

Starting Digital Marketing

NEW VENTURE CREATION

Oct 21st

Media Metrics (contd.)

		FREE	PAID	EARNED	
Digital	Internet, social	Posts Website	Boost posts SEM, Display	Virals	Too much data FOCUS
	whatsapp/ call/ email	Internal EDM	Database	Virals	
Traditional	TV / Radio	PR	Advertising	W-o-m, social	
	Newsprint/ OOH	PR	Advertising	W-o-m, social	
	Events & Activation	Speaker	Sponsorships	PR	

Digital Marketing: Media vs Products

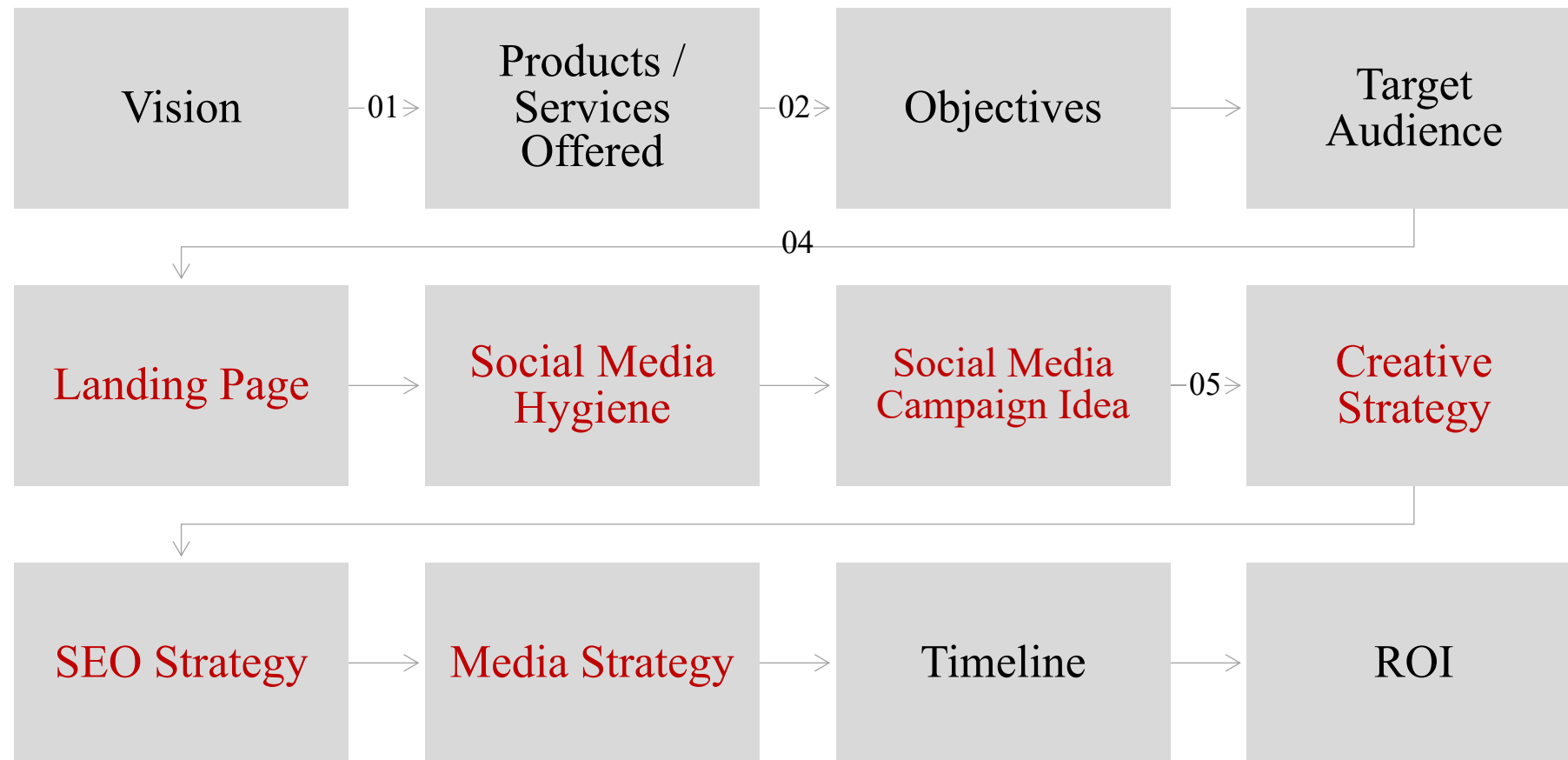
- Digital Products
 - Our own products getting viewers & revenues (read profits)
- Digital Marketing
 - Leveraging the Digital Media for promoting ourselves
- Direct Database Marketing (CRM: customer relationship management, EDM : Electronic direct mailing)

