards not be strictly sales-oriented, but lifestyle-oriented instead.
URL Link to stores	Makes it easier for consumers to click through links on brand pages and product pins so they can reliably purchase what they see. The goal is to integrate photos of inventory with Pinterest to make items more easily tracked. What this means is retailers can see a definite link between a sale and a photo they pinned. Currently, after thousands of repins, clicking on the URL sometimes leads to a broken link.

Integration with other social sites	Ask your Facebook fans and Twitter followers to pin photos of your products and tag you. Repin these photos to your brand page on Pinterest. Give a shout-out to your loyal users and fans to show potential customers how much current users like using your product.
Network with users, followers, and others	As with Facebook and Twitter, comment, mention, and communicate with others using Pinterest. Participate in the community and you will become better known, and learn more about potential customers and what they believe and to what they aspire.

Location Based Marketing Tools (Google AdSense) : Students are requested to study online about it.