

UNIT - 1

Introduction to digital Marketing :-

"Digital marketing is a term for marketing of products or services using digital technologies (mainly on internet) to reach the viewers, turn them into customer and retain them."

How digital marketing is different from traditional marketing ?

Traditional marketing :- It involves the marketing of products or services through print media (Newspaper, magazine etc), radio or television, bill boards, business cards etc.

The following table summarises the differences between these two marketings

Traditional Marketing

1. Communication is unidirectional
2. Medium of communication is normally news paper, phone calls, letters etc.
3. Campaigning takes more time for designing, preparing and launching.
4. Normally it is carried out for specific audience.
5. It is normally used to reach the local audience.
6. Conversion rate is low.
7. less information about any product.
8. Expensive
9. It can not be altered once published.
10. Results cannot be tracked

Digital Marketing

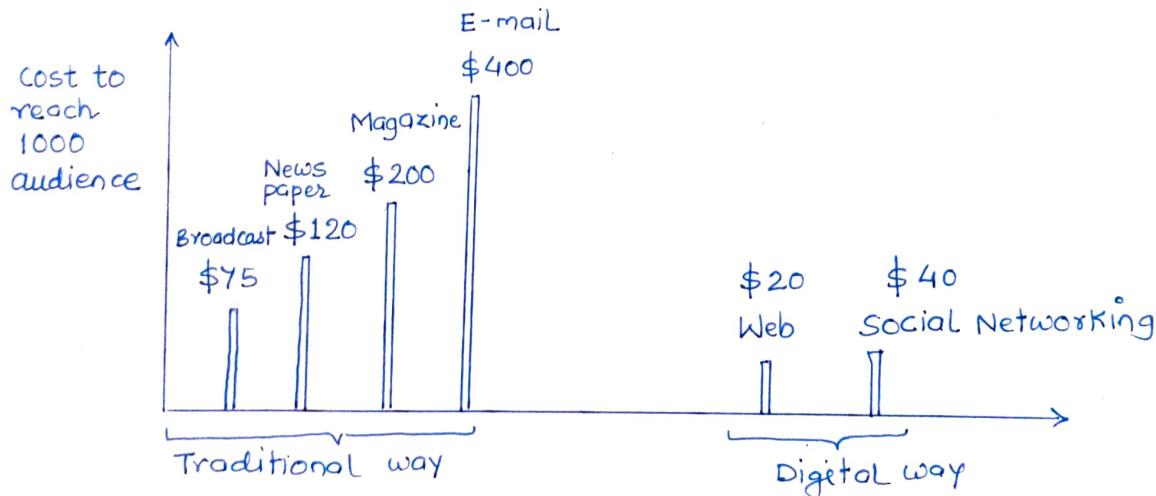
1. Communication is bidirectional
2. Medium of communication is through social media websites, chats, emails.
3. Campaigning is very fast with the help of digital tools.
4. The content is available for general public. Specific audience can be chosen with the help of search engine techniques.
5. It is best for global audience.
6. Conversion rate is high.
7. Complete or full information about any product
8. Cost effective
9. Can be altered any number of times.
10. Results can be tracked through polls, chats and campaign can be improved.

Reasons behind shift from Traditional to Digital Marketing

- 1) Availability of Information about the product :- Statistics of year 2020 (that includes COVID-19 pandemic) showed that globally
- *) 1.66 billion (166 crores) people are actually shopping online yearly.
 - *) 78% of internet users are researching products online before purchasing.
- people are spending time on internet to research about the product by using
- a) search engine optimization (SEO) like google
 - b) online review sites
 - c) comparing the product to meet their needs.

By the virtue of above facts we can say that the digital marketing facilitates the consumer to interact with the product directly & get all the necessary information about that product. This would help the consumer to choose his product as per his requirement.

2) Cost effective :-



From the above graph it is well understood that the digital marketing is a cost effective option. Other than this the digital marketing also includes these benefits during marketing

- *) When they (business houses) have to spend money as per the brand requirement
- *) Results can also be measured quickly through polls.
- *) Ads can be changed any time to optimize it.

