

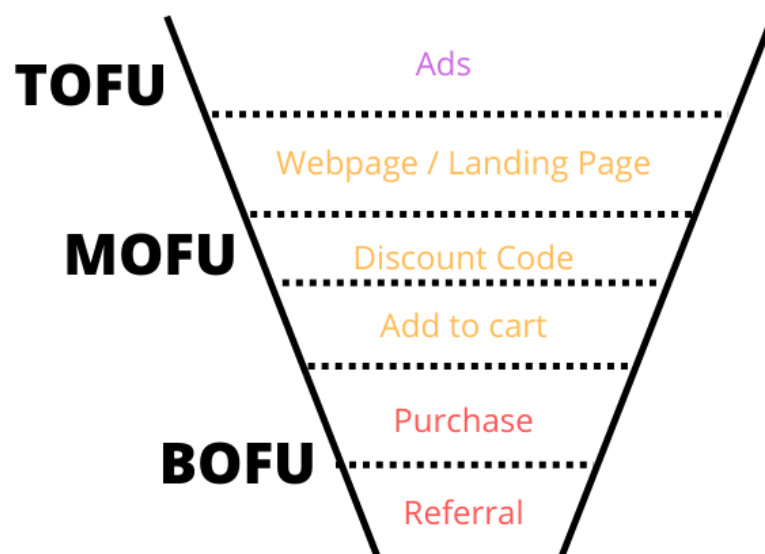
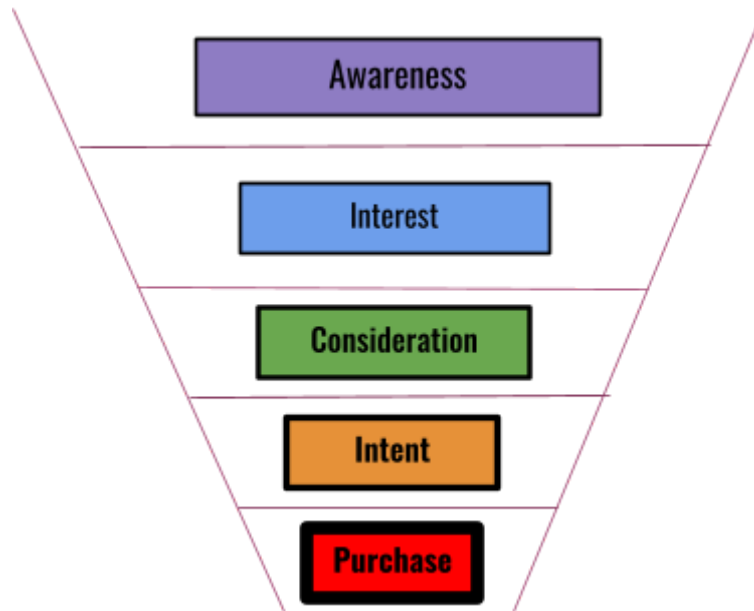


# DIGITAL MARKETING PRO COURSE

## Milestone 1: Fundamentals of Digital Marketing

### Live Class 5: The Role of a Website in Marketing

#### Marketing funnel :



**TOFU** - Top of the funnel

**MOFU** - Middle of the funnel

**BOFU** - Bottom of the funnel

**Impressions = Total number of views**

**Reach = Individual people**

Example: Kaustabh, a performance marketer for Nike runs an Ad that had an impression of 10 lakh and a reach of 5 lakh. So how many people saw the Ad? How many times did they see it?

- **Frequency = Impressions / Reach**

That is, how many times people saw the Ad.

10,00,000 / 5,00,000

= 2

So, around 5,00,000 people saw the Advertisement. This means that an average of 5 lakh people saw the ad 2 times each.

**Rule of 21** - If a person sees something 21 times it is bound to stick in their mind for the long term.

If **Nike** shows a particular target customer their Ad 21 times, they are very likely to remember it forever.

The **Frequency** of the Ad can be used to track the effectiveness of the ads based on the Company's objective. If the company wants to just increase awareness amongst people they would want a lower frequency. However, if the ads are being run for a branding purpose so that people get to know and remember the company then the frequency would be higher.