Digital Products need traditional media also

Traditional Products need Digital media also



Digital Plan : How?



Landing Page/ Website: Anchor for digital marketing

Google Analytics

- Set up Google Analytics Code
 - Set up Goals
- 1. Will help define the journey of the person who filled the form
- 2. Demographic, location, Device, Source, Medium of the person who filled the lead form

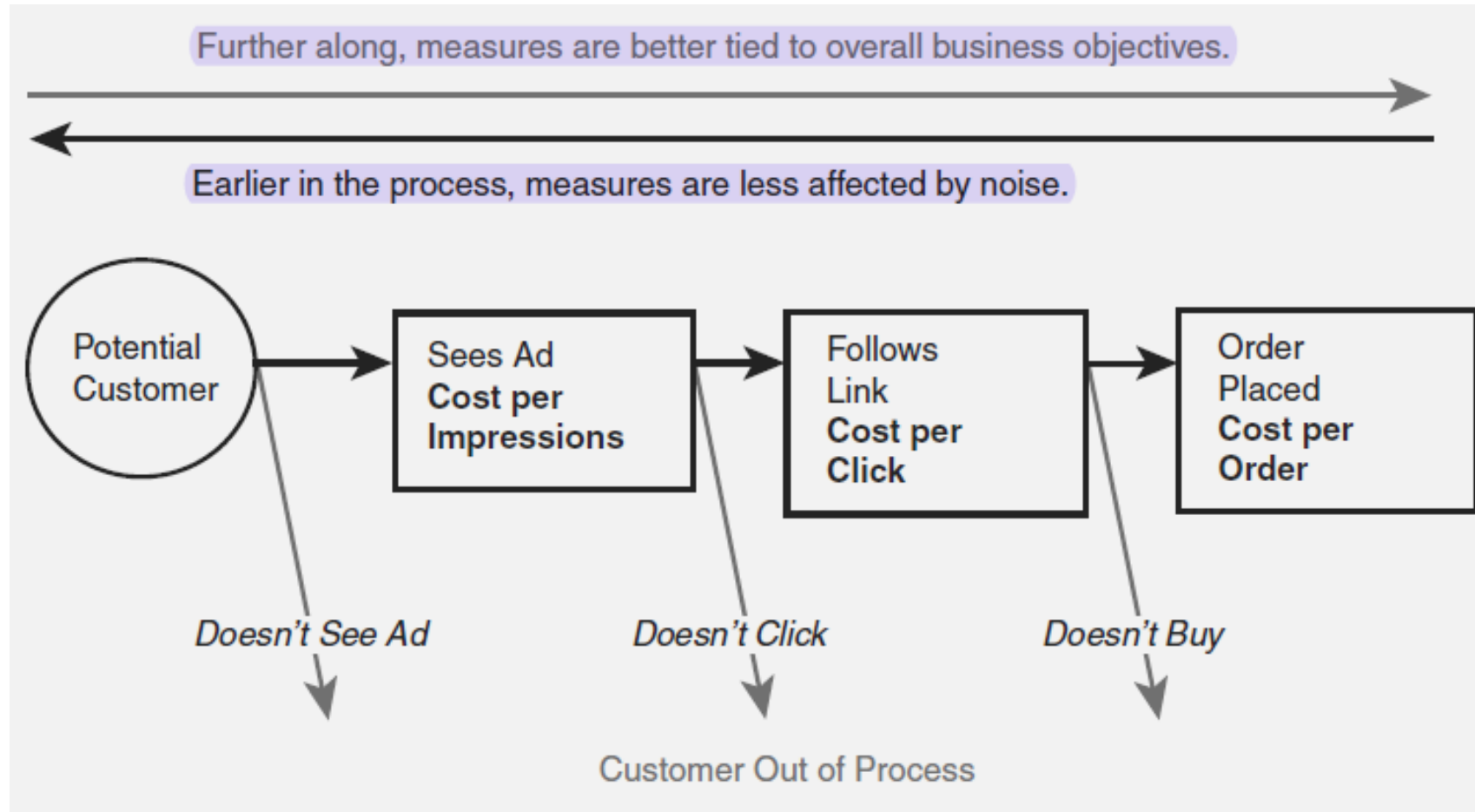
This will help in

- Tracking Traffic Source

Audience Profile from different channels

1. Demographics
 2. Location
 3. Device
 4. Average Time spent on Website
 5. Bounce Rate
 6. Average Time spent on different pages
 7. Visitors on the Website
- Tracking Leads

Digital Marketing



Digital Marketing: Terminologies

- SEM : Search Engine Marketing; keyword marketing. The 'paid' URLs that show up on the side of organic results, when a user is searching something
- SEO: Search Engine Optimizing/ organic search. The URLs that show naturally
- Display Ads: Banners, Position, Videos, Images
- Ratings: UV (unique viewers), PVs (Page Views), Time Spent
- Contextual Ads: Serving ads after crawling a users' content consumption
- Remarketing: Cookie tracking people who are dropping out and reaching them again

