

1.2 INTRODUCTION

Digital marketing is often confused with online marketing. Digital marketing is the process of promoting a brand, service or product on the internet. Put simply, Digital marketing differs from traditional marketing in that it involves the use of online channels and methods that enable businesses and organisations to monitor the success of their marketing campaigns, often in real time, to better understand what does and doesn't work.

The 21st century has witnessed the developing a web presence in most companies. E-mail was commonplace and there was technology allowing people to manage this fairly easily. Customer relationship management (CRM) systems had been in place for some time to manage databases. Some companies were placing banners on websites with a similar approach to press advertising. Forward- thinking companies were working on their search engine strategy and even working with some affiliates. All of this was online marketing and, in time, online marketing teams and specialists would begin to appear. (Kingsnorth, 2016).

The most common form of digital marketing is the website of the organisation and the epicentre of all its online activities. In order to drive qualified traffic to a website, or encourage repeat visitors and sales, savvy marketers include a combination of email marketing, search engine optimisation (SEO), pay-per-click (PPC) advertising and social media in their strategy.

1.3 WHAT IS DIGITAL MARKETING?

The first approaches to digital marketing defined it as a projection of conventional marketing, its tool and strategies, on Internet (Otero and Rolan, 2016). Satya (2015) defined it as 'online marketing', 'web marketing' or 'internet marketing'. The term digital marketing became popular overtime, especially in certain countries. In the USA online marketing is still prevalent, in Italy is referred as web marketing but, in the UK, and worldwide, digital marketing has become the most common term, especially after the year 2013.

Digital marketing is an umbrella term for the marketing of products or services using digital technologies, mostly on the Internet, but also including mobile phones, display advertising and any other digital terms.

1.4 HOW HAS DIGITAL MARKETING EVOLVED?

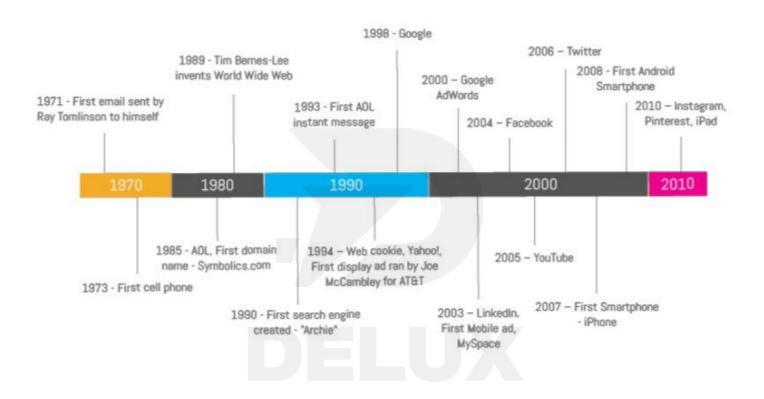


Figure 1.2: Digital Marketing

So what has changed? The social media revolution has completely changed the internet and consumer behavior. The penetration of board-band has increased speed, internet usage and user expectation with over 40 per cent of the world now online and over 90 per cent in many countries (Internet World Stats, 2015). Analytics has grown to the level where we can

3

understand our consumers' behavior in real time, including just not their usage statistics but also their demographics and even interests. Mobile has gone smart and tablets have stormed onto the scene and both of these changes have brought along apps. Touchscreen is becoming increasingly common across all devices. Google has become an enormous organisation and owns search globally. TVs have gone smart and Bluetooth opens up another level of possibilities. With a naturally ageing population there is now only a very small percentage who are technophobes simply due to age.

DEFINITION OF DIGITAL MARKETING

Digital marketing is basically applying all marketing techniques to digital channels. Different sources can be used to promote services and products like SMS, search engines, email, websites, social media and mobile devices. The digital nature of this marketing method makes it a cost-effective means of promoting one's business. (Kingsnorth, 2016)

The use of digital marketing depends on the organization's marketing objective. It could be that the organization wants to generate more leads, build their brands, increase sales or improve brand engagement. Digital marketing means more than just having a website. The website needs to be aesthetically pleasing and easy to navigate, and also needs to have quality content to reflect the nature of the business.

Search engine optimization (SEO) is an important factor as well. Search engines need to read and index the website properly. There are content and SEO specialists who can help organizations to design websites which are responsive and accessed through all devices. Digital marketing also involves managing the organization's social media presence and interacting with fans as well as marketing the business across major social media channels.

1.6 HISTORY AND EVOLUTION OF DIGITAL MARKETING

Digital marketing first appeared as a term in the 1990s but, as mentioned above, it was very different world then; Web 1.0 was primarily static content with very little interaction and no real communities. The first banner advertising started in 1993 and the first web crawler (called WebCrawler) was created in 1994 – this was the beginning of search engine optimization (SEO) as we know it (Kingsnorth, 2016).

