E-commerce-
Marketing on the web

Marketing I – Overview

- Objective: marketing mix
- Case Study
- Marketing Strategies online
  - Product based
  - Customer based
- Communication
- Segmentation
  - Types of web visitors, online behaviours
- Advertising
  - Banner Ads
  - Email Marketing
- Relationship Management

Marketing II _ Overview

- Branding
  - Consolidation
  - Affiliation
- Search Engines
- Domain Names

Case: 911Gifts.com

- Items to meet last minute shopper
- What is in a name
- Promise of next day delivery
- Organisation by holiday rather than product type
- Reminder service
- Revamped –RedEnvelope
  - Asia: red envelope, elegant simplicity
  - Full color, well illustrated print catalogs
  - Upscale product lines

Marketing mix

- – combination of elements to achieve goal of selling products & services
- (also marketing strategy)
- Organised by
  - Product– item/service; brand is important to sell
  - Price
  - Promotion –methods of spreading the word
  - Place –method of distribution, make available in may different location, online instant download. Can also better track with webtech

Marketing Strategies

- Product based: variety of products & services
  - Useful when clients buy by categories eg
    - IT: PCs, Cameras, printers & all in ones, copiers.
    - Office Supplies: Envelopes, Filing, paper, desk organisers..
  - Print catalogs are usually product based marketing.
- Customer based:
  - think like the customer looking to fill a particular need eg graduation gift, fit a new office
  - Site flexible enough to meet needs of different users eg university sites: current students, prospective, parents, donors, faculty etc.

Mass Communication

▸ Means to communicate to them
  ◦ media choice critical, as online firm has not physical presence.
▸ Mass media
  ◦ large audience, lowest level of trust
  ◦ People ignore messages, channel surfing,
  ◦ Are passive recipients
▸ Web
  ◦ Active recipients – blogs as an adjunct comms medium; higher trust than mass media
  ◦ Lower cost than personal contact
▸ Personal contact
  ◦ High trust eg getting recommendation from familiar sales man.

Market Segmentation: real world

▸ Micromarketing–Targeting smaller segment
▸ Identify different market segments/groups
  ◦ Demographic:–age, gender, marital stat, income, education, ethnicity & religion
    · eg youth buy more cds,
    · holidays& airline tickets→ up market
  ◦ geographic seg: location, country, urban, suburban, rural, neighborhood
  ◦ Psychographic: social class & personality, lifestyle

Examples

▸ Sports
  ◦ Golf, tennis – higher income ; insurance, mortgate, luxury autos, game equipment (likely players too)
  ◦ Football –moderate income
▸ Children's program–
▸ Daytime soaps – laundry, care, pets
▸ Documentaries – books, educational videos etc

Market Segmentation: online

▸ Target site design at different visitors
  ◦ Eg Steve Maden – young, fashion conscious, bold fonts, bright colours
  ◦ Talbots, Marks & Spencer –conservative.
▸ Provide different virtual spacs for different market segments – flexibility
  ◦ Eg Dell –even has premier accounts – highly customized interaction w client
  ◦ Shows product selections, prices, terms agreed etc.
  ◦ Employes of client companies can create pages. Login required.
  ◦ one-to-one

Additional Segmentation....

▸ Behavior/Occasion segmentation
  ◦ Real world–difficult to cater to needs of clients under different behaviour needs eg restaurant w everything between fast food → 5course meal all day, anytime.
  ◦ Easy to design a website for different behaviours

▸ Online behaviors:
  · Browsers – surfing. Use trigger words, extra product info to keep them –may bookmark and return.
  · Buyers – nothing should get in the way of a purchase. Provide means to search product online eg Argos, should be able to add to shopping cart w/o prior registration/sign-in
  · Shoppers– want more info b4 buying.
    · Allow them to specify level of detail desired
    · Provide comparisons, sorting

Types of Website visitors

- Simplifiers:
  - Like convenience, simple site.
- Surfers
  - –like to find new info etc. need to have entertaining, attractive informative site.
- Bargainers,
  - [<10% of online population, but >50% of ebay visitors]
  - Like a bargain–price, shipping etc. Willing to visit many sites to get it.
- Connectors –chat, forums, ecards, webmail etc unlikely to purchase
- Routiners
  - –check same site again & again for news, quotes etc
  - Like well known interface
- Sportsters
  - Spend more time on sports (not news/finance)
  - Like entertainment. Site must be interactive & attractive.

$$ from the semgents

- Challenge:
  - Identify your visitors
  - Generate revenue from each group/segment
  - Targeted ads
  - Targeted deals –depends on category
  - **may need to ask visitors to identify themselves subtly– r usually reluctant. Eg Dell.

Customer relationships

- Good relationships result in repeat visits & purchases
- Awareness→ exploration→ familiarity→ commitment → separation
- Attracting visitors to the site is the first step of turning them into customers
  - –→ advertise!
  - exploration stage: send messages –new products
  - Familiarity: persuasive message to buy specific products
  - Commitment: reminder message; feel good factor

Online adverts

- Coordinate with other marketing drives.
- Banner Ads:
  - Animated gifs, shockwave, java, flash etc
  - Standard sizes/formats used.
  - Banner exchange programs (for free); direct competitors may exist –more suitable for NGOs
  - Find sites that appeal to your target audience
  - Ad networks – broker bt advertisers and website that carry ads eg Microsoft bCentral
  - Measure click effectiveness
    - cost per thousand impressions
    - #Click–though

Banner Ads

- Creative
- Disguised banner ads
- Declining click through rates as users become savvy
- Pop–ups are blocked
- Pop–behind ad
- Interstitial – ad loads instead of page. Must be closed first. –disruptive
- Rich media ads –float on the page itself. No obvious way to dismiss.

Other marketing techniques

- Site sponsors –display ads
  - Can include their own content. Raises ethical issues
  - Eg medical information site, sponsored by pharmaceutical company
- Ad are generally not very effective –unless user is new ☺
- Email marketing
  - Opt–in emails
  - Can buy email addresses –ethics
  - Combine content with ads. Use hyperlinks. Induce visitors to stay on the site
  - Add email to other forms of ads eg paper ads.