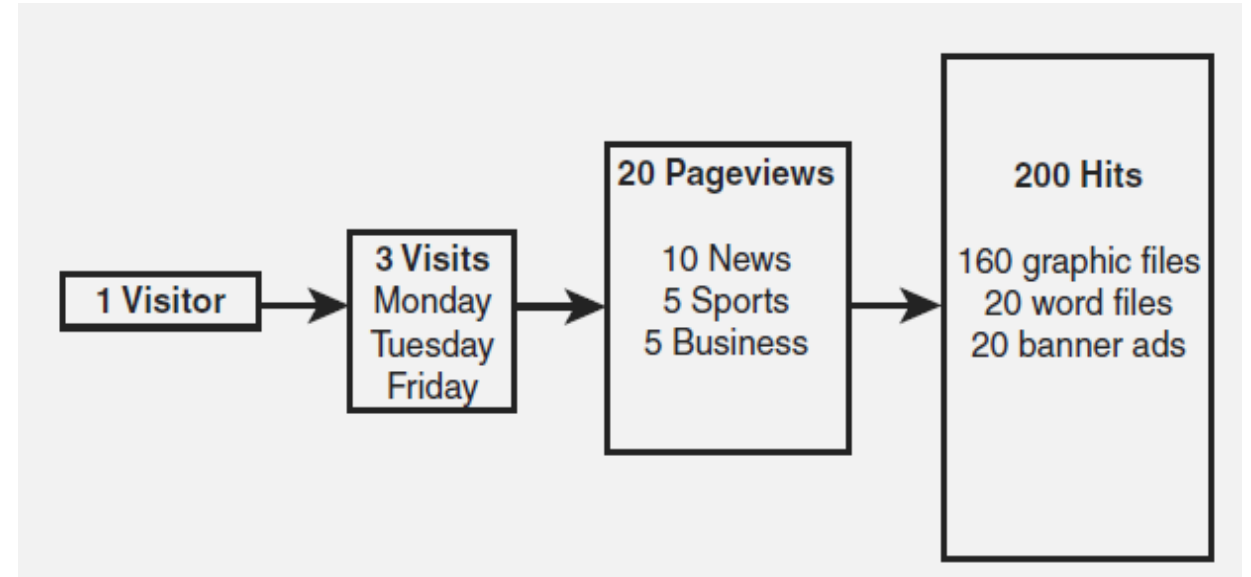
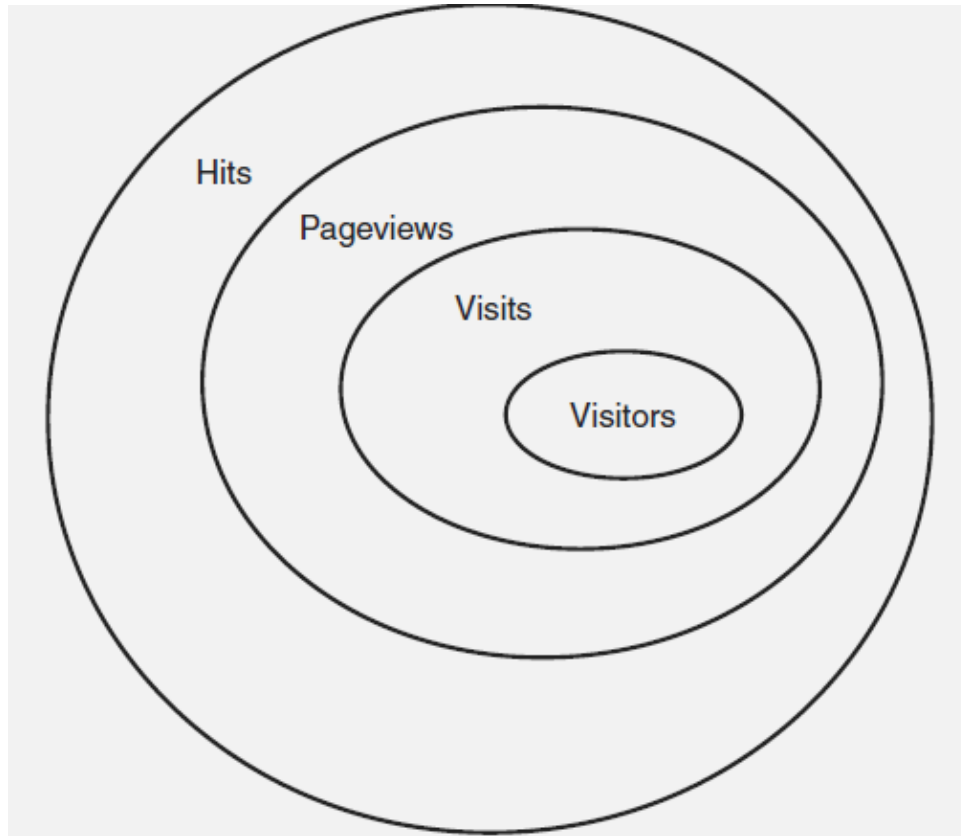
Impressions, Pageviews & Hits

- Impressions: # of opportunities that have been presented to people to see an advertisement
- Pageviews: # of times a page has been displayed to a user
- Hits (#) = Pageviews (#) * Files on Page (#)
 - Pages composed of many small files generate numerous hits per pageview
 - Measuring hits, though previously popular, has largely been abandoned as hits are a function of site design

Note: Impressions, Pageviews & Hits

- Measures of responses of a server to page & ad requests from users' browsers, filtered to remove robotic activity & error codes prior to reporting often include duplicate showings to same visitor
 - Gross impressions may be a better term
- Measures do *not* take into account
 - # of ads actually seen
 - Quality of what is shown
 - Whether message appeared to a specific, relevant, defined audience
 - Whether those who saw page have any recall of the page/ad

Visitors < Visits < Pageviews < Hits



See, Click, Come

- Visits (or 'sessions' in Google Analytics): # of sessions on a site
 - Can consist of a single or multiple pageviews
- To calculate visits one must establish a timeout period
 - Subsequent requests from an individual who visited page count as new visits only after timeout period elapsed
- Visitors (or 'users' in Google Analytics): # of unique people who visit
- Abandonment refers to unfinished shopping carts
 - Shopping carts that don't result in purchase
 - Very common online