Once Google started to grow at pace and Blogger was launched in 1999 the modern internet age began. Blackberry, a brand not connected with innovation any more, launched mobile e- mail and MySpace appeared. MySpace was the true beginning of social media as we define it today, but it was not as successful as it could have been from a user experience perspective and ultimately that is what led to its downfall.

Google's introduction of Adwords was their real platform for growth and remains a key revenue stream for them to this day. Their innovation, simple interface and accurate

5

algorithms continue to remain. Cookies have been a key development in delivering relevant comments and therefore personalising user experience.

"One of the technologies which really brought information revolution in the society is Internet Technology and is rightly regarded as the third wave of revolution after agricultural and industrial revolution" (Gangeshwer, 2013)

The first search engine started in 1991 with a network protocol called Gopher for query and search. In 1993, the first clickable banner went live, after which HotWired purchased a few banners ads for their advertising. This marked the beginning of a new era, the digital era of marketing. Because of this gradual shift, the year 1994 saw new technologies entering the digital marketplace. The very same year, Yahoo was launched.

1998 saw the birth of Google. Microsoft launched the MSN search engine and Yahoo brought to the market Yahoo web search. In 2000, the internet bubble burst and all the smaller search engines were either left behind or wiped out leaving place for the giants. Then in 2006, digital marketing world saw its first steep surge. At that time, search engine traffic already grown to about 6.4 billion in a single month.

Soon, Google began to expand and along with this social networking sites began to emerge. Myspace was the first social networking site followed by Facebook. With this, companies realized that all these new sites are opening new doors of opportunity for them to market their products and brands.

Products marketed digitally are now available to customers at all times. Statistics collected by the Marketingtechblog for 2014 show that posting on social media is the top online activity in the US. The average American spends 37 minutes a day on social media. 99% of digital marketers use Facebook to market, 97% use Twitter, 70% use Google+, 69% use Pinterest and 59% use Instagram. 70% of B2C marketers have acquired customers through Facebook. 67% of Twitter users are far more likely to buy from brands that they follow on Twitter. 83.8% of luxury brands have a presence on Pinterest. The top three social networking sites used by marketers are LinkedIn, Twitter, and Facebook.

1.7 DIFFERENCE BETWEEN TRADITIONAL MARKETING AND DIGITAL MARKETING

Many small businesses struggle with deciding which kind of marketing to do, because their budget will only stretch to one or the other, not both. The decisions that must be made are not easy: which method of marketing will give me the most amount of sales and profits? How do I know if my marketing is working? Who should I trust with my marketing? Should I do it myself? To clarify the terms, the use of print ads on newspapers and magazines is a simple example of traditional marketing. Other examples include flyers that are put in mailboxes, commercials both on TV and radio and billboards. On the other hand, when a business invests on building a website, advertising the brand name through different social media such as Facebook, Twitter and YouTube, this kind strategy is called digital marketing. (Cave, 2016).



"Before we decide that TV is dead, can someone tell me what digital marketing is?"

You can easily reach your target local audience. For example, a radio ad might play in one location: your city or region. Or mailbox flyers will go to households in a select number of suburbs.

7

The materials can be kept. The audience can have a hard copy of materials of which they can read or browse through over and over again.

It's easy to understand. It can be easily understood by most people because they are already exposed to this kind of strategy.

The Downside to Traditional Marketing

There is very little interaction between the medium used and the customers. It is more of providing information to the public that the brand exists with the hope of these people patronising the brand.

Print or radio advertisements can be very costly. Printing materials can be expensive and you need to hire people to distribute these.

Results on this marketing strategy cannot easily be measured. Was the campaign successful?

Benefits of Digital Marketing

You can target a local audience, but also an international one. Further, you can tailor a campaign to specific audience demographics, such as gender, location, age and interests. This means your campaign will be more effective.

Your audience can choose how they want to receive your content. While one person likes to read a blog post, another person likes to watch a YouTube video. Traditional marketing doesn't give the audience a choice. Most people hate receiving sales flyers in their mailbox or phone calls at inconvenient times on stuff that they have little interest in. Online people get the choice to opt in or out of communications and often it is relevant because they were the ones searching for it in the first place

Interaction with your audience is possible with the use of social media networks. In fact, interaction is encouraged. Traditional marketing methods don't allow for audience interaction. You can encourage your prospects, clients and followers to take action, visit your website, read about your products and services, rate them, buy them and provide feedback which is visible to your market.

Digital marketing is cost-efficient. Though some invest on paid ads online; however, the cost is still cheaper compared to traditional marketing.