3) Targeted Reach :- In the traditional marketing , the advertisers have to pay for all its audiences without knowing the facts of

*) demography (age , gender , community etc)

*) Buying habits

*) Intent (attention)

*) Job title etc (nature of employment etc)

Thats why this strategy is normally called as " spray and pray.", that means pay for everyone and pray that some people would get interested.

In the digital marketing

*) Advertisers have to pay for specific audience they want to reach, like specific age group, gender , interests etc.

*) Advertiser can track which audiences are leading to conversions or buyers and which are not.

based on these points the advertiser can collect the information and make decision in the futures .

4) High Return on Investment(ROI) :-

The digital marketing have higher return on investment because of

*) lower cost per lead (consumer or buyer)

*) high conversion rate (from viewer to buyer)

these two points can be chased with the help of

i) strategically designed websites

ii) Content Creation

iii) Search engine optimization(SEO)

iv) digital campaigns etc.

Modern digital consumer - (Types of Digital Consumers)

- 1) Basic digital consumer -
 - *) They are not highly digital users. They are just comfortable with internet shopping.
 - *) They prefer to go offline buying.
- 2) Retail Consumers -
 - (Retail Scouts)
 - *) They prefer offline retail shopping.
 - *) They are comfortable with online shopping but did not express a preference b/w online and offline.
- 3) Brand scouts -
 - *) They have favourite brand rather than favourite retailer.
 - *) They are similar to retail scouts
- 4) Digitally driven consumer -
 - *) They use every digital tool.
 - *) They do everything in their power to avoid physically going to store.
 - *) In future these will be the dominant segment of consumers.
- 5) Calculated consumers -
 - *) They are similar to digital driven consumers but they have no urgency to their purchase.
 - *) Before purchasing they take time to decide which brand to choose.
 - *) They ~~will~~ normally wait to get the best deal.

We all know that today's consumer is more connected than ever before. the single portable device that we keep in our pockets (mobile) can be used to

- *) review products
- *) check prices
- *) share purchase etc and sometime even to purchase products from one retailers online while standing on a competitor's store.

Mobile connectivity has also created an opportunity for retailers to interact with customers more purposefully.

- *) Almost half (48%) of all purchases are heavily influenced by digital media and advertising.

Digital Marketing Advantages :-

- 1) Global Online reach and visibility :- It allows advertisers to be visible in any part of the world.
- *) A small local business with an online branding can reach an international (global) audience that fits its target customer group all over the world.
- 2) Effective targeting :- Every digital marketing tactic uses highly efficient targeting methods like
 - *) search engine optimization (SEO)
 - *) Pay per click (PPC)
 - *) Demographic information on social mediaEven if an advertiser don't have clear idea of target audience, with digital marketing, he can extract data to see which audience have worked best for him and optimize his campaign with the results.
- 3) Reduced cost or cost effective :- Using digital marketing to promote business, whether it is local or global, small or large, the strategy offers a cost effective solution to grow your business.
- 4) High Return on Investment :- Digital marketing offers an attractive high return on low investments.
Email marketing or social media campaign costs little as compare to traditional marketing.
- 5) 24x7 customer support :- It allows 24x7 online support to make customer feel supported and valued all the time. exp- Flipkart, Paytm etc.
- 6) Increased engagement of customers :- In digital marketing, users can share the content on social media, write the product reviews, write an article etc. by doing so the customers are engaged with the product.
- 7) Speed of reach :- Companies can reach to their target audience very fast. this allows the companies to go for the new marketing ideas based on the results or feedbacks.
- 8) Digital marketing helps in determining what media platform work well for a product.

