Digital Marketing

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Introduction:

"The only Fashion that never Fades: Digital Marketing". In general marketing of any business starts with advertising and it has become as essential component of business. Using advertising in a business gives power to business people to achieve amazing things. The story, the call to action, the image, the message all are carried out by the organization to bring about change in the world. The ability to influence people plays a vital role in success of any business. The business started to utilize the means and media to promote their business. Word of mouth was first means used by company to advertise and influence others from the dawn of human existence. Images that were used in business enable early recognition and influence perception and behavior of consumers. Development of printing during 15th, 16th century and advertising in newspaper during 17th century was the first form of mass advertising. The 18th and 19th century was further expansion in newspaper advertising along with massive mail-order advertising. The 20th century was dawn of new advertising age with introduction of radio for advertising, then television was used for advertising and later on a new force was introduced based on internet technology which was an effective communication tool for masses. The era of digital marketing was born in this period.

What is digital and digital Marketing?

Digital: According to Caddell (2003) "Digital is a participatory layer of all media that allows users to self-select their own experiences and afford marketers the ability to bridge media, gain feedback, iterate their messages and collect relationships".

Going digital is not just using digital as marketing channel, it is thinking about how people keep them engaged with media, with people around them and with others in the world. Through digital the business can segment market and customize the message to the targeted segment in a measurable and valuable way.

Digital Marketing:

Digital Marketing is creating consumer demand by using interactive, interconnected web. Digital marketing acts as a communication tool to connect and build long term relationship with customers.

Why is Digital marketing gaining more importance?

By employing digital marketing as a means to improve their business and promote business, the marketing activities can be carried out in powerful way through two means

a. Segmenting of audience can be done in effective way based on their location and how they interact with the brand, which helps firm to tailor the message and make them specialized for that specific group of customers.

b. The digital marketing enables marketer to have a complete measure of what the customer does by way of following their click and by way of analyzing which particular marketing activity has given more benefit and where their efforts are focused.

Digital marketing enables to understand how people are using technology, how they can be leveraged to use technology in an effective way, understanding people is the key to unlock the potential of digital marketing.

The next area to be focused upon in digital marketing is the speed at which number of websites is growing online and also the number of people with internet access and both these factors play crucial role in designing marketing program. The version web 2.0 is an evolution on how people are using technology to collaborate and communicate with like-minded people in sharing knowledge, thoughts, ideas and dreams. But when business is carried out through internet it does not throw out the rule book on marketing and the principles of marketing, the profit is still calculated at revenue less cost. Internet has not changed that.

Digital Marketing Strategy:

Digital marketing strategy is based on objective or challenges and how marketing strategy can be focused on achieving the given objectives. Marketing strategy based on digital marketing should build on and adapt traditional marketing, and uses the challenges and opportunities offered by digital medium. The marketing efforts based on digital marketing should be consistently optimized and improved.

User centric thinking is the key word of digital marketing which allows great opportunity for consumer interaction and engagement, just than passing the message it is important to find out the way in which consumer can have interactive experience. The digital marketing strategy should be started with Return on Investment (ROI) in mind and it should finally result in measuring behavior, action and action paths. The outcome of digital marketing strategy should be aligned with overall business and organization brand building objective.

Crafting Digital Marketing Strategy:

Each business should try to create its own road map, because there is no possibility to have a blue print in place for every person in the organization to follow. But still there can be guide related to what your business is? What is that you are offering? To whom you are offering, why you are offering and how you are doing so? This question answers to what the organization wants to achieve and how it should solve the challenges.

Steps in crafting Digital Marketing Strategy:

1. Context: The organization and its various stakeholders contribute to crafting successful marketing strategy. The organization has to analyze the following questions in this regard

a. The environment in which the organization is operating currently and what is the change that may take place in the future.
b. Who you are? Why you're brand matters to customers and what makes your brand useful and valuable.
c. Your customer base, the needs, wants and desire of your customers
d. Your competitors based on product, price, time etc.

2. Value Exchange: It is examination of value proposition or promise, which is the extra you offer to your customers beyond product or service. The internet as a channel can offer value creation, but what is valuable depends on the target audience, so it is necessary to find out what is the need and wants of the target audience.