See, Click, Come

- Abandonment Rate (%)

$$= \frac{\text{Carts Not Completed (\#)}}{\text{Customer Baskets Initiated (\#)}}$$

- Conversion Rate (%)

$$= \frac{\text{Number of Consumers who Purchase (\#)}}{\text{Number of Visitors (\#)}}$$

- Online to Offline Conversions (%)

$$= \frac{\text{Estimated Store Visits (\#)}}{\text{Online Actions (\#)}}$$

Rich Media

- Rich media: Interactive media that allows consumers to be more actively engaged
- Average Rich Media Display Time (#)

$$= \frac{\text{Total Rich Media Display Time (\#)}}{\text{Total Rich Media Impressions (\#)}}$$

- Rich Media Interaction Rate (%)

$$= \frac{\text{Total Rich Media Impressions with Interactions (\#)}}{\text{Total Rich Media Impressions (\#)}}$$

Rich Media

- Rich Media Interaction Time: Total amount of time a visitor spends interacting with advertisement
 - On same visit user might interact with the media twice
- Video Interactions: Video can be classified as rich media depending on way it is served to viewer
 - Typical interactions with a video: play, mute, pause

Rich Media

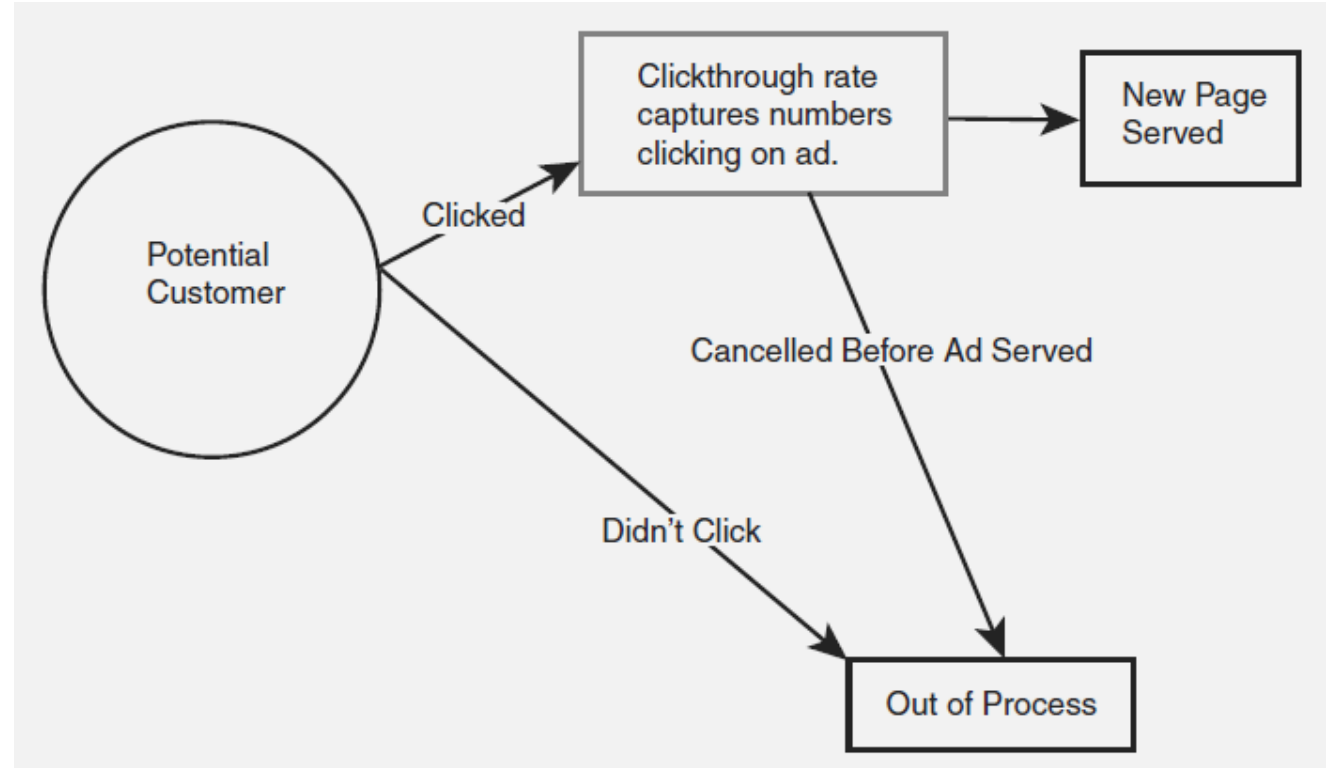
- Metrics track how long people spend viewing advertisement as a proxy for how interested they are in its content
- A user who interacts with rich media is showing evidence of being more actively engaged
 - Suggests they are more likely to take action, e.g., purchase