Common Digital Marketing strategies or Platforms

- 1) SEO based marketing (Google, Bing etc)
- 2) Video marketing (Youtube video Ads)
- 3) Social media marketing (Instagram, facebook, LinkedIn etc)
- 4) Email marketing (Newsletter, dedicated email, transactions email etc)
- 5) Content marketing
- 6) Pay per click marketing
- 7) Influencer marketing (marketing with celebrities)
- 8) Mobile marketing (Text messages, MMS, Mobile App, QR code, Pay per call)
- 9) Forum engagement (Quora)

Marketing strategies for the digital world : Latest Practices

1) chatbot and conversational Marketing - :

- *) Conversational marketing usually include Artificial Intelligence.
- *) It also includes everything from email-marketing to customer feedback and helps online shoppers and brands connect with each other through chat and voice.
- *) Chatbots can keep you up and running 24x7, are cost effective and give the advertisers a direct line to consumer.
- *) Chatbot can help to get more information about the consumer.
- *) By 2020 chatbots will power 85% of customer service with cutting the business cost by 8 billion (approx.) by 2022.

2) Voice search - : Voice search using smartphones with voice assistant and smart speakers is going to continue to grow.

How shoppers use voice

Research about the product	- 51%
Add to shopping list	- 36%
Track a package	- 30%
Make a purchase	- 22%
Provide rating / reviews	- 20%
Contact support	- 18%
Reorder item	- 17%

ways to optimize voice search

- *) Focus on rich answers
- *) Restructure your content based on FAQ.
- *) Use conventional language

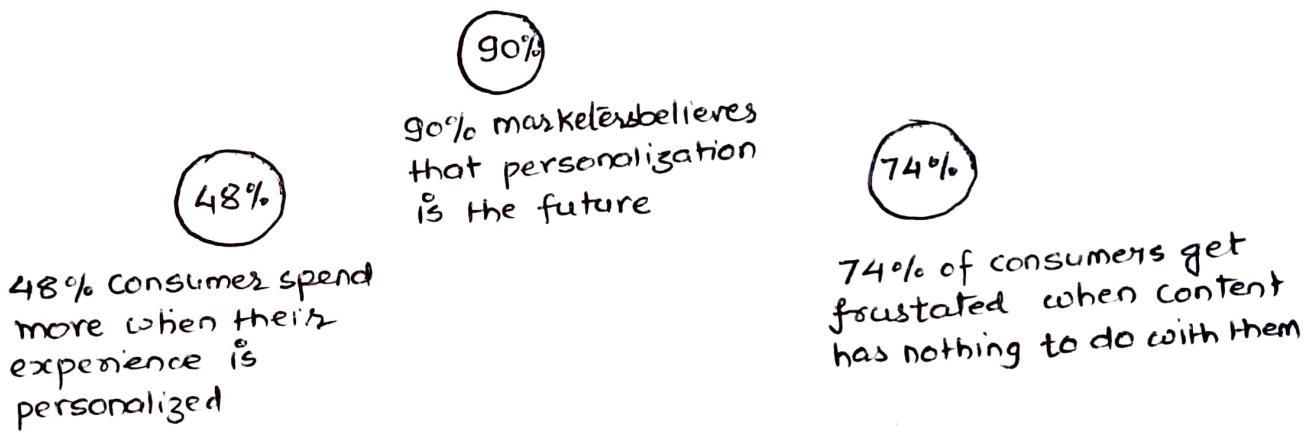
3) Personalization - More than 70% of consumers get frustrated when the content has nothing to do with them.

When their experience is personalized, ~~about~~ 50% of consumers will spend more. because of this strategy advertiser will get

- *) 20% more sales opportunities
- *) 18 times more revenue

} case study by Jupiter Research & Annuitas Group.

Facts about Personalization



4) Video Marketing - Video marketing is any type of video you record and post with the intention of moving you towards your business goals. (this technique does not include youtube).

→ types of video content

- *) short video explaining your product
- *) video blogs
- *) video interviews
- *) tutorial videos
- *) video of presentation
- *) product demo and reviews
- *) recording of live streams
- *) video ads

- The ROI of video marketing (As per Wyzowl Group in 2020)
- * 89% of video marketers says it gives them good ROI.
 - * 83% says it helps them with lead generation.
 - * 87% says it has increased the traffic on their website.
 - * 80% says their sales has increased.
 - * 95% are planning to increase or maintain video spend in 2020.