3. Objectives: The objective for digital marketing is based on four main aspects: Objectives, tactics, performance indicator and targets.

3.a. Objective is basic for marketing and without objective the firm will have no direction and no end goal. The question related to why we are doing this? What goal, purpose or outcome we are looking for should be answered.

The objective stated need to be SMART:

i. **Specific:** The objective should be clear and detailed than vague and general
ii. **Measurable**: To find if you have attained desired goal the objective should be measurable
iii. **Attainable:** Based on the resources available the objective should be attainable
iv. **Realistic:** The objective must be sensible based on trends and data, over estimation should not be done.
v. **Time – bound**: The objective should be achieved within the time bound given

3. b. Tactics – Tools or approaches that will be used to meet objectives is called Tactics. When strategy is complex multiple tactics can be used to achieve the same objective. Though the tactics change the objective remains the same.

3.c. Key Performance Indicators: To assess if the tactics are performing well and meeting the objective, the organization uses KPIs, and KPIs refer to specific metrics or pieces of data.

3. d. Targets: This refer to specific value that are set for KPIs to ensure that the objective is achieved within specific time period.

Digital Tools:

On setting digital marketing objective the tools and tactics for achieving this objective needs to be determined. Each tactics has its own advantage and also outcome.

i. Search Engine Optimization (SEO): It is part and parcel of website, deals with process of website that is concerned with aligning the content on your site to what your customers' are actively searching for and making it accessible for both people and search engine. The natural search result are the page to be concentrated if you want to increase targeted traffic in your website. SEO is the practice of optimizing web site to rank higher on search engine results for relevant search terms. It involves creating fresh and user friendly content that search engine index and serves people on entry relevant to

product or service search. SEO helps in high customer retention and acquisition and this in turn optimizes search engine as the site is clear, well designed and relevant.

Fig .1.Working of Service Engine
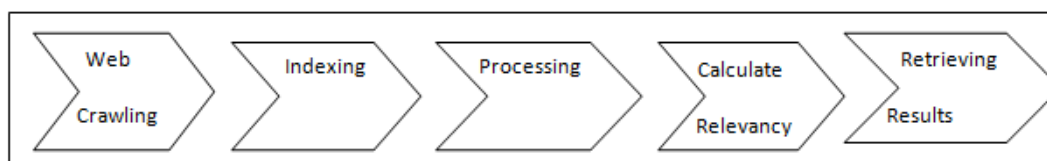
The process begins with web crawling, which is looking for the content available in the web. Websites are crawled by software programs like crawlers or spiders which visit each webpage.

These crawlers get information about registered domain names and IP address from Internet Corporation for Assigned Numbers and Names (ICANN), which is involved in assigning unique identifiers such as domain IP and names address for the entire Internet. Crawling is done on the request of webmaster as website keeps the content updating.

Search Engine takes the data that has been crawled and later on indexes the data, which is classified of pages into categories, and here the keywords are identified and these words best describe the page and assign the page to keywords. Indexing involves many concepts from linguistics, cognitive psychology, computer science and mathematics. Search engines have developed capabilities to index media files like video, audio and graphics along with the text.

On search request the search engine process it, compare search query with indexed page in the database, as more than one page will contain search query the search engine calculates the relevance of each page in its index to the query. The last step is retrieving the page with highest relevance score on top of the search results and displaying them in the browser.

2. Search Advertising or Pay-per click Advertising: In this the ad appears on Search engine result pages, the advertiser pays only when someone clicks on their ad. The key words or Key phrases used in the page is an extremely effective way of generating traffic quickly, as medium gains to continue popularity more competitive words are becoming prohibited and expensive.

Reasons why companies should consider paid search advertisements are

2.1.1. Capture Internet: The advertisement focus on people who are searching for terms relevant to their business. These people have interest in finding more information about the product or service and buy it, the interest and intent. They are more likely to click on the ad and buy product or services, which makes advertising so powerful. As a pull medium it taps the interest of the user as the user seeks the advertisement, this is the primary reason while click through rates are high for search advertising. The approach used is like spray – and – pray approach where marketers give advertisement with the hope that some people will be in the market to by those products and services.

