Book Digital Engagement

Internet Marketing that Captures Customers and Builds Intense Brand Loyalty

Leland Harden and Bob Heyman
AMACOM, 2009
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Recommendation

Leland Harden and Bob Heyman's authoritative guide is exciting some of the time, rather boring other times, and absolutely essential for anyone working in online marketing, branding, public relations (PR) or community building. *BooksInShort* recommends it to all contemporary marketing professionals and anyone else who is trying to shape a coherent policy for engaging consumers online. When the book is dull, it is dull for the same reasons it is so essential: In places, it is a reference work, which you might consult regularly in short bursts, rather than read through in its entirety. Given that, the index should include each person and Web site the authors mention but, alas, it does not. The book is exciting because it provides two related, necessary pieces of information: specific guidelines for developing online campaigns and tools for measuring their success. If you read it, you'll be able to plan consistently, maximize your online PR investment and track how you've done.

Take-Aways

- Marketing online requires different tools than marketing in traditional media.
- Online marketing is great for building your brand's identity, generating buzz and finding sales leads.
- Customers expect online companies to offer direct access and fast support.
- Many people will find your Web site by using search engines, so ensuring that your site has a high search ranking is essential.
- Use word of mouth as your model for online public relations.
- Don't make sales pitches on social media sites; instead, engage the community.
- Your Web site is the heart of your digital marketing campaign, and your domain is central to it.
- Online videos engage customers and make your Web site "stickier."
- To measure your ads' effectiveness, track customer involvement and the return on your online investment.
- Simulated worlds like Second Life offer new ways to market yourself by creating virtual products.

Summary

The Foundations of Engaging People Online

Online marketing, advertising and sales are growing so quickly they're threatening the established media, making it reassess its approaches and fight for its life. "Digital engagement" offers new possibilities, but taking advantage of them "requires a twist to the entire corporate mindset." For example, about 40% of advertising spending online through 2011 will focus on "paid search" positioning, something that doesn't even exist in traditional marketing. Digital engagement works best in these areas:

- **Building your brand** – Your Web site is your primary tool for building your brand online. Make it well-designed, interactive, appropriate and up-to-date so it can work with your print ads to bolster brand loyalty, especially in younger buyers. Top sites draw millions of visitors: Pampers.com had 1.7 million U.S. visitors in 2007.
- **Creating leads** – Use e-mail to reach Web users. You can spam or use more palatable methods, like "search marketing," "affiliate marketing" and link swapping.
- **Selling** – More people are buying online: In the U.S., Christmas 2007 online sales were 20% more than 2006 online holiday sales. Selling on the Web is especially useful when you have limited time, or where technology allows you to offer a service – such as travel planning – electronically, and pay less for labor and expertise.
- **Offering customer support** – Putting part of your customer service operation online saves money. Often, combining phone and online text-based help works well. Properly handled, customer support can enhance brand building and market research, since you can solicit opinions on what your company should do. Responsiveness is crucial; customers who once were willing to wait a few days for an answer now expect one in 24 hours.
- **Conducting market research** – Use online surveys and feedback forms to solicit consumers' opinions cheaply and directly. Track how people discuss your brand online or data mine your sales figures to detect your customers' buying patterns.
- **"Generating buzz"** – The Internet is a great place to create word-of-mouth publicity. Social networking sites make it easy to chat online about your products.
- **Publishing** – The emergence of online publishing has hurt traditional content providers. Newspapers and magazines have been relatively slow to adapt. A host of new models, from Web sites to movies to e-books sold (and paid for) through electronic funds transfers, has made the Internet a lively media battleground. The best way to earn revenue online is not yet clear, but many sites sell ads to accompany free content.

> "Social network technology today makes it easier than ever for people with common interests to come together and stay connected."

Everything you do online starts with your Web site. Keep it up-to-date. If it is more than a year old, it may need a "makeover." To modernize your site, prioritize site design and renewal. Innovative tools let you track your site's performance and offer more choices. New venues, like cellphones, place fresh demands on your designers. Choose your design well so you can build in strong visuals and facilitate programming. Integrate your visuals across platforms: If you have a Web site and a blog, use linked color schemes. Preview your site to be sure it works on all screen sizes, down to cellphone size. Give your users options; for example, let them choose between Flash and non-Flash designs. Build shortcuts into your design. Use media, from photos to how-to videos, to help users select products. "Embed trustworthiness" in your site by using Verisign or eTrust (and show their logos). Adjust your tone away from the hard sell and toward friendliness. Automate whatever functions you can and track how well your site works.