→ consumers and online video

- * As per Wyzowl research 84% of people say they have convinced to buy a product or service by watching a brands video.
- * According to Google watchtime for shopping related videos on youtube grew in the U.S. by more than 5 times over the past 2 years (research on 2020).
- * As per Google 55% shoppers use online video while actually shopping in a store.

→ Mobile Video Marketing

- * According to youtube , more than 70% of all youtube consumption is via mobile devices.
- * Broadband-search says users spend 40 min a day, on average, watching youtube on mobile devices.
- * Wyzowl research says 90% of consumers watch videos on their mobile devices.

→ social video or social media video

- * As per Twitter , videos are retweeted 6 times more than of photos.
- * youtube users upload more than 500 hours of new videos a minute .

5) Omnichannel Marketing :-

Multichannel

"Multi" = many

- channels are isolated
- Information across various channels are disjoint or may be disjoint

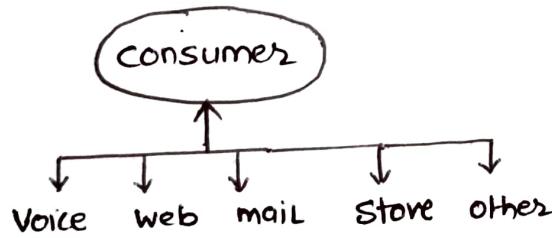
→ Typical channels are

*) Voice

*) Web

*) Mail

*) In store



Omnichannel

"Omni" = All

- channels are fully integrated
- Information across channels connects seamlessly

→ Typical channels are

*) Voice

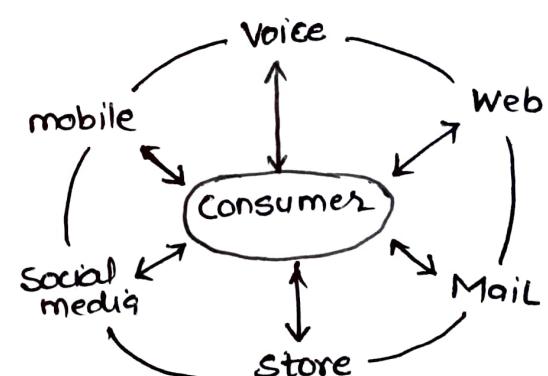
*) Web

*) Mail

*) store

*) social media

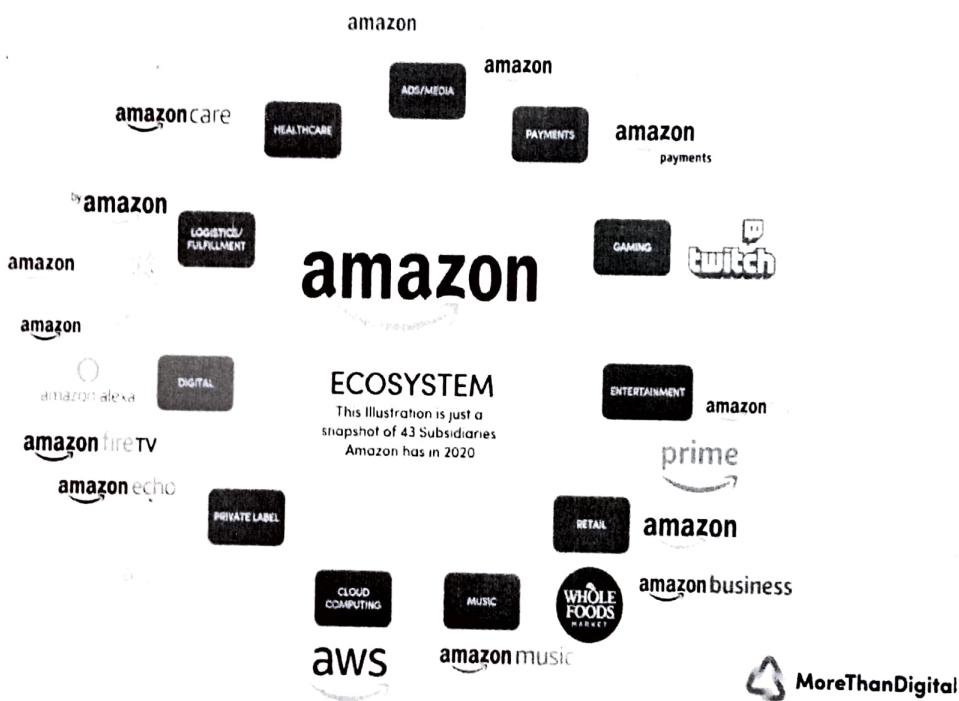
*) Mobile



Digital Ecosystem - A digital ecosystem is a network of interconnected companies or products.

