

## Direct, Online, Social Media, and Mobile Marketing

**Figure 16.1** Social media marketing through Pinterest, Twitter, and other platforms is one way to reach consumers. (credit: "Growing Social Media" by mkhmarketing.wordpress.com/about/flickr, CC BY 2.0)

### Chapter Outline

- 16.1** Traditional Direct Marketing
- 16.2** Social Media and Mobile Marketing
- 16.3** Metrics Used to Evaluate the Success of Online Marketing
- 16.4** Ethical Issues in Digital Marketing and Social Media



### In the Spotlight

When Dominik Richter, Thomas Griesel, and Jessica Nilsson launched meal-kit provider **HelloFresh** in October 2011, they did what many successful entrepreneurs seek to do: disrupt a market. While the idea of not having to plan and shop for dinner meals seems enticing for consumers, changing consumer behavior is a challenging task.

HelloFresh needed to convince consumers to stop planning and shopping for meals the way they've always done it. The founders recognized that they needed the right combination of traditional direct and online direct marketing tools to persuade consumers to make a hard pivot.

It [starts with the HelloFresh website \(<https://openstax.org/r/mealkitdelivery>\)](https://openstax.org/r/mealkitdelivery), which offers a beautifully designed, user-friendly experience that makes customizing meals, scheduling delivery, and placing orders easy and secure. HelloFresh also uses social media to drive visitors to respond to a variety of calls to action. For example, website visitors are presented with a variety of offers aimed at persuading them to try HelloFresh, including free shipping, surprise gifts, and free meals.

HelloFresh also recognizes the power of direct mail by sending offers similar to those presented on its website and social media to targeted consumers at home via the US Postal Service. It's clear that there is integration between HelloFresh's digital messaging and its direct mail pieces.

HelloFresh has certainly reaped the rewards of an excellent direct and online direct marketing strategy. In 2021, HelloFresh led the market with more than 7.2 million subscribers.<sup>1</sup>

Check out these additional resources about Hello Fresh:

- [Hello Fresh Instagram \(<https://openstax.org/r/instagramhellofresh>\)](https://openstax.org/r/instagramhellofresh)
- [Hello Fresh Twitter \(<https://openstax.org/r/twitterhellofresh>\)](https://openstax.org/r/twitterhellofresh)
- [Hello Fresh LinkedIn \(<https://openstax.org/r/linkedincreview>\)](https://openstax.org/r/linkedincreview)
- [Consumer Affairs Reviews \(<https://openstax.org/r/foodhellofresh>\)](https://openstax.org/r/foodhellofresh)
- [Taste of Home Review \(<https://openstax.org/r/articlehellofreshmeal>\)](https://openstax.org/r/articlehellofreshmeal)

## 16.1 Traditional Direct Marketing

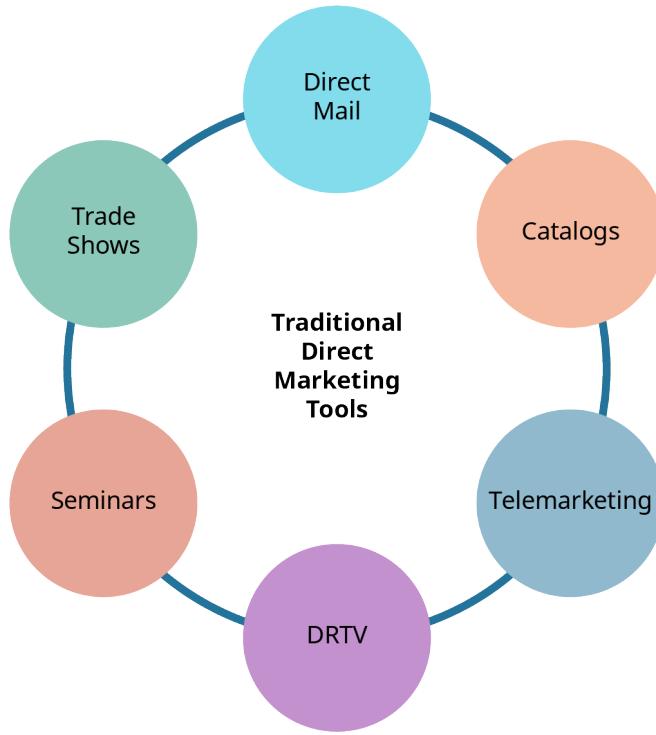
### Learning Outcomes

By the end of this section, you will be able to:

- LO 1** List and describe the various forms of traditional direct marketing.
- LO 2** Explain how the digital age has impacted direct marketing.

### Forms of Traditional Direct Marketing

**Direct marketing** involves using communication tools to engage directly with individual consumers for the ultimate purpose of calling them to take some marketing action (see [Figure 16.2](#)). That action can be a consumer visiting a website or calling a phone number. Ultimately, the goal is to motivate the consumer to make a purchase. If you've received a catalog in the mail or caught yourself watching an entire infomercial about the newest kitchen gadget or gym equipment, you've experienced traditional direct marketing as a consumer.



**Figure 16.2** Types of Direct Marketing (attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)

### Direct-Mail Marketing

Direct mail arrives in people's homes every day and is typically delivered by the US Postal Service. When marketers use **direct-mail marketing**, they communicate promotional messages and offers directly to people's homes or places of business. Examples of direct-mail marketing include postcards featuring an offer, discount, or coupon code. Seasonal catalogs and glossy look books that present the latest fashions are

additional examples.

Like all forms of direct marketing, direct mail is designed to call the consumer to take an action, whether it's to visit a website, scan a QR code, or call a phone number. It also is highly targeted in that companies can send mail based on demographic characteristics such as age, income, zip code, and buying behavior.

Direct mail has some key advantages over other forms of promotion. First, as consumers are inundated with digital messages, direct mail offers the opportunity to stand out and capture attention. Even mostly digital-facing companies like **Warby Parker** (see [Figure 16.3](#)) and **Casper** (mattresses) have added direct mail to their promotion portfolios in an attempt to stand out from other brands.



**Figure 16.3** Warby Parker utilizes direct marketing as a way to reach consumers. (credit: "Warby Parker Sunglasses" by Christopher Fields/flickr, CC BY 2.0)

Direct mail also reaches an entire household of people. This is an important advantage for product categories where household members typically discuss and decide on a product together.

Finally, direct mail has the characteristic of lingering. Other forms of promotion, such as advertising and email marketing, don't have as long a life span as direct mail. According to **RetailWire**, the average life span of a direct mail piece is 17 days, which means that a household may review that message repeatedly over the life of the mail piece.<sup>2</sup>

The major disadvantage of direct mail is that many consumers consider it to be junk and throw it out without even reading the offer. Also, mail can take time to land in homes. Although the US Postal Service offers speedier delivery options, these come at an increased cost.

### Catalog Marketing

**Catalog marketing**, also known as direct mail order, dates back to the 19th century and is one of the oldest forms of promotion. Catalogs typically include a variety of products that are often vividly displayed in a high-gloss magazine-like format.

Companies such as **Lands' End** and **IKEA** have long used catalogs to entice consumers to call the phone number or visit the website displayed on the catalog. The call to action is precisely what makes catalog marketing direct marketing. Consumers are presented with vivid product images and an offer such as free delivery or 20 percent off if the consumer responds to the call to action.

According to a 2020 article published in **Harvard Business Review**, catalogs are making a comeback. Consumers report being excited to receive a catalog. In fact, response rates for catalogs have jumped 170

percent over the last decade.<sup>3</sup>

Unlike emails and advertisements, catalogs remain in consumer homes long after they arrive. Companies like **Target** and **Amazon** have used catalog marketing to connect with customers and present featured products across the seasons.

### Telemarketing

**Telemarketing** is a form of direct marketing that involves a company representative placing or answering customer calls for the purpose of guiding a consumer toward making a purchase. During the calls, the representative or agent typically communicates offers to potential customers. Like other forms of direct marketing, the goal is to motivate the consumer to take some action, such as making a purchase or setting up a follow-up appointment.

Telemarketing can be outbound or inbound. With outbound telemarketing, a company representative contacts the prospective customer directly by phone. With inbound telemarketing, demand for the product or service is generated through other channels such as advertising, email, or direct mail. In response to messages delivered through these channels, the customer is motivated to contact the company directly regarding the product or service.

Companies that manage large volumes of calls typically use a **call center**, which is a centralized space where agents answer inbound calls and place outbound calls. The call center serves as the centralized location where customer information is collected or confirmed and then the customer is directed to the right product or service representative. With the explosion in the use of smartphones to search the web, consumers can direct dial from any web page that presents a phone number for contacting the company. Many inbound calls are routed to agents who are located offshore in India and other countries.

Car dealerships often use telemarketing in combination with online direct marketing tools to connect with buyers who show interest in a vehicle listed in the dealership's online inventory. The dealership website may invite consumers to complete a form, after which a sales representative will call the consumer to set up a test drive appointment or answer questions about availability.

Telemarketing can be effective in cases where the consumer expects a phone call. The explosion of unsolicited phone calls from telemarketers, however, has led to a rise in regulation around this direct marketing tool. In 2003, the US government created the National Do Not Call Registry, which bans unsolicited telemarketing calls.<sup>4</sup> Consumers must opt in and give permission to be called by a company. Businesses that do not comply with the law face a hefty fine for violations.

### Direct-Response TV (DRTV)

**Direct-response television marketing** is a type of direct marketing that is designed to compel viewers to take some immediate action, such as calling a phone number or visiting a website presented during a television commercial. The commercials typically involve a persuasive demonstration of a product, after which consumers are provided with a toll-free number or a website to order. The television stations QVC and HSN are excellent examples of DRTV, selling everything from apparel to appliances.

#### LINK TO LEARNING



#### DRTV in Action

This movie clip from the film *Joy* starring Jennifer Lawrence as real-life entrepreneur Joy Mangano shows DRTV in action.

[Click to view content \(<https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing>\)](https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing)

## marketing)

DRTV commercials often run 60 or 120 seconds but can be shorter. DRTV commercials that run for 30 minutes or longer are called infomercials. **Dollar Shave Club** has garnered 27 million views of its famous direct-response television commercial featuring founder Michael Dubin hilariously identifying all the problems with traditional shave products (see [Figure 16.4](#)). The commercial features the website domain several times and a clear call to action to the consumer to visit the site to learn more.