**CPM = Cost per mile OR Cost per thousand impressions**

**CPC = Cost per click**

**The difference between Facebook and Google advertisements:**

Facebook charges an advertiser for every time that an Ad is seen by someone (for every impression). Whereas Google will charge someone only when someone clicks on the Ad.

But it is also important to note that the number of clicks is not equal to the number of landing page views. There will always be drop-offs between the process of clicking and reaching the landing page.

This phenomenon is nothing but **Bounce Rate** (no. of drop-offs between the stage of clicking and reaching the landing page)

**Cost per landing page view**

**CPLV = total amount spent on advertisement / no. of landing page views**

If you spend 1000 rupees on advertisements and get 25 landing page views. Your cost per landing page view is 40 rupees. (1000 / 25)

**Click through rate**

**CTR = no. of clicks / no. of impressions**

\*We consider impressions here and not reach because a single person can click on the ad multiple times as well which would lead to inaccurate results.

If 1000 people see your ad, but only 50 visit your landing page. So  $50/1000 = 5\%$

Therefore CTR is 5%.

In the MOFU stage, this same formula can be applied to check how many people visit your landing page and how many people interact (click through) and move on to the next stage which is nothing but “Add to Cart” (refer funnel image above for reference).

The formula used here would be:

**CTR = No. of add to cart / No. of landing page views**

### **Conversion rate**

**CVR = no. of purchases / no. of added to cart**

The formula for Conversion rate can change according to the nature of the product.

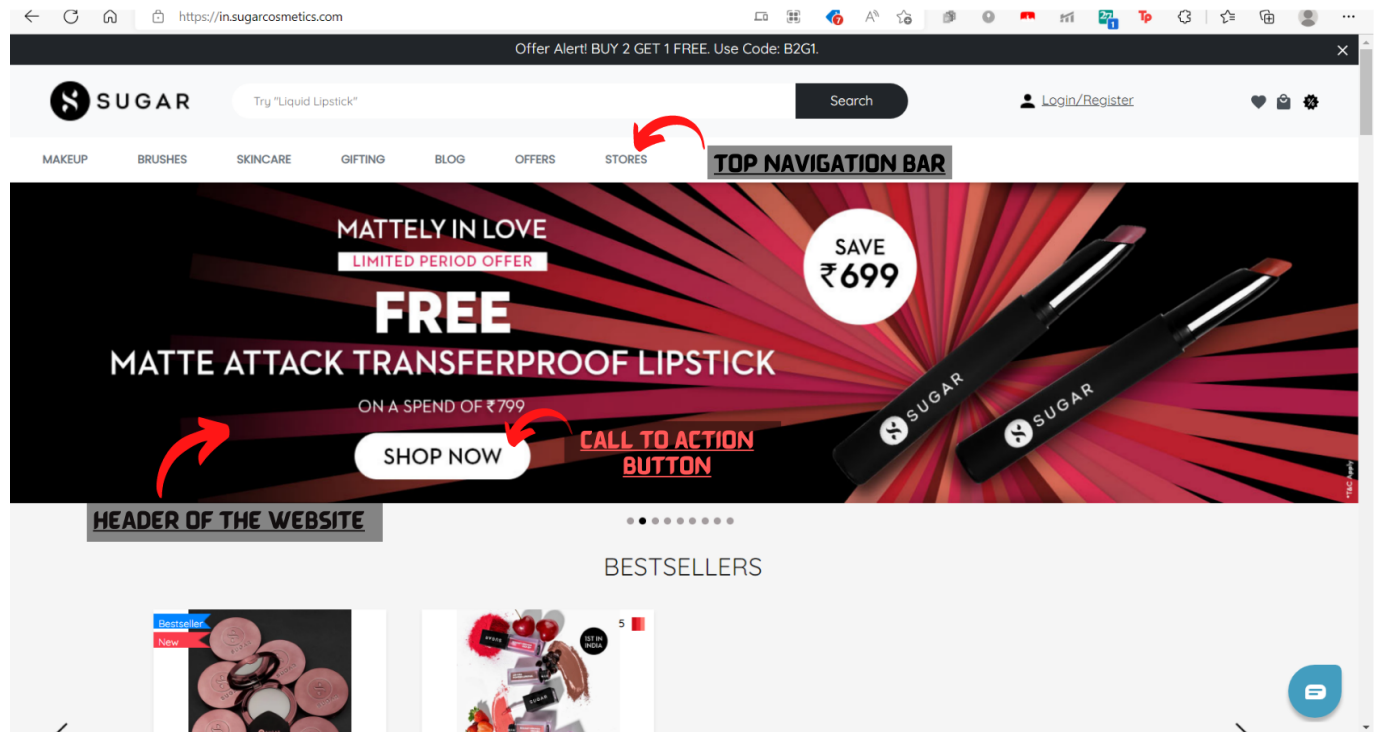
E.g - In MyCaptain's case, the conversion rate will be = No. of leads generated / No. of registrations