2.1.2. Ease of action: the search engine provides the means to click, once the consumers' click the ad, the search engine directs the user to brand's web page, custom designed for the ad. The web page has easy navigation to website and integrates with maps to locate the business easily, phone call option and enables the user to find relevant information

2.1.3. Controlled Costs: Search engines charges a marketer only when a person clicks the ad (pay per click model). The advertiser cannot be charged for the number of times the ad is shown in search result. The marketer can have control on how much they are willing to pay for each click. As there is no base charge for creating advertising, the advertisers can have control on how much they wish to spend on each day. This is an prepaid model where advertiser transfer money to Google and subsequent cost are deducted from this amount, and this enables total expenditure to be under control.

2.1.4. Analytics: The report on performance of ads can be created and downloaded. Statistics such as – average pay per click, the number of clicks for each ad, the total amount spend, the click through rate and the number of times the ad is shown can be analyzed to measure effectiveness of the campaign.

2.1.5. Competition: when brand's web page is of high quality when compared to competitors and has more relevance in search query there is possibility of advertiser's website to be listed first result. But still the company needs to spend on advertising and the reason is the companies leave ad space open for attack by the competitors, so even though the company ranks first in SEO the competitor will be ranked first in page through paid ad. So there is need for visibility and prevent competition by bidding on top slot ads.

3. Affiliate Marketing and Strategic partnership: It deals with a system of reward whereby referees are given a "finder fee", for the referral made by them. The partnership is made with other organizations and website to promoted product and service. This helps for brand building and acquisition as e-commerce websites is promoted through this tactics.

To some degree Affiliate marketing overlaps with other internet marketing methods, those methods include Search Engine Optimization, paid search engine marketing, email marketing and in some sense display advertising. Affiliate marketing is practice of driving traffic when one site to another site in return for reward.

In digital market place it has become tough to compete for consumers' mind-share, in future, affiliate marketing would well mesh with main stream marketing and form hybrid market space. Marketers here can have wide and varied series of sales channel each doing its own thing, each one accountable and each rewarded based on performance.

4. Online Advertising: Covers advertising in all area of internet which relates to ads in email, ads in social network, ads in mobile devices and ads in normal website. Through Online advertising the firm can enhance brand awareness and it can be made more interactive. This type of advertising can be more targeted to physical location, past user behavior and subject area.

By creating **brand awareness** it may be possible to make people aware of a brand or product and it is important long term goal to sell product or service and the ultimate goal is to sell more product or service. Online advertising is largely visual making it an ideal channel for promoting brand image and making people familiar with color, logo etc.

Through three step process – inform, persuade and remind **consumer demand** can be created; online advertising should be convincing stating what they should want and why they should want it. Online advertising is a great way to communicate USP (Unique Selling Proposition) of product.

How a particular product will best meet the need and **satisfy** his need can be communicated through online advertising.

All forms of Digital Marketing need to drive traffic and sales in long term. The sales and traffic can be driven both in long run and short run through online advertising. Potential customer can be turned to online customer then and there through online advertising.

5. Social Networking: Social networking is done through social media, it is also known as consumer generated media. Text, visuals and audios can be created and shared, by collaboration and connection. It has changed the way of marketing that other channel cannot offer. This enables to offer highly targeted advertising to potential group through sites like Facebook, Twitter, Instagram and so on. Social networking when used as tool for digital marketing enables brand building, due to their sharable and viral nature.

5.1. Facebook Marketing:

One of the mostly widely used platforms is Facebook, it has a good repository of people which can be used as platform for marketer to achieve their business goals. Facebook has created revolution in the way people and business interacts. It is huge store house of people, about their interest, their likes, their dislikes etc.

Facebook as platform for Business:

Facebook is seen as effective digital marketing platform and mostly marketers consider this in their marketing plan. The different components of Face book marketing are

5.1.a. Facebook Fan Engagement: As there are enormous users in Facebook there is enormous volume of content generated in Facebook and this makes newsfeed overcrowded. So, there is need for filter, the number of newsfeed that an user can see is reduced to 300 post by applying the filter called Edge Rank Algorithm.