**Figure 16.4** DRTV marketing compels consumers to take action and is used by the Dollar Shave Club, QVC, and HSN. (credit: "Shave of the Day, 08/21/09" by Dharion/flickr, CC BY 2.0)

Infomercials often feature a spokesperson promoting the benefits of a product. In many cases, there is a persuasive demonstration of the product, and viewers are called to “act now.” Some of the most well-remembered infomercial products include the Snuggie, Magic Bullet, and **Proactiv**. A carefully executed commercial coupled with the right product can generate billions of dollars for companies. Proactiv, for example, which was rebranded as Alchemee in 2022, generated \$1 billion in sales in 2020 from its famous acne skin-care line.<sup>5</sup>

Because it offers the advantage of capturing customers in real time and because it’s easy to measure, DRTV continues to be an effective direct marketing tool.

### Seminars

**Seminars** allow companies to share their expertise and knowledge related to a topic, issue, or industry. These can be done in person or virtually and are a great tactic for developing trust and building relationships with consumers. They have additional advantages that include building greater brand awareness and introducing new products or services, and they may ultimately lead to increased sales.

### Trade Shows

**Trade shows** are exhibition events that provide companies the opportunity to present themselves and their products and services to industry peers. Trade shows are suited for the business-to-business (B2B) market and are sponsored and hosted by industry trade organizations. They are an excellent way for industry professionals to network and grow their businesses. They are also wildly popular. For example, one of the most popular trade shows, Consumer Electronics Show, or CES, attracts thousands of companies that showcase their latest technology. This trade show serves as an intersection for industry professionals in the health, gaming, and automotive spaces, and participants include tech companies such as **Google**, **Microsoft**, and **E3**, among others.

Companies that participate in trade shows can benefit in the following ways. First, trade shows allow company representatives to visit with existing customers to grow current sales and further solidify their partnership. They also give companies a chance to connect with and present to new buyers.

Every year, MailCon brings together marketing professionals, brands, and agencies to discuss the latest trends in email technology, strategy, and automation. Major brands like [Wayfair](#), Girl Scouts of the USA, [Ford Motor Company](#), and [A&E Networks](#) gather to network and learn about advancements in the email marketing space.<sup>6</sup>

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#### Digital Marketing

Digital marketing reaches customers where they are at—online. HubSpot answers some of the most common questions it gets about [digital marketing in this article \(https://openstax.org/r/marketingwhatisdigitalmarketing\)](https://openstax.org/r/marketingwhatisdigitalmarketing).

### How Has the Digital Age Impacted Marketing?

The digital age has changed the way marketers engage with customers and build relationships. While the traditional channels of print, television, and radio certainly present advantages, the digital age has created opportunities for marketers to engage with consumers in a highly personalized and interactive way.

#### Online Direct Marketing Defined

While traditional forms of direct marketing center on engaging directly with consumers through channels like mail and television, **online direct marketing** uses a rich collection of digital tools to target individual consumers with an offer that requests a response or action. The online direct marketing tools covered in this section include website marketing, email marketing, content marketing, online video marketing, blogs, and online forums.

[LendingTree](#) is a great example of a fintech (financial tech) company disrupting the traditional banking industry. LendingTree has revolutionized the way consumers and banks participate in the lending process. It excels at matching consumers searching for financing with banks looking for qualified customers. It is LendingTree's digital marketing tools that make this matching process possible.

A consumer who searches the web and lands on LendingTree's website is invited to compare quotes and plans that are tailored to their age, income level, and location by filling out an online form. LendingTree then displays consumer-relevant plans and quotes based on their demographics and follows up with an email inviting consumers to view offers from financial institutions. If the customer is a Gmail user, consumers may then see digital ads later on sites like [YouTube](#) and in their Gmail inbox.

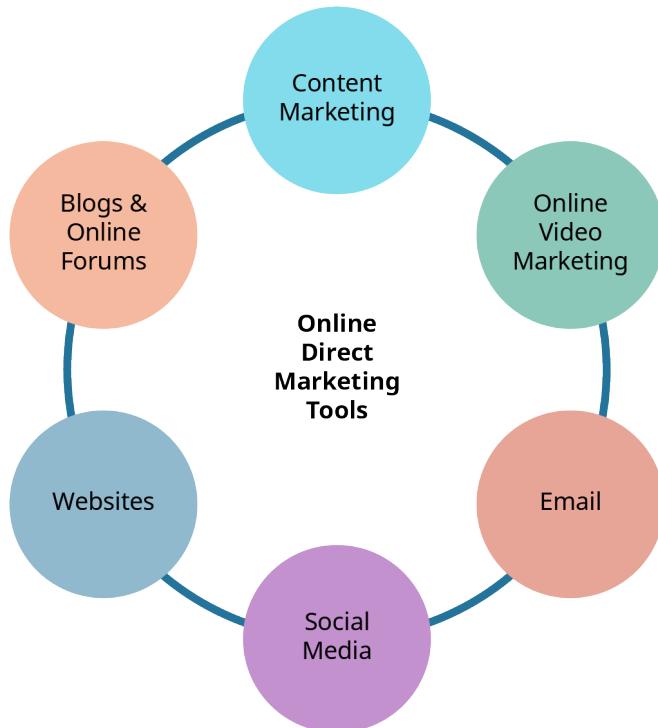
### Direct Meets Digital: The Evolution of Direct Marketing with Technology

The explosion in internet usage and online shopping coupled with the evolution of digital technologies has resulted in the emergence of online direct marketing. While traditional forms of direct marketing remain important for engaging with consumers, the channel has evolved as technology has evolved. With 3.5 billion smartphone users worldwide, marketers recognize the value in engaging with consumers through mobile devices. In the United States alone, 65.6 percent of Americans report that they check smartphones 160 times a day.<sup>7</sup>

In response to the explosion in smartphones and internet usage, online direct marketing is getting a larger share of advertising spend. In 2020, advertisers spent \$139.8 billion on digital marketing, and that number is expected to grow to \$200 billion by 2025.<sup>8</sup>

## Forms of Online Direct Marketing

There are several online direct marketing tools that can be used (see [Figure 16.5](#)). Let's take a look at each tool in the following section.



**Figure 16.5** Online Direct Marketing Tools (attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)

### Website Marketing

**Website marketing** is the promotion of a website that results in driving traffic or visitors to the site to learn more about the product or company or to make a purchase. The purpose of website marketing is to attract online shoppers who may be interested in a company's product or service offering.

Developing a website is one of the most important steps a company can take to establish a digital presence online. Websites serve a variety of purposes. Some are designed to nurture consumers and guide them toward making a purchase while others are designed to facilitate transactions. For example, car manufacturers like [Toyota](#) and [Honda](#) use their websites to deliver details and options related to their product lines. Consumers can use interactive tools to change out features and colors based on their preferences; however, consumers would likely visit a dealership to make the actual purchase.

Amazon.com is designed to allow third-party sellers to share product details, reviews, and product comparisons. Its purpose is to facilitate a purchase transaction in which the consumer buys something directly from the site. [Shopify](#) has recently emerged as the “anti-Amazon” by offering sellers more than a dozen services ranging from e-commerce websites to inventory management and payment processing.

There are still other websites whose purpose is not transactional but that are designed to build community and engagement among customers. Bleacher Report's website offers sports articles, game scores, and live sports streaming. Fans are invited to comment and engage with one another regarding the latest sports news. The website also offers the option of signing up for its newsletter delivered to consumers' email inboxes. Whether it's to communicate information, facilitate a transaction, or build a community, websites should be designed with a positive user experience (UX) in mind.

## Email Marketing

**Email marketing** is a type of direct marketing that is highly personal and designed to build relationships with consumers. Marketers use email to communicate promotions about products and share relevant content. It offers the advantage of connecting companies with highly targeted consumers at a much lower cost than other channels. Email usage statistics are also impressive, making this channel attractive as an online direct marketing tool.

Email boasts over 4 billion daily users; 99 percent of people report checking their email on a daily basis.<sup>9</sup> Given the low cost and high usage rate, email marketing can be a profitable way to connect with customers.

Marketers generally send two types of emails: transactional emails and marketing emails. A transactional email is a type of email that is sent to customers following a commercial transaction, such as a purchase or a return. When online shoppers purchase athletic apparel from **Dick's Sporting Goods**, they receive an email confirmation confirming the order.

**Marketing emails** are promotional in nature and typically involve a marketing offer. **Old Navy** sends marketing emails during major sales events. They feature relevant product categories based on past purchases and often include a coupon code or free-shipping promotion.

**Buzzfeed** provides another great example of a company that optimizes email marketing to reach subscribers. According to Campaign Monitor, it has created a collection of diverse and audience-catered newsletters that are tailored to the preferences of Buzzfeed's subscribers.<sup>10</sup> Emails feature relevant articles and funny GIFs that prompt subscribers to visit the site to read more. On average, subscribers who visit the site via email spend more time on the site than those website visitors who have come from other channels.

Regardless of their email marketing strategy, companies utilize email marketing platforms like Mailchimp to reach target audiences. **Mailchimp** is built for growing businesses, and in 2022 it launched a Super Bowl advertising campaign to promote its services.<sup>11</sup> As a martech (marketing technology) company, it offers small businesses tools for guiding consumers through a customer journey to a purchase. Mailchimp's automation tool, specifically, allows businesses to send email campaigns based on a consumer's interaction with an email message. The result is a highly personalized email conversation between the small business and the customer.

### LINK TO LEARNING



#### Mailchimp

Learn how Mailchimp's CEO and cofounder, Ben Chestnut, built and grew the Mailchimp email platform in this podcast: [NPR's How I Built This with Guy Raz](https://openstax.org/r/benchestnut) (<https://openstax.org/r/benchestnut>).

Check out the 2022 Super Bowl commercial with DJ Khaled here.

[Click to view content](https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing) (<https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing>)

Email marketing is also known as permission-based marketing. Permission-based marketing requires that marketers get consent to send email and text messages to consumers prior to contacting them with a promotional message. Once a consumer opts in to receive an email or text message, they are given the option to opt out by clicking on an unsubscribe link or by reply texting a company to opt out of messages.

Consumers typically opt in to receiving emails when they place an online order so that they may receive order confirmation and shipping updates. In addition, consumers are also opting in to receive other value-added content, such as exclusive discounts, access to a webinar, a free trial, or some other type of value exchange.