In some cases, digital ecosystem consists of two or more companies partnering together to offer a wide range of products or services than they could offer on their own.

Example - i) Amazon is one of the well known example of a robust digital ecosystem. It has a variety of in-house products and platforms, as well as a network of partnership with other companies.



ii) Modern Banking is another example of digital ecosystem. These ecosystems are created through their apps which integrates all services and applications (digital wallets, internet banking, digital passbooks etc) into one place.

Types of Digital ecosystem -

i) In-house Ecosystem - It is a type of ecosystem where a single company offers a suite of interconnected products. These products can address a variety of consumer needs.

exp⇒ Microsoft offers a range of products like cloud platform, productivity tools and devices to host all of that software.

2) Multicompany partnership :- When two or more companies become partners to offer collaborative products or services. This does not mean a merger or ~~or~~ acquisition. All the participating companies contribute to and benefit from the network
⇒ Amazon has a core network of 67 partners.

Benefits of Digital ecosystem :-

- *) Faster adaptation of technology
- *) Generation of new source of revenue
- *) Reduced operational cost due to automated data process & increased business efficiency.
- *) Build customer loyalty with a 'family' of products.

Methodology of Digital Marketing (3 I's Rule) -

The digital marketing institute has developed a methodology that helps to guide digital marketers towards achieving their goals. This methodology comprises 3 rules

1) **Initiate** - The initiate rule states that the customer is starting and finishing point of all digital activities. The digital advertisers have to work on the customers like

- *) Who they are?
- *) What are they interested in?
- *) What resonates with them?
- *) What products they already have tested?

Based on these parameters a digital marketer can take action using digital platform that will add value to their organization and customer experience. By starting with your customer and translating the customer views into a digital strategy, marketers increases their chance of achieving goals.

2) **Iterate** - The iterate part is about testing, putting your brand out there in market, and modify targeting messaging to adapt and optimize your digital campaign to deliver on your objectives. In this stage, ask

- *) Do they engage with it?
- *) Did you go through the right path?
- *) Are your product resonating the market?
- *) Are your keyword choices driving the desired action from audience?

Once you have done all this testing, you can begin to improve by doing more of what worked and what didn't work.

3) Integrate -: At this point its time to start thinking about integration. The integration stage is focused on 2 parts

- i) Get approval from your organization to move forward.
- ii) Integrate your findings and strategy across the different channels.

4Ps of Marketing

These are actually 4 Pillars of the marketing strategy.

- i) Product -:** The product is what the company sells. It might be
 - *) a product like soft drinks in beverage industry or dresses in the clothing store.
 - *) It might also be a service such as consultancy services, paid promotional services etc.
- ii) Price -:** This refers how much you charge for your product. There must be some questions in your mind while pricing
 - *) What will be the lowest price of your product?
 - *) What would be the highest price that consumer would be willing to pay?
 - *) How sensitive the customer is about the prices?
 - *) What are the prices of current leading brands of same segment?
 - *) What are the other promotional offers given by your organization as well as your competitors.

iii) Place -: Place means location.

You have to pick a location where your customers are. Don't expect them to come to you rather you have to go to them. Some parameters to find the right location could be

- *) Where is your targeted customer?
- *) Which outlet (offline & online) sell your product?
- *) Do you sell directly to business (B2B) or customer (B2C).

*) Where are your competitors?

The customer should always be at the center of your decision, but it's also important to include other P's that we have discussed.

iv) Promotion -! Once you have optimized the previous 3 P's of marketing, its time to promote your offer. Promotion is not only about to take your brand out in the market but also generating revenues.