EdgeRank Algorithm – the activity in Facebook like status update, comment is called edge. EdgeRank Algorithm decides what to be displayed in newsfeed and how high it is to be placed and this based on three factors – affinity score, weight, time delay.

i. Affinity Score – The amount of interaction the fan has with the brand's Facebook page. The mode of interaction are liking, comment, sharing, responding to invite given by advertiser. This includes fan's engagement with brand; it also includes aspects like fan's comment, replies. The more interaction on the post the more the affinity score.

b**. Weight:** This refers to shares, comments, likes and clicks

c. **Time Decay**: This means to freshness factor of content. The more recent content gets the highest score and will be higher in the news feed, as the post gets older it will be pushed down in the news feed.

ii. Fan Types: Based on the level of engagement, the fans can be divided into five categories

a. **Super Fans:** Those who have bought from you and influenced others to buy from you have given permission for data also.

b. **Purchasing Fans:** Bought from you and given permission for data

c. **Advocate Fans:** Spread word of mouth about you and grown your fans and app users

d. **Engaged Fans:** Liked your brand and are your fans.

e. **Potential Fans**: Friends of your fans

iii. Organic Marketing: with competition increasing and more number of firms entering into online organic marketing is becoming more important, the focus in towards great content, which is interesting to users will provoke them to interact with the content in some way and will further help in increasing the organic reach, thus overcoming the limited reach problem and this is based on 3 E's (i) excite – attention grabbing headline to which audience relate to it instantly, (ii) entertain – includes facts, stories, picture etc which people can relate to or get excited about according to their interests and (iii) educate – post should be informative and should educate fans to solve problems.

iv. Evergreen content: The content receiving high engagement rates even after long period of posting is known as ever green content. This is highly valuable to digital marketer as uniqueness of such post and other content around them can be analyzed. Such contents are posted in multiple times to reach different people in different time zones.

v. Content with Human touch: shifting from regular commercial post and adding some human touch to the Facebook page is essential.

vi. Emotions and content virality: Virality is the extent of influence of social media information. The marketer's looks for their content going viral and the measures of virality are number of views, shares and votes for post. The three points to be focused here are (i) who spread the content i.e. network structure; (ii) why do they spread the content i.e., Motivation; (iii) what content make it more influential i.e. the ability to raise sentiment on content sharing.

vii. Paid Marketing: It is a boon to all companies that like to reach out quickly to large set of audience. It helps to build huge fan base within shorter duration. Paid marketing on Facebook is done by running ad campaigns for various purposes.

The structure of Facebook ad campaign is defined in three levels

i. Ad Campaign: This is the foundation stone for ads, at this level the end goal of ads are identified related to page likes, app installs etc. Further optimization of the ad in next two stage depend on what the company chooses as objective at this level.

ii. Ad set: The business define their ad through various optimization techniques such as ad targeting, bidding, scheduling, pricing, delivery etc. All these techniques focus on certain set of audience as per company requirement. Ad campaign has multiple ad sets, each with different combination of optimization technique.

iii. Ad: The ad includes ad creative's, videos, image text, etc and this what the audience see. Ad design plays a very crucial aspect as it plays an important role in grasping the attention of consumers.

6. Email Marketing: This delivers commercial and content based message to an audience. It is cost effective and highly reliable in terms of measurement and customizable based on the target customer. When it comes to maintaining ongoing relationship with existing customers and the prospects' who have opted to receive information there may be a crisis in terms of spam message.

E-mail marketing can also be to maintain customer engagement, to strengthen brand and to add credibility to business. E-mail newsletter is still popular and offer very effective way to get your brand in front of the list of prospects on regular basis.

Some of the examples include

a. Accounting firms informing its client about change in tax legislation

b. breaking new alert from Online news paper

6. a. E- Mail Marketing Tool:

To manage your email list and craft your own email design templates for your message, to track the e-mail campaigns software can be used and the functions of e-mail marketing tools are

6.b. Without having technical expert the tool enables to create and work from e-mail templates

- Testing tool will allow your mail to pass spam filters
- Tracking tool will shown how many have opened, ignored or responded to your mail
- Personalization tool let to modify the content according to the target profile of individuals.