## Content Marketing

Websites, email, and other forms of online marketing are only as good as the content they carry. **Content marketing** involves creating and distributing content that is valuable and relevant to a company's target customers. New York-based **Dotdash Meredith** is a good example of this. The company's digital brands include Verywell, The Spruce, Byrdie, and others. Dotdash Meredith is a unit of Barry Diller's IAC. Company policy: no pop-up ads!

As with other forms of direct marketing, content is about driving customers to take some desired action. Consumers would much rather consume a funny video clip, a highlight reel of their favorite athlete, and an inspiring quote or comment than see banner ads and pop-up ads. In order for content marketing to work, it must be useful, relevant, high quality, and engaging to the targeted audience.

When content is delivered through social media, blogs, and email, consumers have the opportunity to directly engage with the company and other content consumers. They can like, share, retweet, and mark as a favorite—all examples of actions taken in response to the content. Marketers can use the data created by these actions to perform sentiment analysis and generate other metrics. The challenge with content marketing is that it is constantly changing. Companies are tasked with constantly updating their content and continuing to tell stories that their audience wants to hear and engage with.

## Online Video Marketing

**Online video marketing** involves creating videos that tell a story about a product, company, or brand that is designed to drive consumer engagement through activities such as liking, sharing, and retweeting. Video marketing is becoming increasingly popular as a marketing tool because the cost of creating video campaigns has dropped significantly in the last decade due to technological advancements. **Biteable**, for example, offers marketers a cost-effective way to create brand videos that are quick, simple, and customizable.

Along with the drop in cost to produce online videos, consumer demand for videos has increased. Because of this demand, **Instagram**, **Facebook**, and **Twitter** have pivoted to video-first platforms. **Wyzowl**'s annual State of Video Marketing Survey revealed in 2021 that online video watching has doubled since 2018 and that online marketers "feel positive about the return on investment offered by video more than ever as it continues to strongly influence traffic, leads, sales, and audience understanding."<sup>12</sup>

### LINK TO LEARNING



#### Wyzowl's Survey Found on HubSpot

Read more about the key data points learned by Wyzowl in its 2022 survey. You might be interested to learn that 86 percent of businesses use video as a marketing tool, 94 percent of companies believe videos help customers better understand their product, and 99 percent of video marketers said they will continue using video. [You can find the full report here \(<https://openstax.org/r/videomarketingstatistics>\)](https://openstax.org/r/videomarketingstatistics). There's a ton of interesting information!

## Blogs and Online Forums

A **blog** is an online journal of interests, beliefs, or other topics published by a person, a group of people, or an organization. In its early stages, a blog was a personal journal that someone posted to the web. It's since evolved into an online marketing tool that is typically a website or a webpage and serves a variety of purposes.

First, a blog's purpose can be to share valuable and relevant information with targeted audiences. Ultimately, the goal is to attract visitors to the page or site and convert them to customers. In addition, marketers create blog content on sometimes a weekly or even daily basis so that consumers continue to visit the site or the

page to access the new content. When the blog content is good, visitors will continue to engage with the articles produced by the company. Ultimately, this helps a company's organic ranking on Google. In Google, your page or website will rank higher on the Google search results page as it grows in popularity and consumers click on it.

Blogs are also a great way to create and nurture online communities, or groups of people with similar interests connecting to one another online.

Customer relationship management company HubSpot is excellent at creating high-quality blog content for marketing and business professionals. It covers an array of professional topics, from marketing to human resources management to communicating effectively in the workplace. Its content ultimately drives visitors to its website, where they'll find a suite of programs designed for marketing, sales, customer service, and operations.

Blogging can be an integral part of a content strategy as long as marketers dedicate time and resources to continue updating the content. Visitors appreciate fresh and relevant information, and delaying the delivery of high-quality content may mean a loss of visitor interest.

#### LINK TO LEARNING



#### Content Marketing Tools

Learn more about the types of content marketing tools marketers have to work with [by reading this HubSpot article \(https://openstax.org/r/contentmarketingtypes\)](https://openstax.org/r/contentmarketingtypes). Included are the types you're probably more familiar with, like blogs and videos, but also discussed are the ones you may not have as much experience with like, white papers and case studies.

### Advantages of Online Direct Marketing

There are several key advantages that make online direct marketing an attractive tool for marketers. First, online direct marketing is not restricted by geographical boundaries. The internet is readily available to most consumers globally, making it practical to market around the globe.

Second, online direct marketing is much less expensive than other forms of marketing when considering its global reach. Imagine how expensive it would be to send direct-mail catalogs to customers all over the world. Establishing an online presence by developing a website and creating video and blog content is relatively inexpensive compared to other forms of promotion.

Third, online direct marketing is easy to measure in terms of campaign performance. With advertising tools targeted to mass audiences, it's difficult to attribute a sale to a particular television or radio commercial. With online direct advertising, marketers can track the performance of their campaigns based on consumers' interaction with digital tools such as email, online videos, and a company's website. For example, when Nike creates online video content that is posted on YouTube and its website, Nike marketers can track consumers' engagement with that content, in addition to the consumer's online journey. Online direct marketing reveals real-time insights into the effectiveness of campaigns compared to more traditional forms of promotion.

Fourth, online direct marketing is highly targeted. Marketers can carefully focus promotion efforts on very specific groups of consumers based on their geography, their social media channel preferences, and other variables. Online direct marketing also allows for retargeting, which occurs when consumers visit different websites but are shown similar ads based on their online consumer behavior.

Finally, online direct marketing allows for real-time interaction between brands and consumers. Consumers may start with a Google search and end with the completion of an online purchase. Throughout the online

consumer buying process, marketers have the opportunity to engage with the consumer in real time.

Traditional direct marketing and online direct marketing offer a variety of benefits in connecting marketers to targeted consumers.

## CAREERS IN MARKETING



### Digital Marketer

Digital marketers build and implement a company's online-related activities and sales. [Review this job description](https://openstax.org/r/jobdescriptionsdigitalmarketing) (<https://openstax.org/r/jobdescriptionsdigitalmarketing>) and list of qualifications from [Glassdoor](#) for more details. There are several additional resources that will help you better understand the digital marketing job role and what it will take to get a job in this field:

- Ahrefs—A Source for Digital Marketing Tutorials: "How to Start a Career in Digital Marketing (Step-by-Step)"  
[Click to view content](https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing) (<https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing>)
- Neil Patel: "How to Get a Digital Marketing Job with No Experience"  
[Click to view content](https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing) (<https://openstax.org/books/principles-marketing/pages/16-1-traditional-direct-marketing>)
- Digital Marketing Institute: "[7 of the Hottest Digital Marketing Jobs](https://openstax.org/r/digitalmarketinginstitute) (<https://openstax.org/r/digitalmarketinginstitute>)"
- Indeed: "[How to Get a Job in Digital Marketing in 7 Steps](https://openstax.org/r/careeradvicefindingajob) (<https://openstax.org/r/careeradvicefindingajob>)"
- Emerson College: "[5 Reasons to Choose a Career in Digital Marketing in 2022](https://openstax.org/r/marketinganalyticsemersonedu) (<https://openstax.org/r/marketinganalyticsemersonedu>)"

### Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1. Which of the following best describes the difference between traditional direct marketing and online direct marketing?
  - a. Online direct marketing uses digital tools to individually engage with consumers and call them to take some desired action. Traditional direct marketing does not allow a quick call to action.
  - b. Traditional direct marketing is more effective than online direct marketing.
  - c. Online direct marketing allows marketers to target consumers based on factors such as their location, age, and income. Traditional direct marketing can also be based on demographic factors.
  - d. Traditional direct marketing channels do not include a call to action, and online direct marketing channels do.
2. Which of the following best summarizes the cause for the emergence of online direct marketing as a promotion tool?
  - a. The explosion of internet usage, online shopping, and smartphone usage and the advancement of digital marketing technologies best explains the emergence of online direct marketing.
  - b. Consumers are spending less time watching movies and shows.
  - c. Traditional direct marketing tools have gotten too expensive and are no longer effective at engaging customers.

- d. Traditional direct marketing doesn't offer the same degree of message relevance that online direct marketing does.
3. Which type of marketing involves creating and distributing content that is valuable and relevant to a company's target customers?
- a. Website marketing
  - b. Blog marketing
  - c. Email marketing
  - d. Content marketing
4. Which form of online marketing is permission-based, meaning that consumers must consent to receiving online messages?
- a. Website marketing
  - b. Blog marketing
  - c. Content marketing
  - d. Email marketing
5. Which of the following represents an advantage of using online direct marketing tools?
- a. Online direct marketing allows marketers to target consumers globally because of worldwide access to the internet.
  - b. Online direct marketing is highly targeted in that marketers can reach customers through a variety of digital channels that are inexpensive compared to other promotion tools.
  - c. Online direct marketing allows for easier measurement of ROI on campaigns.
  - d. All of these are advantages of online direct marketing.

## 16.2 Social Media and Mobile Marketing

### Learning Outcomes

By the end of this section, you will be able to:

- LO 1** Discuss social media marketing and its opportunities and challenges.
- LO 2** Discuss mobile marketing and its opportunities and challenges.

## Social Media Marketing



**Figure 16.6** Social media marketing has created an opportunity for marketers to reach consumers in real time through campaigns run on digital platforms such as YouTube, Instagram, and others. (credit: "Social Media Word Cloud" by cloudincome.com/flickr, CC BY 2.0)

As discussed in the previous section, internet and digital technology usage have surged across the globe, creating opportunities for marketers to engage with consumers in real time. Social media marketing has emerged as a powerful online marketing tool as consumer time spent on these platforms (see [Figure 16.6](#)) has grown substantially over the last decade. A growing share of Americans report that they use YouTube and Facebook more than any other social media platform. In segments under the age of 30, the most popular platforms are Instagram, [Snapchat](#), and [TikTok](#).

## Social Media Marketing Defined

**Social media marketing** is defined as using social media platforms to deliver content that drives engagement with your brand. Companies from [PepsiCo](#) to [Home Depot](#) to the pizza restaurant located in town use social media to connect with users, share content, and, ultimately, generate sales. Marketers can create brand profiles and sponsored content that they pay for.