> "On the Web, word of mouth no longer is an ethereal concept."

Your domain name is an essential part of your Web presence. To make your site easier for searchers to find, create a domain name that is as useful as possible. Register your company's name early, along with its common abbreviations or misspellings. Establish an array of "pointer pages" to redirect visitors to your core site. Consider registering domain names for your major executives. Move quickly when you register, since "cybersquatters" sometimes "typosquat" misspellings or poach desirable domain names. Focus on major domains ending with ".org," ".net," ".edu" or, especially, ".com." Other domains may seem secondary and not as trustworthy. International domains are the exception. Adding a country-specific domain to your Web sites can lend them an international flavor. Renew your domains regularly, so you don't lose your URLs.

Specific Techniques and Methods

Two-thirds of online shoppers return to sites they know – but the rest tend to search or "randomly surf" for what they want. This goes for business-to-business (B2B) purchasers as well as consumers, but, even so, companies spend just a small portion of their ad budgets on such functions as search engine optimization that maximize a listing's placement in online searches. "Search engine marketing" combines technical knowledge of how search engines work with an understanding of how people operate. To give your site a higher rank, use keywords in your title and text, keep up-to-date, stay on topic, and register links and placements in online communities. People tend to select sites from the first page of search results. Use local search options, so you come up first in your area. Use mobile search marketing to pinpoint your local results via cellphones' GPS capacities and check video search options.

> "Search engines jump-start the process of engagement for new customers who have never heard of you, and also for existing customers who may be researching several options online."

The Internet nourishes and tracks word-of-mouth marketing. Madly proliferating social media, like MySpace and Flickr, are built around facilitating community conversations. You don't make direct sales through social networks. Instead, you befriend or "friend" people, offer information and develop a continual presence as part of their community. A third option is to create a cool "widget," a "shortcut window to content" on your site; people distribute "cool" widgets voluntarily. The Web uses word-of-mouth or "WOM" units to track buzz, so you can measure how often blogs mention your brand and calculate how these mentions affect sales.

> "Search marketing is a limited creative discipline charged with a very big job – helping customers find your site when they don't know you, but are specifically looking for the product or service you provide."

Online video offers exciting possibilities for generating buzz. People watch all sorts of videos online, but news, comedy, music and educational films get the most attention. People talk about the things they watch and even search by images. Some 15% of all Google searches seek images and Blinkx.com now offers searchers more than 18 million video clips. Content providers like iTunes and Hulu post original Webisodes and podcasts (broadcasts for the iPod and similar portable media), and rebroadcast network shows. Sites like YouTube use "BitTorrent" to facilitate "peer-to-peer sharing." Advertising is just now adapting to these new options, so methods and prices are not yet standardized. Pay attention to your video's search "tags" to be sure viewers find you.

> "Search engine marketing is about what search engines can do for you – for a price, of course."

What makes an online video successful? TubeMogul, which focuses on "online video analytics," says "content and production" account for 50% of a video's popularity; 15% comes from "metadata" like the tags, title and keywords; 20% from the "thumbnail" (the single small image); and 15% from traditional marketing. Researcher Dan

Ackerman Greenberg adds that the most popular online videos are short, available for remixing, and somehow "shocking" or surprising. Their creators try to attract bloggers, and provide ways for people to comment on and share the videos. One survey predicted that as much as 40% of video will be broadcast online by 2012 (TV will still have 60%).

Becoming More Visible Online

"Affiliate marketing," wherein you earn money by referring people to another business's site, can also lead people to your site. In such "performance-based" marketing, you get paid based on actual sales, not site hits. Of these programs, 80% pay on "cost per sale" (CPS), whereas others use "cost per action" (CPA). Affiliate marketing works by building networks: People get directed to your site without necessarily even knowing they want to find it. You can choose among several established affiliate marketing programs, such as Commission Junction and the Google Affiliate Network. You can also assemble your own network using programs from firms like AssocTrac and My Affiliate Program. First, decide what sort of sites you want as your linked affiliates.