Leads generated would be the people who filled the initial form and registrations is the number of people who paid for the course.

**Avg Landing page visits** - If 100 people come to the website, but there were 400 landing page visits within the website. So  $400/100 = 4$  is the average number of landing page visits.

## Website Analysis

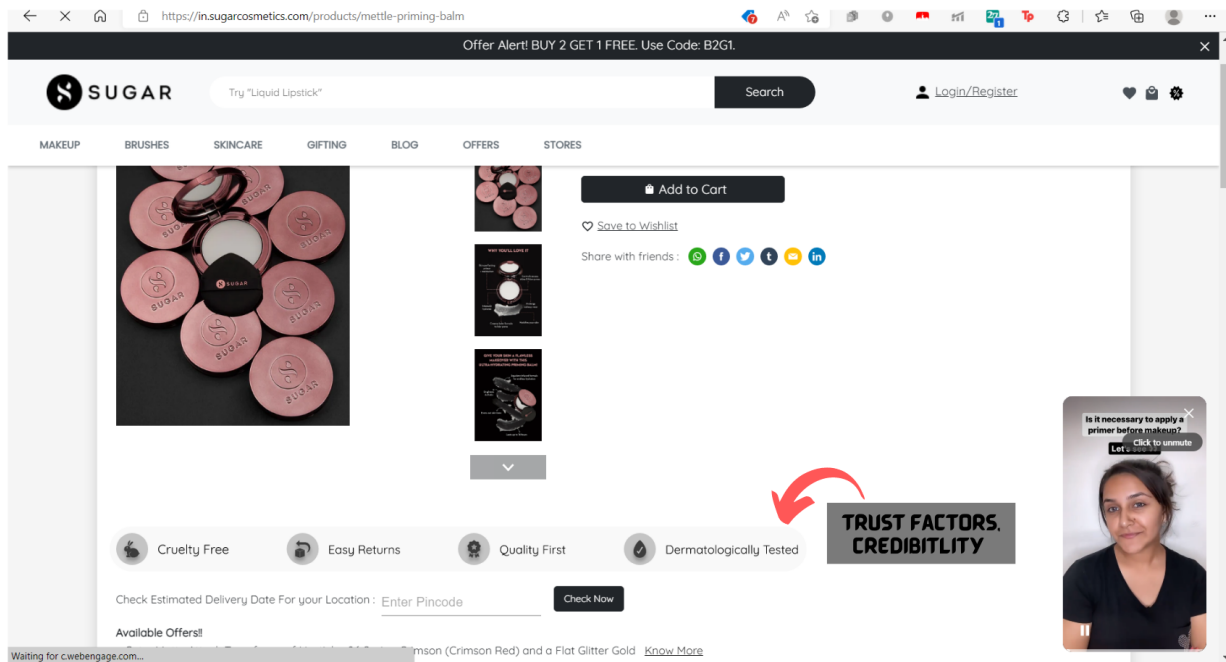
**Sugar Cosmetics** - [Buy Beauty Products at SUGAR Cosmetics Online Store](https://in.sugarcosmetics.com)



The header of the website has a carousel that has banners which display mostly pack offers that have signals like FOMO, credibility signalling, discount signalling, etc.

The wording of the call to action button is done in such a way so as not to impose a feeling of finality upon the visitor. The tone of the button should merely be exploratory and exciting.

Example - If the call to action button says “**buy now**” directly from the header of the website, people are less likely to click on it as it creates a feeling of being rushed without having all the information. Simply changing the words to ‘shop now’ or ‘know more’ makes them feel excited and creates an exploratory feeling to discover further details and other items.