Warby Parker uses Instagram to create high-quality content and showcase different styles of eyeglasses based on face shape. Users may click on the post, read and reply to comments, like it, mark it as a favorite, or share it on their own feed. If they are in the market for new eyewear, the social media post may drive them to the company's website, where they can virtually try on different styles of eyeglasses and ultimately make a purchase.

Social media marketing offers some advantages and disadvantages. The advantages include that it is highly targeted, it allows for engagement with and among users, it is a great tool for driving visitors to a company's website, and it is easily measured.

## Uses of Social Media Marketing

Marketers recognize that social media presents an exciting opportunity to connect with consumers across a variety of platforms. Unlike some other forms of promotion, social media marketing allows marketers to precisely target audiences. Marketers can create social media campaigns that target demographic attributes such as gender, age, and location in addition to psychographic attributes such as interests and viewing behavior.

For example, Facebook allows marketers to upload a list of customers that includes the demographic and

psychographic attributes of the company's target audience. Facebook then creates what's called a "lookalike audience" that matches those customer attributes to the attributes of Facebook users so that the company's ads will show up in the feeds of the lookalike audience.

Social media marketing also creates the opportunity for users to engage with one another and company content. It's an excellent vehicle for marketers to distribute their online video and blog content in addition to communicating promotional offers. Marketers can monitor engagement and participate in ongoing conversations with users who comment, like, and share content.

*Harvard Business Review* (HBR) provides a great example of how to use social media marketing effectively. HBR, a business management magazine published by the Harvard Business Publishing subsidiary of [Harvard University](#), offers paid subscribers the latest research and articles on all things related to management.

During the pandemic, HBR gave people free access to all HBR content. The campaign ran on social media and resulted in increased traffic at the HBR website. This brings us to another important advantage of social media marketing. It can create traffic or visitors that link from the social media platform directly to the company's website.

Finally, social media marketing is highly measurable. Online marketers can evaluate key engagement metrics such as clicks, likes, and shares and optimize their social media campaigns so that they achieve the goals they set. For example, posting at 1:00 p.m. EST on Facebook results in getting the most shares while posting content at 3:00 p.m. EST results in getting the most clicks.

A major disadvantage of social media marketing is that brands don't have complete control over the message. Consumers can freely write comments that are harmful to a brand's reputation. Amazon's Jeff Bezos famously wished everyone a "Happy Earth Day" in a tweet that showed him dogsledding above the Arctic Circle in Norway. He received serious backlash from Twitter users who pointed out at the time that Amazon employees were underpaid and overworked.<sup>13</sup>

In addition to losing control over the message, social media marketing requires a great deal of resources, including time and money. Content is key to creating engagement, and continuous creation of new and engaging content requires resources. Social media pages and posts also need to be monitored for engagement. For example, companies that are active on social media have a plan for reviewing and replying to sometimes hundreds of comments. Fortunately, there are great online tools to help automate replies to comments.

## Facebook

Facebook, whose parent company was rebranded as [Meta](#) in 2021, is the largest social media platform, with over 2.9 billion monthly active users and \$117.92 billion in revenue.<sup>14</sup> These numbers make this platform attractive for reaching a diverse, global audience. Facebook is facing the challenge that a growing percentage of its users are baby boomers (born between 1946 and 1964) while teens are using other platforms, like TikTok and YouTube, more frequently.

In addition, Facebook has been scrutinized because of how the company uses personal data. Six in ten social media users report that they've observed and temporarily believed something they've read on Facebook that turned out to be false information.<sup>15</sup>

In addition, there's a growing concern about the role that social media has played in dividing people. Fifty percent of users who are millennials say that Facebook fosters division, compared to only 38 percent of baby boomers.<sup>16</sup>

Facebook is still clearly the behemoth of social media platforms, and so long as it holds that position, marketers will continue to use it as a channel to deliver content and drive engagement with targeted customers.

## Instagram

As a social media platform, Instagram's growth has exploded over the last decade. While not as large as Facebook in terms of users, it still boasts 1 billion active users every month. Instagram attracts a younger demographic, mostly people under the age of 30, which makes it attractive for brands targeting this audience.<sup>17</sup>

The company previously known as Facebook purchased Instagram in 2012. The union of Facebook and Instagram under one corporate entity has provided synergistic benefits to users, companies included. First, social media allows users to cross-post on the two platforms. And second, this has the advantage of increasing reach and repetition of messages more efficiently.

From a social media advertising perspective, the integration of Facebook and Instagram allows companies to manage and monitor campaigns across the two platforms easily. Furthermore, companies that have leveraged these integrative features have enjoyed stronger campaign performances in terms of clicks, views, and website conversions.

**Spotify** uses Instagram Stories brilliantly during its #yearwrapped campaign that drops every December. Instagram Stories lets users post photos and videos that disappear after 24 hours. It's become a very powerful sharing tool with more than 500 million users posting stories every day.

Spotify created a special webpage that presents visitors with their most listened to artists, songs, and other interesting insights related to their music habits over the year. Spotify gives visitors the option of sharing these highlights on other social platforms. This campaign has proved to be highly engaging, with more than 60 million Spotify users engaging with Spotify's Instagram Story and 3 billion #yearwrapped playlists streamed as a result of the campaign.

## LinkedIn

For business professionals seeking networking, partnership, and employment opportunities, **LinkedIn** proves to be an excellent social media platform (see [Figure 16.7](#)). LinkedIn boasts 722 million users, who are known as members. Among social media platforms, LinkedIn is considered the most trusted, with 73 percent of members agreeing that LinkedIn protects members' privacy.<sup>18</sup>



**Figure 16.7** LinkedIn is a business professional platform that is used by marketers to reach consumers. (credit: "LinkedIn Pen" by Sheila Scarborough/flickr, CC BY 2.0)

LinkedIn Live is the platform's live streaming feature, which allows companies to engage directly with community members. Vimeo leveraged the feature when it held a "Working Lunch" series. Using a seminar

format, it brought together experts across the business, communication, and technology industries and interested members. The goal was to engage with the audience, provide relevant information, and drive use and engagement of the platform.

While not the largest social platform, LinkedIn most certainly serves as an important tool for connecting with business professionals in the B2B space.

## Pinterest

With 478 million monthly users, [Pinterest](#) is a social platform that allows users to visually explore an endless array of ideas from recipes to home decor to crafts to personal style.<sup>19</sup> Users can use the platform's search bar to look for topics or people that interest them, which produces results related to search keywords.

For businesses, Pinterest offers a host of benefits as a social marketing tool. First, 97 percent of searches are unbranded.<sup>20</sup> Simply put, consumers aren't looking for brand-specific content when browsing the platform. This is music to the ears of companies that can place their ads in Pinterest feeds near relevant content. For example, a user may search for "image of vintage running shoes" on Pinterest, which would result in a host of profiles featuring content related to the search terms. A well-placed [New Balance](#) advertisement featuring its vintage 720 sneaker would be a strategic marketing move in this situation (see [Figure 16.8](#)).



**Figure 16.8** A marketer could place a New Balance sneaker advertisement on Pinterest near unbranded searches. (credit: "New Balance Limited Edition Pink Ribbon 3190 Running Shoes" by slgckgc/flickr, CC BY 2.0)

## Twitter

As a social platform, Twitter is a microblogging news and networking site where users typically post shorter messages known as tweets. After receiving complaints that 140 characters weren't enough room to express ideas, Twitter expanded its character limit from 140 to 270 in 2017. It has approximately 238 million daily active users, with about 14.5 million living in the United States. It has seen steady growth in international appeal.<sup>21</sup>

Similar to LinkedIn, Twitter is a popular B2B digital marketing tool, with 67 percent of all B2B businesses using the platform to reach business customers.<sup>22</sup> Twitter users have a high expectation that a company will respond to a tweet; therefore, marketers who choose this platform should be prepared to engage with users directly. Twitter's ownership and policy changes in 2022 led many people and companies to reconsider their relationship with the platform, but it will likely remain a major force in marketing and business for years to come.

## Podcasts

**Podcasts** are often free, on-demand, downloadable audio recordings that cover a variety of topics and are

typically made available on a weekly or monthly basis. Podcasts are distributed through applications such as Apple's Podcasts, Google Podcasts, Spotify, and Audible, but they can also be published on a company's website. Podcasting has been growing at a "hockey stick" rate—200 percent year-on-year growth.<sup>23</sup> Recognizing a huge opportunity, Spotify acquired podcasting company Megaphone in 2020.<sup>24</sup> The acquisition positions Spotify as the "go-to" platform for premium podcast content, which offers new opportunities for advertisers. In a world where people question information they are given, podcast hosts stand out because 52 percent of listeners trust advertising when endorsed by the host.<sup>25</sup> The hosts can offer brand endorsements and approvals in addition to stories that they bring to life via audio. Listeners take in what the host says and then build it out in their own minds. Podcast creators leverage social media platforms to drive traffic to applications and sites where the podcasts can be played or downloaded.

Podcasts can be an effective digital marketing tool when marketers want to hyper target a niche audience with relevant topics. They are typically created to share educational information and often result in a good return on investment because of the value they create for loyal listeners.

eLearning company [Harappa Education](#) produces the *Habits Matter* podcast, which focuses on topics about learning and personal growth. Listeners are attracted to the series because they want to learn something new without the noise of a marketing message. Podcasts are effective at creating value, building relationships, and engaging target audiences in a subtle way.

#### LINK TO LEARNING



#### Social Media Strategy

Social media marketing can be complex because of the variety of platforms and new features being added all the time. Check out this guide from HubSpot on how to [develop a social media strategy](#) (<https://openstax.org/r/marketingocialmediastrategy>).

Also, check out the *Habits Matter* podcast. Hosted by Shreyasi Singh, the *Habits Matter* podcast explores humanity at work. Check it out [here at Apple](#) (<https://openstax.org/r/podcasthabitsmatter>) or [here at Spotify](#) (<https://openstax.org/r/openspotifyshow>).

#### Social Media Marketing: Opportunities and Challenges

When marketers are considering social media as a digital marketing tool, they need to weigh its opportunities and its challenges in order to determine if it's the right-fit channel for reaching targeted customers.

The major opportunities of social media marketing include reaching global customers, increasing brand awareness, engaging with targeted customers, and increasing website traffic. First, social media connects companies to billions of users across the globe. Because of this reach, companies can connect with new and existing customers in profitable ways.