7. Video Marketing: Video marketing involves creating video content. This can be either outright video advertising or can be valuable, useful, content marketing. By way of Video marketing the viewers can enjoy extremely rich and stimulating experience. More people have now started watching and sharing video because of increase band width and improvement of available technology. People are now turning to video for entertainment, information and valuable content. With more and more people looking and searching for video content understanding how to create video content, creating video online and creating optimizing video search is an important part in digital strategy.

8. **Customer Relationship Management:** Retaining existing customers and building relationship with them is important element of digital marketing. CRM is a customer focused approach to business based on long-term, meaningful relationship. It is about life-time value of a customer – the purchase they will make in future, the positive word of mouth they will generate on your behalf and the loyalty they have towards brand. CRM to be effective needs to collaborate with customers to inform over all business strategies, drive business process, support brand development and maximize ROI.

The process of CRM starts with

Understanding customers: CRM is not only implement customer-centric process and technology driven but also customer- driven process. The customer can drive business by way of enhanced customer engagement and mass personalization.

Consumer touch points:

Consumer touch points are the points at which brand touch consumer lives during their relationship. It is necessary that the brand speaks across all the touch points delivering rewarding experience every time when it interacts with its customers. The touch points can be either brand initiated or customer initiated.

Initially people are prospects who view the offerings of the firm and once these prospects show interest towards offerings made by the firm they are converted to customer by CRM. Customers when they shop on price they need to be converted into loyal customers. CRM in the form of an aware and trained sales force can help turn the prospects into customers. A customer touch point can be as simple as banner ad, it can be call between call centre agent and customer, an email giving details about their accounts, even bill and statements are touch points and these need to be managed.

Customer touch points are divided into three spheres

Pre-purchase – which deals with various ways the brand and prospects interact before the prospects decide to conduct business with a company. The brands goal are

- Gain customers
- Increase brand awareness
- Highlights brands benefit over competitors offer
- Indicate how brand provides value and it fulfills the need and want of consumers
- Educate the consumers about product and service

Purchase or usage – covers the touch point at which customer decide to purchase a product, use a service or convert the same according to set criteria and initiate brand customer relationship. The key goals are

- Instill value
- Deliver value
- Reinforce purchase decision
- Increase brand perception

Post-purchase – In this stage the interaction between brand and consumer should focus on

- Develop relationship
- Maximize customer experience

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- Deliver brand promise
- Remain top of mind
- Repeat purchase

Customer loyalty plays a vital role in acquiring and retaining customers who

- Have projected life value for business
- Buy your product or use your service repeatedly during their life time
- Share positive feedback with others
- Provide honest feedback about product or services
- Collaborate with you on ways to improve experiences

The next part of CRM deals with customer data and knowing your customer and what they want makes CRM strategy a successful one. The gathering of data needs to be done even before you know your customer. Matching prospects profile to product is the first step. The data collected by CRM also is based on objective of the concern. The data collected by CRM includes data for sales, support and marketing purpose, demographic details on potential and currents leads, purchase orders and invoices, psychographic data on customer value, attitude, interest etc, service and support record, customer review and web registration data.

The data that are collected is used for marketing purpose in the form of

Data Mining:

Data Mining involves analyzing data to discover unknown patterns or connections. Data analytics is typically performed by computers which sift through massive amount of data and find tiny patterns that a human research may overlook.

Analytics data: This is done through specialized software packages, these packages are used to analyze digital marketing campaigns.

Social Media Monitoring data: There are many social media metrics to monitor measure and analyze and some of these provide valuable insight for CRM implementation.

Effective CRM places customer need in all dealings with the brand, there is vast difference between customer-centric one and customer driven organization. Placing the customer at centre for business planning and execution is different having customer drive the direction of the organization. Many, new web - based service rely on the same and actively encourage customer to take lead and add value to business.

Services like www.twitter.com are user driven than user centric and enable users to make the service their own, often allowing outside developers to create supplementary service.

Conclusion:

The business world is facing with revolutionary changes due to internet and the access to information, communication with all over the globe, sharing of articles; videos and photos have become easy. Traditional media like television, radio, newspaper and magazines has reached decline in distribution. Digital marketing embraces wide range of strategies but it success depend on user-centric and cohesive approach.

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