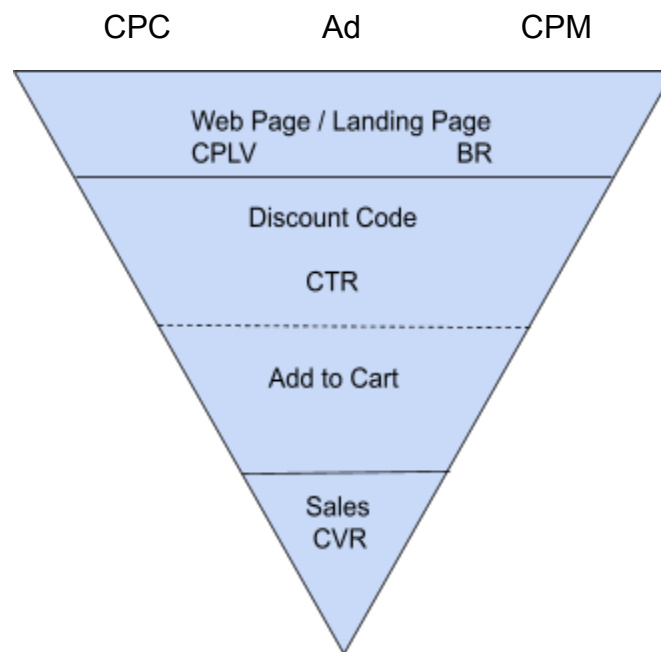


These credibility and trust signals help establish a feeling of truth & security in the company.

A source of credibility on the website helps the consumer establish trust in the product. Credibility signals can be in any form, ranging from certifications, endorsements, celebrity brand ambassadors, etc.

Engagement is always beneficial for the brand, increasing the average session time of an individual can greatly increase sales. In this case, the website has used various tools like a beautified home page and header, a live youtube video has also been added on the screen (bottom right), etc.

## Marketing Funnel and related Metrics



### Important Metrics to remember:

1. **Impression:** Total number of Views. It is also referred to as an "ad view."

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2. **Reach:** Total number of individuals who have seen your ad or content.

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3. **Frequency:** How many times an individual has seen your ad or content?

$$\text{Frequency} = \text{Impression} / \text{Reach}$$

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4. **Cost per Click:** It shows how much you pay when your ad is clicked. CPC is used to assess the cost-effectiveness of an ad campaign.

$$\text{CPC} = \text{Ad costs} / \text{Number of clicks}$$

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5. **Cost per Mille (thousand impressions):** It refers to the rate that an advertiser has agreed to pay per 1,000 views of a particular advertisement.

$$\text{CPM} = (\text{Total Amount Spent} / \text{Total Measured Ad Impressions}) \times 1,000$$

6. **Cost per Landing page View:** It shows how much you pay for the search engine when a prospective customer enters your website's landing page.

$$\text{CPLV} = \text{Cost of an ad} / \text{Total number of Landing page views}$$

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7. **Bounce Rate:** The percentage of visitors that leave a webpage without taking an action.

$$\text{BR} = (\text{No. of single-page sessions} / \text{No. of total sessions on the site}) \times 100$$

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8. **Click Through Rate:** It is the ratio of users who click a link to the total number of users who view it.

$$\text{CTR} = \text{Number of clicks} / \text{Number of impressions} \times 100$$

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9. **Conversion Rate:** This metric indicates the number of users that saw your ad and took action as a result.

$$\text{CVR} = \text{Number of purchases} / \text{Number of add-to carts} \times 100$$

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10. **Open Rate:** Number of people who opened the email/message
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11. **Average Session Duration:** Time spent on the website
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12. **Abandon Rate:** The percentage of abandoned carts in a business.

$$\text{AR} = \text{No. of abandoned shopping carts} / \text{No. of initiated actions} \times 100$$

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13. **Customer Retention Rate (CRR):** The customer retention rate is also called reversed customer churn.

$$\text{CRR} = (\text{No. of customers at the end} \times \text{No. of customers acquisition} / \text{No. of customers at the beginning}) \times 100$$

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14. **Cost per Acquisition:** It gives you an estimate of how much your new customers are costing you.

$$\text{CPA} = \text{Total cost of a campaign} / \text{Number of conversions}$$