In addition, because of the billions of active users on social media, brands can increase awareness of their existence with targeted consumers. For example, a five-year-old swimsuit and beachwear company, [Cupshe](#), had little to no brand recognition among US consumers until it launched campaigns on Facebook and Instagram. In 2020, the company boasted \$150 million in sales without a single storefront.<sup>26</sup> Consumers were exposed to the brand via social media ads, which then drove them to the company's website to browse styles and make purchases.

In addition to increasing brand awareness, social platforms help brands engage directly with consumers. Mass forms of promotion such as advertising only offer one-way communication from the company to the customer. Social media platforms allow for multidirectional communication between the company and users and brand

communities.

Finally, social media drives traffic to company websites. Users see a sponsored advertisement in their news feed that is highly relevant to their interests and click on the content to learn more, browse inventory, and, ultimately, make a purchase.

The major challenge facing marketers who use social media to reach target audiences is that there is a growing distrust of social media platforms in terms of what they do with our private information. In addition, social media marketing requires dedicated campaign managers who can post fresh content frequently, monitor engagement, and respond to comments. The third disadvantage is that while multidirectional dialogue between consumers and the company is an advantage, the comments cannot be controlled. Users can tarnish the company's brand name if they share negative experiences or opinions about the brand.

#### LINK TO LEARNING



#### What Goes Viral?

Why do some things go viral and others don't? Learn from BuzzFeed's publisher Dao Nguyen and her TED Talk on the tactics her team uses to make things go viral.

[Click to view content \(<https://openstax.org/books/principles-marketing/pages/16-2-social-media-and-mobile-marketing>\)](https://openstax.org/books/principles-marketing/pages/16-2-social-media-and-mobile-marketing)

### Integrated Social Media Marketing

**Integrated social media marketing** involves creating a clear, consistent, and synergistic message across all social media platforms. When consumers are presented with coordinated messages across social media platforms, brand awareness and purchase intention increase.

### Mobile Marketing: Definition and Strategies

**Mobile marketing** is defined as the use of multiple digital marketing channels that are designed to reach consumers on their smartphones and tablets. Given the variety of digital tools that marketers use to engage with consumers, it's important to discuss how mobile device use impacts digital marketing strategies. Usage of mobile devices to access the internet and applications has steadily increased over the last ten years.<sup>27</sup> As mobile device technology and digital technology has improved, people are doing everything from refinancing their homes to buying cars online. Mobile device usage will continue to grow, and as consumers spend more time on mobile devices, marketers must adapt their strategies to meet consumers where they are.

There are currently 6.4 billion smartphone users worldwide, and usage is expected to continue to grow over the next decade.<sup>28</sup> In 2022, US mobile advertising spend is expected to reach \$137.13 billion, where it was \$100 billion in 2021.<sup>29</sup> Given these compelling statistics, companies must be prepared with an effective mobile marketing strategy. Marketing for mobile devices is not the same as marketing for desktops. Consumers expect a more personalized experience when they engage with brands on their smartphones.

Elements of a successful mobile marketing strategy should include responsive design, mobile-friendly emails, app development, and memorable URLs.

## LINK TO LEARNING



### US Mobile Advertising

To learn more about the predicted growth of mobile advertising in the United States, [read this article from Oberlo \(<https://openstax.org/r/mobileadvertisinggrowth>\)](https://openstax.org/r/mobileadvertisinggrowth). It states that US spend is expected to grow 14 percent to \$156 billion in 2023 and up to \$174 billion in 2024.

### Responsive Web Design

**Responsive web design** means that when people visit your website via their mobile device, the menus and content display in a way that is easy to read and engage with. Users don't need to pinch, expand, or scroll the screen to view content. Responsive web design became the standard in 2015 when Google announced that mobile-friendly websites would be prioritized over non-mobile-friendly designs in search results. Responsive web design is critical to ensuring that visitors have a good experience while navigating your website.

### Mobile-Friendly Emails

**Mobile-friendly emails** are emails whose images, text, and links display in a user-friendly way when accessed via a mobile device. With 68 percent of emails being opened on mobile devices, responsive design is necessary to create a good user experience.<sup>30</sup> Similar to responsive web design, email content needs to display on mobile devices in a way that is simple for the user to consume.

One way that email marketers can meet mobile-friendly standards is to ensure that subject lines are between 41 and 50 characters. Subject lines should capture attention and paint a benefit for the subscriber. In addition, mobile-friendly emails often contain a pre-header, which is the first line of text in your email. It provides context for what the email contains. Finally, emails should be concise with a clear and easy-to-find call to action. Many emails contain buttons that link email viewers directly to the company's website. The button is typically rectangular and includes actionable language like "Get Started" or "Shop the Sale."

### Developing an App

For some companies, developing a mobile app is an important element in their mobile strategy. Because a shocking 90 percent of people's mobile usage is on smartphone apps, marketers must consider the value in creating one.<sup>31</sup>

One benefit of developing a mobile app is that apps provide direct communication and engagement opportunities with customers at the touch of a button. Amazon's app, for example, makes it easy to search for and purchase products from mobile devices. The alternative is for users to open their browser on their phone, type in the Amazon URL, and search directly from the mobile site. Apps make it convenient for consumers.

### Short/Memorable URLs

An internet site's address on the web is technically known as a uniform resource locator (URL). In the digital world, you could have a great website with great content and a strong social media presence, but visitors cannot reach your website without a well-constructed URL.

Having a shorter, memorable URL is an important marketing tactic for the following reasons. First, it's easy for people to remember. Second, shorter URLs are easier to share, whether it's through email, text, or social media. Finally, optimizing the length of a URL makes it much easier for Google to find and display in search results.

There are a number of applications, such as [TinyURL](#) and [Bitly](#), that are capable of turning long URLs into shorter ones; however, the jury is still out on whether search engines perceive these URLs as trustworthy.

## Mobile Marketing: Opportunities and Challenges

Mobile marketing presents clear opportunities for digital marketers. First, mobile device usage continues to grow as consumers stratify their time across various devices at once. In addition, mobile devices allow people to experience almost constant connectivity that ignores the boundaries that traditional marketing channels must observe, such as time and place. For example, *Nothing Bundt Cakes'* store hours of operation might be 10:00 a.m. to 6:00 p.m. However, accessing its website to place an order can happen at any time of day from any location.

The shift in mobile usage behavior provides a number of opportunities for marketers to connect with consumers in a place where they are spending more and more time. Additionally, consumers are using mobile devices to conduct product research, view customer reviews, and interact with brands on social media platforms.

In addition to mobile marketing opportunities, this channel also presents challenges to digital marketers. The first challenge is finding the right mix of mobile channels to reach your target audience. For some companies, SMS texting makes sense because customers are open to receiving promotional messages via text. If the company has a mobile application, it may consider sending push notifications that alert users to important information when they aren't engaging with the app. Understanding your target audience is key to determining which mobile tools make the most sense.

A second challenge with mobile marketing is measuring results. While companies can easily measure things like in-app purchases and emails opened and clicked, it's more difficult for marketers to see whether someone has seen a push notification or in-app message.

## Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1. Which of the following is an advantage of social media marketing?
  - a. Social media is highly targeted in its ability to reach segments of consumers who share common interests and demographics.
  - b. With social media, marketers have complete control of the message.
  - c. Social media is very easy to manage and requires few resources.
  - d. Social media is the best channel for the B2B market.
2. Which of the following is a challenge that marketers face when using social media marketing?
  - a. Social media marketing does not allow companies to target multiple audiences at the same time.
  - b. Social media use is unpredictable, with users only logging in once or twice per week.
  - c. Companies do not have control over the message.
  - d. Social media does a poor job of driving traffic to websites.
3. Which of the following is a characteristic of a good mobile strategy?
  - a. Mobile websites should have a responsive design so visitors have a good user experience.
  - b. Emails should be sent to consumers on a weekly basis in order to stay engaged with mobile users.
  - c. Avoid using push notification features to avoid overcommunicating with your users.
  - d. Measure whether or not a mobile device user has seen a push notification.
4. When a company's website adapts to whatever screen consumers are using and users don't need to pinch, expand, or scroll the screen to view content, this is known as \_\_\_\_\_.
  - a. website design
  - b. responsive marketing

- c. content marketing
  - d. responsive web design
5. Which of the following represents a challenge for mobile marketing?
- a. Mobile device usage is on the decline.
  - b. It's challenging to measure mobile marketing campaigns.
  - c. Responsive design is difficult to implement.
  - d. People are using email less and less.

## MARKETING IN PRACTICE



### *National Geographic*



**Figure 16.9** National Geographic has utilized Instagram for a promotional strategy as a way to share never-before-seen photographs. (credit: "National Geographic" by Open Grid Scheduler/Grid Engine/flickr, Public Domain)

*National Geographic* has over 220 million followers on Instagram, boasting the leading brand account on the site.<sup>32</sup> It shares stunning images of people, places, animals, and natural landscapes from all over the world. As a visual storyteller, *National Geographic* captures some of the most awe-inspiring, unfiltered images that the world has ever seen (see [Figure 16.9](#)).

Instagram has served as an effective vehicle for sharing these images globally. *National Geographic* has utilized the platform to drive engagement with followers. Its famous "Wanderlust" social media campaign invites amateur photographers from around the world to post the best photographs they've taken while traveling.<sup>33</sup> Followers use the #wanderlustcontest hashtag to connect with the *National Geographic* community of travelers. Its strategy to promote user-generated content was a great way to connect with followers and build continuous engagement.

In addition to its Wanderlust campaign, *National Geographic* uses Instagram and other social media platforms to share content that is central to the brand's values. For example, on "The Endangered Species Day" and "The Oceans Day," it pushes content related to wildlife and nature protection using powerful images and statistics.<sup>34</sup>

Through social media, *National Geographic* is able to share its passion for nature and wildlife with a community of like-minded people. As a tool, social media allows *National Geographic* to engage with followers in a personal way.