> "Web video is exploding. Money is being invested in video search, video sharing, video advertising solutions and ways to measure all this activity."

Use word of mouth as your model for online public relations. People are turning away from homogenized mainstream media, and turning to bloggers for alternative viewpoints, so you must too. Find the bloggers who are most influential in your area. Read their blogs, learn their communities' rules and then join the conversation. Build relationships. Start your own blog to give your company direct interactive contact with consumers. You'll receive unfiltered commentary from customers and you can develop a community by providing expert help. When you start your blog, make sure the platform has multimedia capabilities, and allows "Really Simple Syndication" or RSS. Consider creating podcasts.

> "Videos that have relevant and rich tags and descriptions will be found and forwarded. But there is nothing wrong with supercharging this process, and this is where promotion comes into play."

Even experts disagree about which form of online "paid media" (advertising) is most effective, but they have learned some lessons. Overt ads, like banner ads, are essentially useless in social networks. People aren't there to shop, so ads just get in the way. Instead, use widgets and sponsorships. Study your target audience, so you can design and place ads accordingly. Find the sites people visit and determine why. Decide if paying for search placement fits your audience or if banner ads, "contextual Web ads," or pop-up ads would serve better. An "ad server" firm can help you make this decision, place your ads and measure the results. For maximum saturation, produce a multimedia campaign that provides "branded entertainment" and integrate it with your offline ads. Online ads are billed based on how often people see the site ("click per thousand" or CPM), the number of click-throughs ("cost per click" or CPC) or the number of transactions ("cost per action" or CPA), such as consumers' purchases.

> "Use bloggers sparingly but feed their appetite for the juicy news bit."

When measuring how effective an ad is, many people only check "conversions" or sales. But determining which element of an ad campaign produces a sale can be difficult. As a result, you might measure how high you rank in searches, how many "unique visitors" check in, how many times people view your Web page and how "sticky" your page is – that is, how long people spend time there. Unfortunately, each metric has weaknesses. For example, an efficient site might not be as sticky as an inefficient site.

Is Your Web Presence Working?

To assess your site's functionality, start with "site reports" showing how many people view your site, how long they stay and what they do. Site reports and free tools like Linkpopularity measure the number of links to your site. You can use more complex "web analytics tools" to measure both Web site and e-mail functionality. As you move into a Web 2.0 mindset, you may need to shift to social involvement, instead of mechanical events. To measure engagement, check "click depth" (how often visitors click deeper into your site), how loyal visitors are, how often they visit, how recently, how long they stay and if they subscribe. Monitor how interactive they are; do they download content or watch a video? Finally, measure your return on investment. How many customers do you get through the money you're spending for online ads?

> "One difficulty many company bloggers have is getting out of the press release box. The Internet is a 'tell me, don't sell me' medium."

After you develop a presence on social media networks, delve into "virtual worlds." Second Life is the most popular of these worlds, where from 300,000 to 500,000 unique users live second, third and fourth lives through digital avatars. They talk, have relationships and maintain homes. You can engage them by making your own avatars, by creating unique products for the avatars to purchase in their virtual worlds and by developing digital versions of real-world products. People use these sites for long periods of time, exponentially multiplying their exposure to your properly placed ad. Special virtual worlds exist for all sorts of groups, each a little different, so choose your settings carefully and learn their rules. You also have the option of "advergaming," in which you hook customers by offering games and quizzes, or by placing ads in existing games. Some games exist just for marketing purposes, with products woven intricately into the plotlines.

> "Plastering sales messages in a social environment won't work because it misses the key premise of successful online marketing...engagement."

The next revolution in digital marketing is already under way: Start planning mobile phone campaigns. Many more people have cellphones than personal computers (2.5 billion to about 1 billion respectively), so reaching this outlet is essential. You can adapt many existing campaigns to new platforms. Use phones' GPS capacity to make search ads local. Reshape banner and multimedia ads for smaller screens and phone platforms. Phone users are accustomed to text messages, so craft ads for text. You even can create ads to go with Webisodes of popular shows.

About the Authors

Leland Harden and **Bob Heyman** co-founded Cybernautics, a new economy marketing firm, and co-authored *Net Results*. Harden is vice president of Institutional Advancement at Hardin-Simmons University. Heyman is chief search officer at Mediasmith.