Data and results are easily recorded. With Google Analytics and the insights tools offered by most social media channels, you can check on your campaigns at any time. Unlike traditional marketing methods, you can see in real time what is or is not working for your business online and you can adapt very quickly to improve your results.

Level playing field: Any business can compete with any competitor regardless of size with a solid digital marketing strategy. Traditionally a smaller retailer would struggle to match the finesse of the fixtures and fittings of its larger competitors. Online, a crisp well thought out site with a smooth customer journey and fantastic service is king – not size.

Real time results: you don't have to wait weeks for a boost to your business like you would have to waiting for a fax or form to be returned. You can see the numbers of visitors to your site and its subscribers increase, peak trading times, conversion rates and much more at the touch of a button.

Brand Development: A well maintained website with quality content targeting the needs and adding value to your target audience can provide significant value and lead generation opportunities. The same can be said for utilising social media channels and personalised email marketing.

Viral: how often do your sales flyers get passed around instantly by your customers and prospects? Online, using social media share buttons on your website, email and social media channels enables your message to be shared incredibly quickly. If you consider the average Facebook user has 190 friends of which an average of 12% see their liked posts – your one message has actually been seen by 15 new prospects. Now imagine a number of them also like and share your message and their friends do the same? That's why high-quality content is so important.

So which kind of marketing is better?

It is recommended to use both traditional (physical) marketing and digital marketing materials on the following grounds:

9

☐ Physical material is more "real" to the brain. It has a meaning, and a place. It is be	tter
connected to memory because it engages with its spatial memory networks.	

Physical material involves more emotional processing, which is important for memory and brand associations.

☐ Physical materials produced more brain responses connected with internal feelings, suggesting greater "internalisation" of the ads.

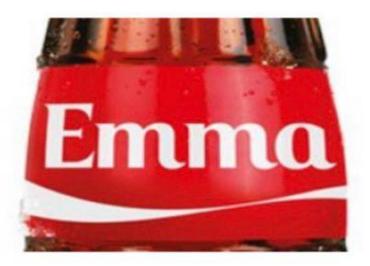
How can organisations Use Both Digital & Traditional Marketing

The traditional marketing methods must support the organisation's digital marketing efforts. The two do not operate in exclusion from each other. Only hard copy marketing materials can be used to further strengthen a relationship with a contact, referral partner or client e.g brochures to someone who is interested in the organisation's services.

Rather than taking an all or nothing approach, it appears that a multi-channel approach that leverages the unique benefits of paper with the convenience and accessibility of digital will perform best. Table 1.1 below outline the main differences between traditional marketing and digital marketing.

Traditional marketing	Digital marketing
Communication is unidirectional. Meaning, a business communicates about its products or services with a group of people.	Communication is bidirectional. The customer can also ask questions or make suggestions about the business products and services.
Medium of communication is generally phone calls, letters and emails.	Medium of communication is mainly through social media, chat, websites and emails.
Campaigning takes more time for designing, preparing and launching.	There is always a fast way to develop an online campaign and carry out changes along its development. With digital tools, campaigning is easier.
It is carried out for a specific audience throughout from generating campaign ideas up to selling a product or a service.	The content is available for general public. It is then made to reach the specific audience by employing search engine techniques.
It is a conventional way of marketing; best	It is best for reaching global audience.

Share a Coke with...



How Coca Cola became Digital Rockstars!!

Coca Cola have gripped the nation this summer with their simple but brilliant 'share a coke' campaign, offering consumers the chance to swap the coke brand name with their own and share the experience with others.

This has arguably been one of the most revolutionary marketing campaigns ever delivered and it demonstrates what can be achieved if digital is successfully integrated into the marketing mix. Almost overnight, it's given digital marketers the world over a successful case study to refer to in the budget battle against other traditional forms of marketing.

Coke Company has adapted their campaign to reflect how they consume their media since 2013 with complementary mix of on and offline media. What's more, digital is at the heart of this campaign because it makes their aim of delivering a 'personalised brand experiences' a reality, and shows us what the future of marketing holds in store.



WHY IS DIGITAL MARKETING IMPORTANT?

Digital marketing offers the ability to reach and engage target audiences in ways which were never before possible. A strong digital marketing strategy can deliver a far higher return on investment (ROI) than traditional marketing methods.

People are consuming digital content at a never seen before rate. More than half of the planet now has regular access to the internet, spending an average of 6 hours online per day, presenting massive opportunities for brands and businesses. Such trend will not slow down, as the number of internet-connected portable devices is on the rise. Gartner reported that smartphones surpassed the sales of feature phones for the first time in 2013, while the 2014 Q3 report from Globalwebindex reports that consumers are now spending more time with online media than they are with traditional forms of media.