### 16.3 Metrics Used to Evaluate the Success of Online Marketing

#### Learning Outcomes

By the end of this section, you will be able to:

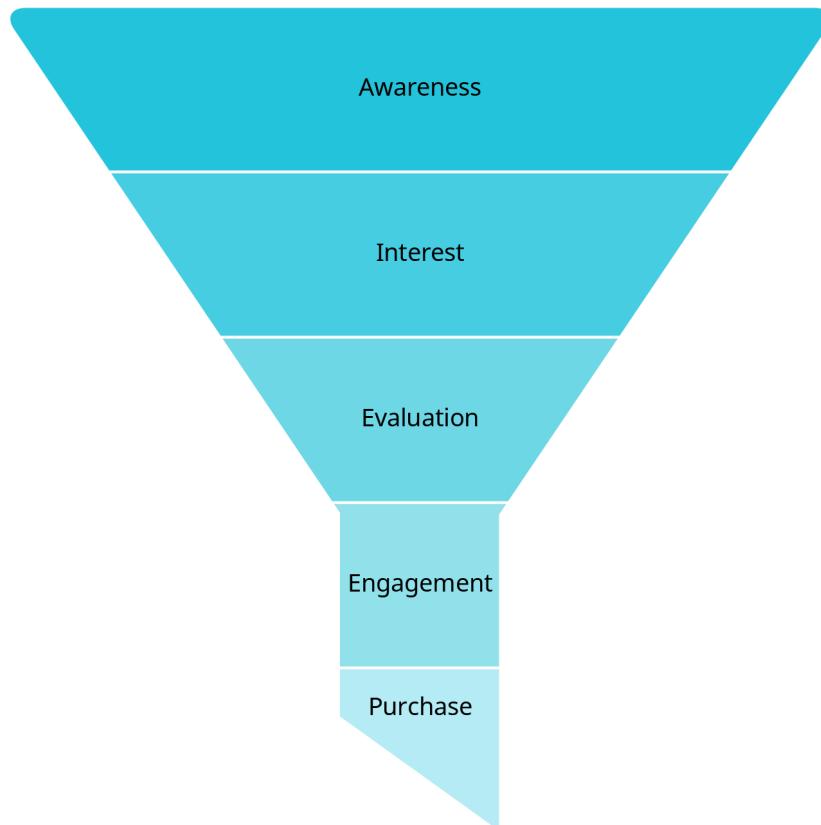
- LO 1** Discuss the role of marketing metrics in digital, online, social media, and mobile marketing.
- LO 2** List and describe the metrics used to evaluate the success of online marketing.

#### Types of Online Marketing Metrics

While online marketing tools have numerous advantages over traditional tools, it's important for marketers to pay close attention to metrics that indicate the performance of their online marketing campaigns. Metrics are goals that marketers are trying to reach through their campaigns, and they are typically quantitative in nature. For example, companies measure the performance of their social media campaigns by measuring how many likes, shares, or comments are posted in response to the content. While each online marketing tool has its own set of metrics, we'll focus on the following tools.

#### Website Traffic

**Website traffic** is the total number of visitors to a company's website. For some companies, website traffic can help move consumers further along the sales funnel and closer to making a purchase. A **sales funnel** is a visual representation of the customer journey from product awareness to product purchase. For e-commerce sites specifically, online marketers want to increase traffic to their website, which represents the top of the sales funnel, where most consumers will stop. The number of consumers will eventually dwindle until there is an actual purchase, which represents the narrow, lower part of the funnel (see [Figure 16.10](#)).



**Figure 16.10** Sales Funnel from Awareness to Purchase (attribution: Copyright Rice University, OpenStax, under CC BY 4.0 license)

#### Traffic by Source

Monitoring website **traffic by source** means paying attention to the site from which the website traffic came.

For example, social media is famous for generating traffic to companies' websites. Online marketers can track this information by attaching a piece of tracking code to links on social media pages and other sources to assess where the visitor came from. In addition to social media, traffic sources can be email, paid search, organic search, paid social, and affiliates.

**Paid search** is a type of digital advertising where marketers pay search engines like Google and [Bing](#) to place their ads in sponsored spots at the top or bottom of a search engine results page (SERP). A **SERP (Search Engine Results Pages)** is the list of search results that displays on a search engine's page after someone enters key search terms into a search query box. Say, for example, a consumer is looking for a local company to investigate and fix a leak in their ceiling. That customer would likely visit Google and type in the search terms "plumbers near me." Google then displays the SERP featuring sponsored companies in top positions on the page. Companies bid on key search terms like "fix leaky roof" in an auction with competitors. If their bid is high enough, they will secure a top position on Google's search results page. In turn, when users click on that sponsored add, they are directed to the company's website or landing page.

**Organic search** refers to the list of websites on a search results page that have not been paid for by marketers. Search engines use algorithms to deliver search results that are relevant to the key search terms that a visitor has entered. When someone is searching for a local plumber on Google and they click on an organic search listing, the company that appears organically in those search results does not pay for the traffic that visits its website.

**Paid social** is similar to paid search in that marketers pay social media companies to display sponsored digital advertisements to targeted customers on their platform. Social media users who click on a sponsored social advertisement are then directed to the company's website or landing page.

**Affiliates** are people or companies that earn a commission for driving traffic to another person's or company's website where they make a purchase. [CJ Affiliate](#), formerly known as Commission Junction, provides affiliate marketers with a marketplace to connect with brands who pay affiliates for driving traffic and purchases online.

### Conversions

Simply put, **conversions** happen when a company turns a visitor into a customer. When a consumer purchases a [LEGO](#) set on the company's website, that's a conversion. When a new user signs up for TikTok, that's a conversion. Conversions are important in measuring the success of online marketing campaigns and the consumers' purchase experience.

### Bounce Rate

**Bounce rate** is a metric that online marketers use to measure what percentage of visitors visit the site, view one page, and then leave. Bounce rates can be examined for each page of your website. Online marketers want to aim for a bounce rate that is lower than 40 percent. Higher bounce rates indicate issues with pages, including the time it takes for them to load in a visitor's browser.

### Search Trends

**Search trends** are data points that indicate how frequently a term is searched. Researching search trends provides insight into who a company's customers are and what they are currently interested in. [Google Trends](#) is a free tool that online marketers can use to gather this information. Monitoring search trends has some predictive benefits to online marketers, who can recommend changes to products, advertising, and budgeting based on what consumers are searching for. For example, marketers utilize keyword tools offered by companies like [Semrush](#) to gain insights into customer search activity. Semrush provides customers with information on the value of popular search terms.

### New versus Returning Visitors

**New visitors**, or new users, are people who are just learning about your website. A new visitor is someone who is visiting your website for the first time. **Returning visitors** are visitors or users who have been to your website before. Analyzing new and returning user metrics provides online marketers with a sense of how effective the company is in attracting new visitors compared to returning visitors. If there's an increase in new visitors, online marketers may be able to conclude that they are successfully attracting new customers via the online marketing tools they are using.

### Average Session Duration

A **session** is defined as a collection of interactions that occur on a company's website. For example, if someone searches for Nike soccer cleats on Google, they'll likely click on a landing page that takes them to the Nike website's page related to soccer footwear. While on the page, the visitor may then click to browse different styles and colors and maybe watch a video of a famous athlete playing in the cleats. The visitor may then decide to make a purchase by selecting their size and clicking on a CTA (call-to-action) button such as "Add to Cart." This collection of activities equates to a session. Online marketers examine session duration as a way to measure engagement. If someone visits your shopping cart page after adding an item but then leaves within a few seconds (known as shopping cart abandonment), that may indicate issues with that page.

### Page Views

**Page views** is a metric related to how many total pages have been viewed on your website. Websites typically have a home page, which is where visitors land when they type in your main URL. But depending on the company, its website could have many pages in addition to the home page. For example, e-commerce sites have pages that allow visitors to browse products. There might be review pages for each product and pages dedicated to blogs or articles about featured products. There's likely to be a customer support page and a terms and conditions page. The possibilities are almost endless. Online marketers use page views as a metric to gauge the success of their website pages.

### Most Visited Pages

In analyzing page views, online marketers can gain important insights, such as which pages are most visited. If they identify content on their website that attracts a larger number of views, they can attribute those page views to a traffic source, such as social media or a blog.

### Social Engagement

**Social engagement** relates to the number of actions that social media users take in direct relation to your company, brand, or product. Social engagement can be measured by the number of likes, shares, retweets, and comments made by account followers.

### Click-Through Rate

When users visit Google and begin searching for something they are interested in, Google returns what are called search results. This is the list of solutions or answers to the search terms a user entered in the Google search bar. Some companies pay to appear at the very top of that search results page. As noted above, this is known as paid search. When users see the ad, this is known as an **impression**. The **click-through rate (CTR)** is the percentage of people who click on your ad. Measuring CTR indicates how successful their search advertisement is in attracting users to click. The ads are linked to a landing page, where the consumer is presented with additional information that is designed to lead them to a purchase. A high CTR leads to more traffic and ultimately conversions.

### Cost per Click

Search engines like Google and Bing generate revenue by charging companies that pay for search ads to appear on search result pages. The **cost per click (CPC)** is the cost companies pay search engines for each

click that a search advertisement receives. This cost is based on the keywords that a company bids on. Simply put, there are competitors in the auction who are willing to pay a certain amount to appear on the search results page when a user enters certain keywords. Depending on how competitive the auction is, CPC can fluctuate, and online marketers analyze CPC to ensure they don't overpay to have their search ads display.

Let's suppose that you wanted to purchase a Tampa Bay NFL jersey. You are interested in finding one at the lowest price possible. You're also interested in the team's home jersey. You may type in the search engine bar: Tampa Jersey in white. Retailers like [Fanatics](#) and [NFLshop.com](#) will appear at the top of the search results page next to the word "Ad." If NFLshop.com appears first, it won the auction over the search keywords you entered.

Online marketers set limits on how much they are willing to bid on certain keywords. If they bid too low, they lose the auction and may not get the impressions they need. If they bid too high, they risk overpaying for their search advertising. They should identify their goals and bid accordingly.

### **Cost per Acquisition**

**Cost per acquisition (CPA)** is also known as cost per action or cost per conversion. It relates to the aggregate or cumulative cost of acquiring a customer. CPA can be measured by channel or campaign. The conversion could be a sale, a form completion, or a click.