CTR: Clickthrough Rate

- Clickthrough rate measures impressions that lead to an action
- Clickthrough rate (%) = $\frac{\text{Clickthroughs}(\#)}{\text{Impressions}(\#)}$
- Note unless user clicks on “Buy Now”, clickthrough rate only measures one step on path to a sale

CTR

Large videos are likely to increase # of people who abandon process before ad is served, especially if potential customers have slow connections



Cost per Impression, Cost per Click & Cost per Order

- $\text{Cost per Impression (\$)} = \frac{\text{Advertising Cost (\$)}}{\text{Number of Impressions (\#)}}$

- $\text{CPM(\$)} = \frac{\text{Advertising Cost (\$)}}{\text{Number of Impressions in Thousands (\#)}}$

- $\text{Cost per Click (\$)} = \frac{\text{Advertising Cost (\$)}}{\text{Number of Clicks (\#)}}$

- $\text{Cost per Order (\$)} = \frac{\text{Advertising Cost (\$)}}{\text{Orders (\#)}}$

Input

Output

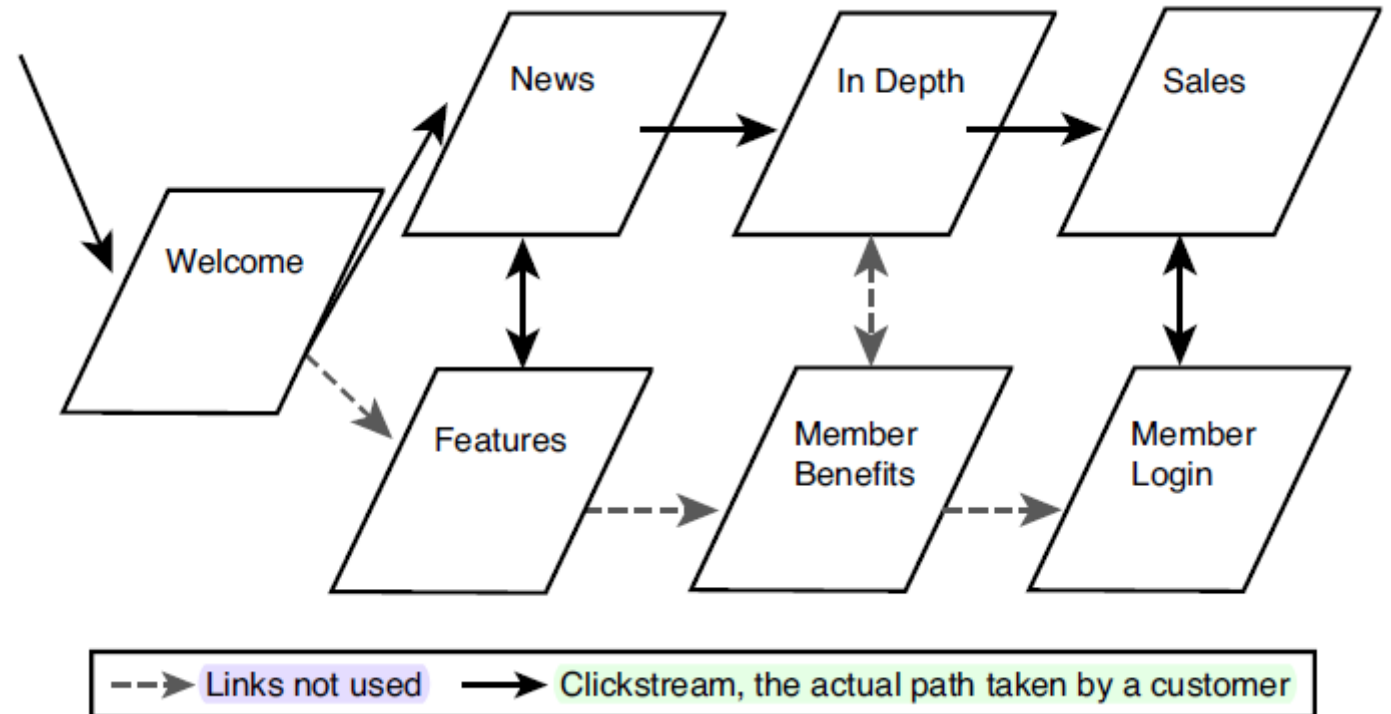
CAC vs LTV

- Ineffective or badly targeted ads may have a small CPM, but a high Cost per Click
- Companies prefer to compensate media & agencies on basis of new customers acquired rather than impressions
- Agencies may push back as this arrangement passes risk onto them
 - Acquisition depends on the quality of the product as well as the advertising
- Remember LTV: Life Time Value or
- CAC: Cost of Acquiring a Customer

$$= \frac{\text{Advertising Cost}}{\text{Number of New Customers who Make an Order (\#)}}$$

The Clickstream

- How to make most popular paths easier to navigate?
- Change or eliminate unpopular paths
- What are 'dead end' pages?



Bounce Rate (Web Site)

- Bounce Rate (%)

$$= \frac{\text{Visits that Access Only a Single Page (\#)}}{\text{Total Visits to the Site (\#)}}$$

- Measures site's effectiveness in encouraging visitors to continue visit
 - See more at Google Analytics Academy
- Money spent generating traffic for whom site is not relevant -- high bounce rates -- is money wasted
- Use Content Experiments
 - Show different pages to different visits and see which perform best, have the lowest bounce rate

Bounce Rate: Complications & cautions