The CPA formula is:

$$\text{Cost per Acquisition (CPA)} = \frac{\text{Dollars Spent on Campaign}}{\text{Number of Conversions}}$$

For example, let's look at CPA for a paid search campaign. Fanatics uses paid search to reach customers interested in buying athletic apparel. Let's assume that Fanatics runs a search campaign for one month that costs the company \$20,000. The campaign was responsible for driving over 1 million visits to the website and 32,000 conversions. 32,000 conversions at \$20,000 would result in a CPA of \$0.63, meaning that each customer conversion cost the company \$0.63.

$$\text{Cost per Acquisition (CPA)} = \frac{\$20,000}{32,000} = \$0.63$$

This calculation can be somewhat misleading, however, because it fails to account for the resources spent creating the ad and managing the search campaign. Nevertheless, online marketers monitor CPA because it helps them measure the effectiveness of their online marketing strategies. The lower the CPA, the more effective the campaign.

### **MARKETING DASHBOARD**

#### **Targeted Advertising**

As a consumer, have you ever wondered why you see certain advertisements on social media but not others? The answer is targeted advertising. Targeted advertising allows marketing professionals to specify a target audience of their choosing. For example, you may see advertisements for winter boots if you have recently initiated a search with those terms. At the same time, a friend might see advertisements for winter tires for the same reason.

Targeted advertising can be expensive because it is tailored to a marketer's exact specifications. Therefore, marketing professionals calculate the cost every time a prospective customer clicks on a targeted ad through their website. This cost-per-click metric shows us how much the marketing professional pays every time a prospect clicks on an ad.

Cost per click has a role in search engine marketing as well. For example, if our advertisement is served up on a search engine results page (SERP) and a prospective customer clicks on that advertisement, the marketing team must pay the search provider.

As savvy marketers, we know that not every click results in a purchase. So, we have to be careful not to invest more in clicks than our profitability allows. We also need to consider the average revenue and profit per order and the customer lifetime value when determining the efficacy of a targeted advertising campaign.

The formula for cost per click is the total cost for the digital campaign/number of clicks.

$$\text{Cost per Click} = \frac{\text{Total Cost of Digital Campaign}}{\text{Number of Clicks}}$$

**Give the cost-per-click calculation a try for yourself. What is the cost per click of each of the four campaigns for a pet store?**

Campaign	Total Campaign Cost	Number of Clicks
Dog Food	\$12,000	18,100 clicks
Cat Food	\$10,000	20,200 clicks
Aquariums	\$7,000	19,050 clicks
Bird Feeders	\$5,500	5,000 clicks

**Table 16.1**

### Solution

Dog food: \$0.66/click

Cat food: \$0.50/click

Aquariums: \$0.37/click

Bird feeders: \$1.10/click

**What additional information would we need to know to determine whether the cost per click for each product is a good investment?**

### Solution

Average revenue and profit per order, percentage of people who click through who make a purchase, and/or customer lifetime value

**Let's suppose that Najja found our pet store website on a targeted ad, clicked through, and placed a \$70 order for bird feeders that had a 10 percent profit margin for our pet store. Was the click-through rate a good investment?**

### Solution

Yes. The pet store profited \$7 on the single purchase at a click-through rate of just \$1.10. In addition, Najja may purchase more in the future, making the click-through rate an even better investment.

## Knowledge Check

It's time to check your knowledge on the concepts presented in this section. Refer to the Answer Key at the end of the book for feedback.

1. Which of the following best describes why online marketing metrics are important?
  - a. Online marketing metrics help marketers understand whether or not their products and services create value for consumers.
  - b. Online marketing metrics are an important part of understanding the factors that influence consumer behavior.
  - c. Online marketing metrics help marketers measure the effectiveness of marketing managers.
  - d. Online marketing metrics help marketers measure the performance of their online marketing campaigns.
2. An online automotive magazine is running a social media campaign to increase paid subscriptions. Which of the following would be an example of a conversion on its website given the campaign's goal?
  - a. A visitor uses the search tool on the website to search "vintage European cars."
  - b. A visitor enters their email address to receive updates.
  - c. A visitor enters their payment information and contact information and clicks on "place order."
  - d. A visitor downloads the app on their mobile phone.
3. The Warton Hotel is running an online marketing campaign and would like to measure the percentage of people who only visit its site one time. Which online marketing metric would be most helpful to the hotel in this situation?
  - a. Counting new and returning customers who visit the site
  - b. Counting page views
  - c. Examining the bounce rate
  - d. Counting unique users
4. Which of the metrics could be used to measure the performance of a social media campaign?
  - a. Social engagement
  - b. Page views
  - c. Bounce rate
  - d. Cost per click
5. Jax's Sushi House wishes to compare DoorDash's and Google's performance in driving traffic to the restaurant's website. Which of the following explains why Jax's Sushi House wants to compare sources?
  - a. Measuring traffic by source provides insight to online marketers about the effectiveness of sources that best drive traffic to a company's website.
  - b. Measuring traffic by source allows marketers to measure the effectiveness of the online shopping cart experience.
  - c. Online marketers can determine the effectiveness of their home page by examining traffic by source.
  - d. Evaluating traffic by source means looking at the total numbers of visitors to a website and comparing it to the total number of visitors from a source.

## 16.4 Ethical Issues in Digital Marketing and Social Media

### Learning Outcomes

By the end of this section, you will be able to:

- LO 1** Describe ethical issues with respect to digital marketing and social media.
- LO 2** Explain why ethical issues exist.

### Privacy, Transparency, and Awareness

While digital marketing tools and social media provide online marketers with effective ways to engage with customers, build relationships, and drive consumers toward a purchase, there are ethical issues that marketers must consider when utilizing these tools.

First, because of the highly targeted capabilities of digital and social media, companies have access to large amounts of personal data, including name, email address, phone number, as well as personal interests, social and political views, and shopping behavior. Consumers are increasingly concerned about data privacy. In a recent survey by [KPMG](#), 86 percent of the respondents have a growing concern about data privacy, and 78 percent fear the amount of data being collected.<sup>35</sup>

Given this growth in distrust of how personal data is handled, some companies have responded with updated policies designed to be more transparent about how data will be used. Seventy-five percent of consumers polled reported that they want increased transparency.<sup>36</sup>

In 2021, Apple released features for iPhone and iPad users that allow consumers to have stronger control of how their data is used.<sup>37</sup> Using pop-ups, Apple device users will be able to allow or disallow companies to track their activity across apps and the websites they link to. This move by Apple resulted in some back-and-forth commentary by Meta's Mark Zuckerberg and Apple CEO Tim Cook. Tech companies like Facebook and Google depend on being able to target the advertising on their applications to users using personal data. Giving greater privacy control to iPhone users presents a threat to the core of their business models.

Social media platforms in particular mine personal data and then use it to sell advertising space on news feeds of consumers who match the demographics and psychographics of a company's target market. With nearly 71 percent of social media users taking the time to check their privacy settings on social media, it's clear that this issue is front and center for a majority of users.<sup>38</sup> Companies can respect the privacy of their users by being transparent about what data they collect and how they use it.

### Tracking Consumer Data

The reality is that it's not just social media companies and search engines that track consumer data. A majority of companies use tracking codes to follow consumers and data about them as they navigate the web. Zoho, a productivity and collaboration app, reported that in the B2B space, about 72 percent of businesses do not inform customers that they are being tracked by third parties.<sup>39</sup>

### The Use of Client Reviews

**Client reviews** involve feedback that a customer or client posts directly to a platform that can be accessed by consumers during the buying process. Companies that use client or customer reviews include Amazon.com, Wayfair, and Lands' End. Customers rate their experience with the product typically by assigning stars and commenting on their satisfaction.

Reviews can be helpful to consumers during the search phase of the buying process because reviews provide a real-world glimpse into the favorability of a product. For example, Wayfair invites customers to post pictures of items like sofas and end tables once a customer has styled the room. This provides shoppers a real-life view of the product, its color, and its size, among other things.

Beyond the reviews on e-commerce sites, Google serves as a major player in the customer review space. Consumers often rely on Google reviews when deciding on whether to hire a local business. In addition to Google, consumers can find reviews for travel on Tripadvisor, restaurant reviews on Zomato, and reviews of software programs on G2.

Marketers recognize the power of customer reviews as a digital promotional tool, as consumers report that they perceive reviews as more credible than messages created by the company itself.

## COMPANIES WITH A CONSCIENCE



### Apple's Taking Big Steps to Protect Privacy



**Figure 16.11** Apple is employing several steps to further protect consumers and their personal data. (credit: "iPhone 5s Applications" by Marco Verch/flickr, CC BY 2.0)

In January 2022, Apple took one of its most impactful steps toward protecting the privacy of iCloud users, the iCloud Private Relay (see [Figure 16.11](#)).<sup>40</sup> When enabled on Apple devices, this feature hides a user's IP address from the websites they visit, essentially masking a user's entire online footprint.

The privacy feature is a game changer in the digital marketing space, as companies like Meta and Google depend on seeing a consumer's online journey to learn more about who they are and what interests they have. Tracking online activity allows companies to serve users with relevant marketing messages and offerings.

In addition to the privacy relay, Apple also released "Hide My Email," which allows Apple device users to enter a unique email address on websites without sharing their actual email address.<sup>41</sup> Emails that are sent to a randomly generated address are then forwarded to a user's inbox, thereby hiding a user's actual email address.

Finally, Apple has updated its Mail app such that it prevents marketers from tracking whether or not someone has opened an email.<sup>42</sup> Email marketers measure the percentage of people who open marketing emails to determine their level of engagement and the effectiveness of the email.

Apple appears to be taking consumer privacy to another level. By offering a collection of privacy-centric features, it is equipping consumers with tools to protect their personal information and navigate the web unseen.

Check out Apple's website to [learn more about iCloud Private Relay \(<https://openstax.org/r/abouticloud>\)](https://openstax.org/r/abouticloud).

Also [read about it in this \*Wired\* article \(<https://openstax.org/r/howappleicloud>\).](https://openstax.org/r/howappleicloud)



## Chapter Summary

Direct, online, and social media marketing include a mix of useful tools that help marketers engage with targeted consumers in a way that is personalized and is designed to drive the audience to follow through on the desired marketing action. With the explosion in internet and mobile device usage coupled with advancements in digital technology, online marketing tools have been developed to help marketers meet consumers in the digital space. These tools are capable of connecting online marketers to carefully targeted individuals. With the development of these tools come ethical issues related to privacy. As consumer concern for privacy protection grows, companies will need to adapt their privacy policies to be more transparent about how they use consumer data.



## Key Terms

**affiliates** people or companies that earn a commission for driving traffic to another person's or company's website where they make a purchase

**blog** an online journal of interests, beliefs, and other topics published by a person, a group of people, or an organization

**bounce rate** a metric that online marketers use to measure what percentage of visitors who visit the site, view one page, and then leave

**call center** a centralized space where agents or representatives answer inbound calls and place outbound calls

**catalog marketing** also known as direct mail order and is one of the oldest forms of promotion, which typically includes a variety of products often vividly displayed in a high-gloss magazine-like format

**click-through rate (CTR)** the percentage of people who click on an online ad

**client reviews** involve feedback that a customer or client posts directly to a platform that can be accessed by consumers during the buying process

**content marketing** creating and distributing online content that is valuable and relevant to a company's target customers

**conversions** happen when a company turns a visitor into a customer

**cost per acquisition (CPA)** also known as cost per action or cost per conversion, relates to the aggregate or cumulative cost of acquiring a customer and can be measured by channel or campaign

**cost per click (CPC)** the cost companies pay search engines for each click that a search advertisement receives, which is based on the keywords a company bids on

**direct marketing** using communication tools that directly engage with individual consumers for the ultimate purpose of calling them to take some marketing action

**direct-mail marketing** a type of direct marketing that involves marketers sending mail directly to people's homes or places of business; for example, catalogs and postcards

**direct-response television marketing** a type of direct marketing that is designed to compel viewers to take some immediate action such as calling a phone number or visiting a website presented during a television commercial

**email marketing** a type of direct marketing that is highly personal and designed to build relationships with consumers

**impression** when users see an online ad

**integrated social media marketing** involves creating a clear, consistent, and synergistic message across all social media platforms

**marketing emails** emails that are promotional in nature and typically involve a marketing offer

**mobile marketing** using multiple digital marketing channels that are designed to reach consumers on their smartphones and tablets

**mobile-friendly emails** emails whose images, text, and links display in a way that is easy to read when accessed via a mobile device

- new visitors** people who are first visiting your website, also known as new users
- online direct marketing** uses a rich collection of online tools, such as websites and email, to target individual consumers with an offer designed to compel consumers to take some action, such as visit a website or make an online purchase
- online video marketing** involves creating videos that tell a story about a product, company, or brand that is designed to drive consumer engagement through activities such as liking, sharing, and retweeting
- organic search** the list of websites on a search engine results page that have not been paid for by marketers
- page views** a metric related to how many total pages have been viewed on your website
- paid search** a type of digital advertising where marketers pay search engines like Google and Bing to place their ads in sponsored spots at the top or bottom of a search results page
- paid social** a type of digital marketing advertising where a company pays a social media company to display a digital advertisement to targeted customers on its platform
- podcasts** often free, on-demand, downloadable audio recordings that cover a variety of topics and are typically made available on a weekly or monthly basis
- responsive web design** designing a website that is configured to adapt to any device, making it easy for visitors to read and interact with its features
- returning visitors** visitors or users who have been to your website before
- sales funnel** a visual representation of the customer journey from product awareness to product purchase
- search trends** data points that indicate how frequently a term is searched
- seminars** a tool that allows companies to share their expertise and knowledge related to a topic, issue, or industry; can be done in person or virtually
- SERP (Search Engine Results Page)** the list of search results that displays on a search engine's page after someone enters key search terms into a search query box
- session** a collection of interactions that occur on a company's website
- social engagement** relates to the number of actions that social media users take in direct relation to your company, brand, or product
- social media marketing** using social media platforms, such as Facebook, Instagram, LinkedIn, and Twitter, to deliver content that drives engagement with your brand
- telemarketing** a type of direct marketing that involves a company representative placing or answering customer phone calls with the intention of guiding the consumer toward making a purchase
- trade shows** exhibition events that provide companies the opportunity to present themselves and their products and services to industry peers
- traffic by source** means paying attention to the site from which the website traffic came
- website marketing** The promotion of a website that results in driving traffic or visitors to the site to learn more about the product or company or to make a purchase
- website traffic** the total number of visitors to a company's website

## Applied Marketing Knowledge: Discussion Questions

1. The Association of National Marketers (ANA) acquired the Data & Marketing Association (formerly the Direct Marketing Association (DMA)). This organization has several arms. One of them is the [dmaconsumers.org](https://openstax.org/r/dmaconsumers). Visit the website, and [see what services it has to aid consumers](#) (<https://openstax.org/r/dmaconsumers>).
2. Choose three people that you know, each from a different generation. Explain the concept of online, social media, and mobile marketing. Ask the following questions: “Do you engage with these forms of marketing?” “Have you purchased anything from one of these forms?” “Do you have any concerns about using any of the marketing strategies discussed?” Then, explain whether anyone’s answers surprised you.
3. When considering the privacy issue, where does the responsibility fall? Is it with the business, or is it with the consumer? Is it both? How can a consumer guard themselves? What can a company do to make sure it

is practicing ethical marketing?

- The main goals of consumer protection laws and regulations are to protect consumers' privacy and identity and to protect consumers from unfair or deceitful actions. Research the following regulation and law to familiarize yourself with them: the Telemarketing Sales Rule and the CAN-SPAM Act.

## Critical Thinking Exercises

- Compose a paragraph (150–200 words) using all of the following terms as they relate to direct, online, social media, and mobile marketing. The goal is to prove you understand the meaning of each term.
- List the positive and negative value of each of these forms of marketing: direct mail, social media, mobile, content and telemarketing. Think about products, messages, and delivery systems.
- Now consider the target market for direct mail, social media, mobile, content marketing, and telemarketing. Does the chosen form of marketing present challenges in growing the target market? If so, how can those challenges be met and overcome?

## Building Your Personal Brand

Goal-setting is the development of an action plan designed to motivate and guide an individual, group, or organization to reach a goal. There are several models of goal setting; one of the popular ones is SMART goal-setting. SMART stands for goals that are specific, measurable, action-oriented, realistic, and time-bound.

Consider a goal you might set for yourself that's SMART. For example, if your goal is to intern at a marketing firm, you might establish the following SMART goals:

- Specific: Create a list of possible companies you want to target for an internship, and indicate why.
- Measurable: Quantify the number of contacts at each company you plan to make in a week, and map those to calendar dates.
- Action-oriented: Develop a plan for reaching out to and making appointments with those contacts.
- Realistic: Is what you're setting reasonable when you consider your work schedule, schoolwork, personal responsibilities, etc.? Set goals that are achievable.
- Time-bound: Consider all of the steps, and decide how much time it will take you to complete this goal.

Now set yourself two goals around building your personal brand. Is there a skill you wish to learn or a website you want to develop? Whatever your goals are, be sure to consider the SMART goal-setting model as you develop them.

## What Do Marketers Do?

Check out [the Association of National Advertisers \(ANA\) website \(<https://openstax.org/r/anonet>\)](https://openstax.org/r/anonet), and scan the wealth of information available. It offers a content library, newsstand, marketing futures, blogs, and podcasts. Throughout this information, you will learn more about many aspects of current trends, future opportunities, and simply what it is that marketers are doing now. Being educated on the many associations and the information available can inspire you to look at marketing careers in a different light.

Navigate to the Content Library, then the Media Channels section. (In order to see the link to the Content Library, you need to hover over "Resources" at the top of the page.) From this section, review the various pieces of content available, and choose one to read. After reading, write a two-paragraph summary on what you learned, what you found most interesting, and why.

## Closing Company Case

### Publix

Founded in 1930, supermarket chain **Publix** started with one store in Winter Haven, Florida. It now has over

1,200 stores throughout the Southeast. The company was founded on the promise of superior customer service. With unwavering dedication to quality and value, Publix is now one of the 10 largest-volume supermarket chains in the country.

Publix is employee-owned, and the pride and dedication of its employees shows in the daily interactions with customers and the communities it serves. Walk into any Publix grocery store, and the spacious aisles and displays provide for ease and access. The brightly lit shelves and soft music make for a pleasant shopping experience. With a wide selection of quality products and its own Publix brand, customers are typically delighted with the availability of premium and well-priced items.

A hallmark of the Publix shopping experience is the checkout. Its friendly Publix cashiers and abundance of grocery baggers make shopping a pleasure. No matter how big or small an order might be, the baggers are always eager to help customers out to the car with their groceries.

As the company worked to develop the superior in-store shopping experience, consumer preferences for grocery shopping began to change. Amazon, a leader in online shopping, bought Whole Foods. Adding to its already “everything store” approach, Amazon was now able to deliver groceries within a two-hour window.

In 2016, Publix began a pilot with Instacart. Instacart is an online ordering and delivery platform, partnering primarily with grocery and drugstore chains nationwide. Publix had plans in place to launch Instacart with all Publix locations by 2020.

When COVID-19 began raging throughout the United States and economies were shuttered, demand for grocery delivery was high. Publix and Instacart rallied to meet the need. Each Publix location was tasked with getting its merchandise uploaded on its website, and Instacart was quickly hiring employees to shop for and deliver groceries to homes across its market area.

Using a mobile app, Publix consumers continue to use Instacart to shop for grocery delivery. Through the robust Publix website, consumers are able to place orders for party trays, bakery items, and whole-meal catering solutions. Publix regularly posts updates on food recalls and highlights of its sustainability efforts. Consumers who opt in can join the Publix Club to receive emails with coupons and weekly discounts on groceries.

Publix has an active social media presence. With over 3 million Facebook followers, loyal consumers often comment on their good finds, grocery deals, and favorite products. Publix provides its followers with favorite recipes and new products.

Through Instagram, Publix shares photos of some of its food products as well as ways it supports its communities and helps with environmental sustainability issues. Customers regularly like and comment on the Instagram posts featuring Publix food items and holiday meal ideas.<sup>43</sup>

To learn more about these companies, [visit the Publix website \(<https://openstax.org/r/publix>\)](https://openstax.org/r/publix) and [the Instacart website \(<https://openstax.org/r/instacart>\)](https://openstax.org/r/instacart).

### Case Questions

1. Describe the ways Publix is utilizing its website to connect with customers.
2. In what ways can consumers engage with Publix through digital media?
3. What are some of the methods Publix can utilize to determine success with its digital efforts?
4. How did Publix use digital resources to respond to consumer needs during the COVID-19 pandemic?



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