- Metric often reported by default by site's host
 - Visits (rather than visitors) likely to be used in computation
- Lowering timeout period will result in ↑ bounce rates
- Bounce rate can be defined for individual landing pages
 - Some effective pages will have high bounce rates, e.g., directions
- Metric's value depends on objectives of organization

Social Media Metrics:

- Friends (#): # of friends of entity registered on a social network
 - Indicates active interest in owner of the page
 - Similar to Followers/Supporters etc...
- Likes (#): # of individuals favoring a social networking post/page
 - Liking is a very low commitment activity
 - Still more likes probably indicates greater appeal

Social Media Costs:

- Cost per Friend (\$)

$$= \frac{\text{Total Cost to Provide Social Network Presence (\$)}}{\text{Number of Friends (\#)}}$$

- Cost per Like (\$)

$$= \frac{\text{Total Cost to Provide Social Network Presence (\$)}}{\text{Number of Likes (\#)}}$$

- Typical costs include design & update sites, devising social media marketing strategies
- Often very hard to attribute specific outcomes to social networking actions
 - Yet a vital part of many marketing strategies

Social Media:

- Some segments more reluctant to reveal brand loyalty
 - 2 equally strong brands can have different levels of social presence
 - Products used privately less likely to gain public support
- “Friends” & “Likes” intermediary metrics, not actual aim of organization
- Value of a like cannot be attributed solely to social media strategy
 - Those incentivized to follow/ friend brand are likely to be less valuable than those who followed without prompting
- Value is profit generated from customer, *not revenue*

Downloads (output)

- Downloads (#): # of times that application or file is downloaded
 - E.g., apps, software trials, ring tones, pictures, etc.
- Does not distinguish '1 individual downloading 10 times' vs. '10 individuals downloading 1 time'
- Do you count completed or finished downloads?
- In standard analytics packages, downloads can't be tracked like normal "pages"